



SHREVEPORT
Louisiana

Annual Comprehensive Financial Report

AS OF AND FOR THE YEAR
ENDED DECEMBER 31

2022



Annual Comprehensive Financial Report

As of and for the year ended December 31, 2022

Finance Department
Sherricka Fields Jones, Director of Finance

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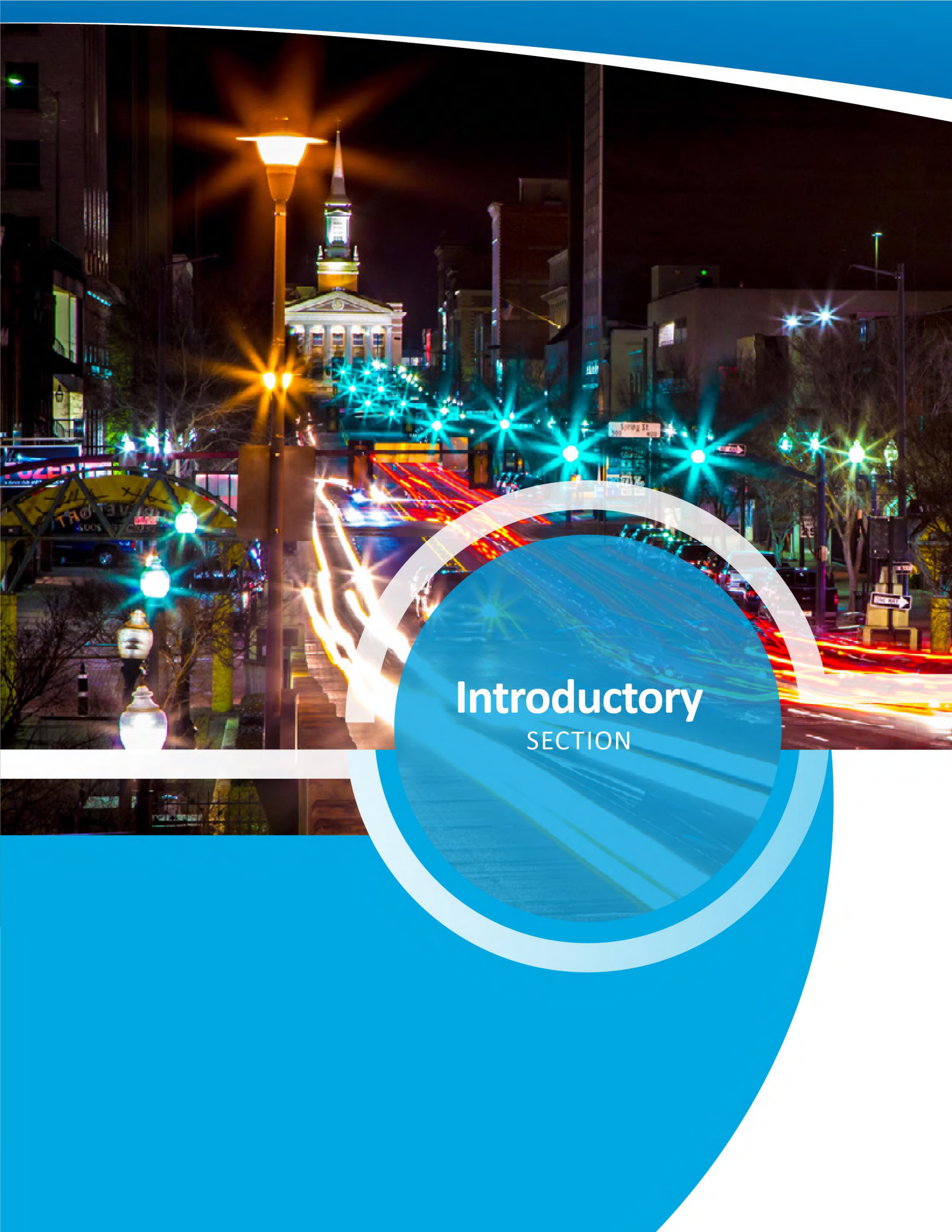
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Introductory

SECTION



CITY OF SHREVEPORT

P.O. BOX 31109 SHREVEPORT, LA 71130 • 505 TRAVIS STREET SHREVEPORT, LA 71101

Website: www.shreveportla.gov

June 30, 2023

Mayor Tom Arceneaux
Members of the City Council
City of Shreveport, Louisiana

Mayor and Members of the City Council:

In accordance with Section 10.02, paragraph (j), of the City Charter, and pursuant to Louisiana State Statutes I am pleased to submit the Comprehensive Annual Financial Report for the year ended December 31, 2022. The financial statements were prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted government auditing standards by a firm of licensed certified public accountants. I believe this report presents comprehensive information about the City's financial and operating activities during 2022 that is useful to taxpayers, citizens, and other interested persons.

This report was prepared by the Accounting Division of the Finance Department and consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Since the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. In addition to internal controls established by management and those built into the accounting system, the Office of Internal Audit periodically reviews the adequacy of internal controls. The Internal Auditor and staff are independent of the Finance Department. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

In accordance with Section 4.28 of the City Charter, the City Council is required to provide for an annual independent audit of the accounts and financial transactions of the City by a firm of independent certified public accountants duly licensed to practice in the State of Louisiana. The accounting firm of Carr, Riggs & Ingram, LLC, was selected by the City Council to conduct its annual audit. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City’s separately issued Single Audit Report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Shreveport

The City of Shreveport was incorporated in 1839. It is located on the west bank of the Red River in Northwest Louisiana, approximately thirty (30) miles south of Arkansas and fifteen (15) miles east of Texas. Shreveport is the seat of Caddo Parish and the center of a metropolitan area that includes Bossier, Caddo, and Webster Parishes. Although located primarily in Caddo Parish, a small portion of the city extends into Bossier Parish. The current area of the city is approximately 123 square miles.

The City of Shreveport has been organized under a mayor-council form of government since 1978, when the current City charter was adopted by the voters. The charter provides for a seven-member council, with each member selected for four-year terms from separate districts of the City. The mayor is elected at-large for a four-year term, is not a member of the council, but has veto power over council action.

The city provides a wide range of services including public safety, highways and streets, sanitation, water and sewer services, airports, transportation, recreational activities, general administration functions, and others.

These financial statements present the City of Shreveport (the primary government) and its component units. The component units are included in the City’s reporting entity because of the significance of their operational or financial relationships with the City. Included as discretely presented component units is the financial data for the Shreveport Home Mortgage Authority, City Courts, City Marshal, Downtown Development Authority, Metropolitan Planning Commission, and Shreve Memorial Library. They are reported separately within the City’s financial statements to emphasize that they are legally separate from the City. Additional information on these legally separate entities can be found in the notes to the financial statements.

Budgetary Control

The annual budget serves as the foundation for the City’s financial planning and control. The City Council is required to adopt the final budgets no later than December 15 each year. Budgets are adopted at the fund, department, and object level. The exception is the Community Development Department where the budget is at the fund, department, division, and object level. Budgetary transfers across department lines or between classes of lump sum appropriations require the approval of the City Council.

In developing and evaluating the accounting system of the city, the Finance Department considers the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and regarding the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the City government is responsible for ensuring that adequate internal controls are in effect. All internal control evaluations occur within the framework described. The Finance Department believes that the internal controls of the City adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

Local Economy

Sales taxes make up the largest part of local revenues. Collections of sales taxes have increased gradually over the years. Sales taxes were 4.5% greater in 2022 than 2021. Expectations are that sales tax revenues for 2023 will be equal or greater than 2022 revenues based on Sales tax revenues being up 4.5% through the end of May 2023. The five-year trend for sales tax has been as follows:

2018	\$123,869,548
2019	\$124,235,262
2020	\$128,120,834
2021	\$149,913,898
2022	\$156,697,181

The Casinos appear to be recovering from the pandemic. Gaming revenue was 13% less in 2022 than in 2021, but 29% greater than 2020, the first pandemic year. It is probable that 2023 casino revenue will be equal to or greater than revenue received in 2022 since revenue is up by 5.7% through the end of May 2023; and the Louisiana Gaming Board reports a 5% increase in gaming revenues in the Shreveport-Bossier area from fiscal year 2021 to fiscal year 2022. The five-year history of gaming revenues is as follows:

2018	\$8,792,004
2019	\$8,312,300
2020	\$5,200,939
2021	\$7,780,770
2022	\$6,724,837

Long-term Financial Planning

A consent decree with the United States Environmental Protection Agency (EPA) and the Louisiana Department of Environmental Quality (DEQ) became effective in May 2014. The consent decree reached between the City and EPA/DOJ requires the City to make various wastewater utility system improvements to reduce sanitary sewer overflows and meet wastewater discharge permit requirements. Work must be completed throughout the city in five phases over a period of 2014 to 2026.

To fund the sewer improvement program, the City Council approved rate increases over a 10-year period from 2013 through 2022. The first of those increases went into effect on October 1, 2013. A 2% increase in sewer rates went into effect on January 1, 2022, the last of the previously approved rate increases. Projects in Phases 1 and 2 areas of the city have been completed. The city is coordinating with regulatory agencies about future phases of the program and associated funding requirements. The result of these discussions will be used as the basis for updating the City's long-term financial plan for its wastewater and water utilities.

Relevant Financial Policies

The final previously approved rate increase of 2% went into effect on January 1, 2022. Increases in Water and Sewer rates will be needed to fund the additional debt required to complete the project required by the consent decree. Debt service coverage will challenge the acquisition of additional funding or debt issuance.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Shreveport for its comprehensive annual financial report for the fiscal year ended December 31, 2021. This was the thirteenth consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. Also, this year we will submit for the Popular Annual Financial Reporting award, which demonstrates a readily accessible and easily understandable financial report to the general public and other interested parties.

Sincere appreciation is expressed to the entire staff in the Finance Department and especially to the professional accounting staff whose dedicated and efficient services have made the preparation of this report possible. I also acknowledge the thorough and professional help in completing the audit from our independent auditors, Carr, Riggs & Ingram, LLC. Thanks to the Mayor and City Council for your support of excellence in financial reporting and fiscal integrity.

Sincerely,



Sherricka Jones
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

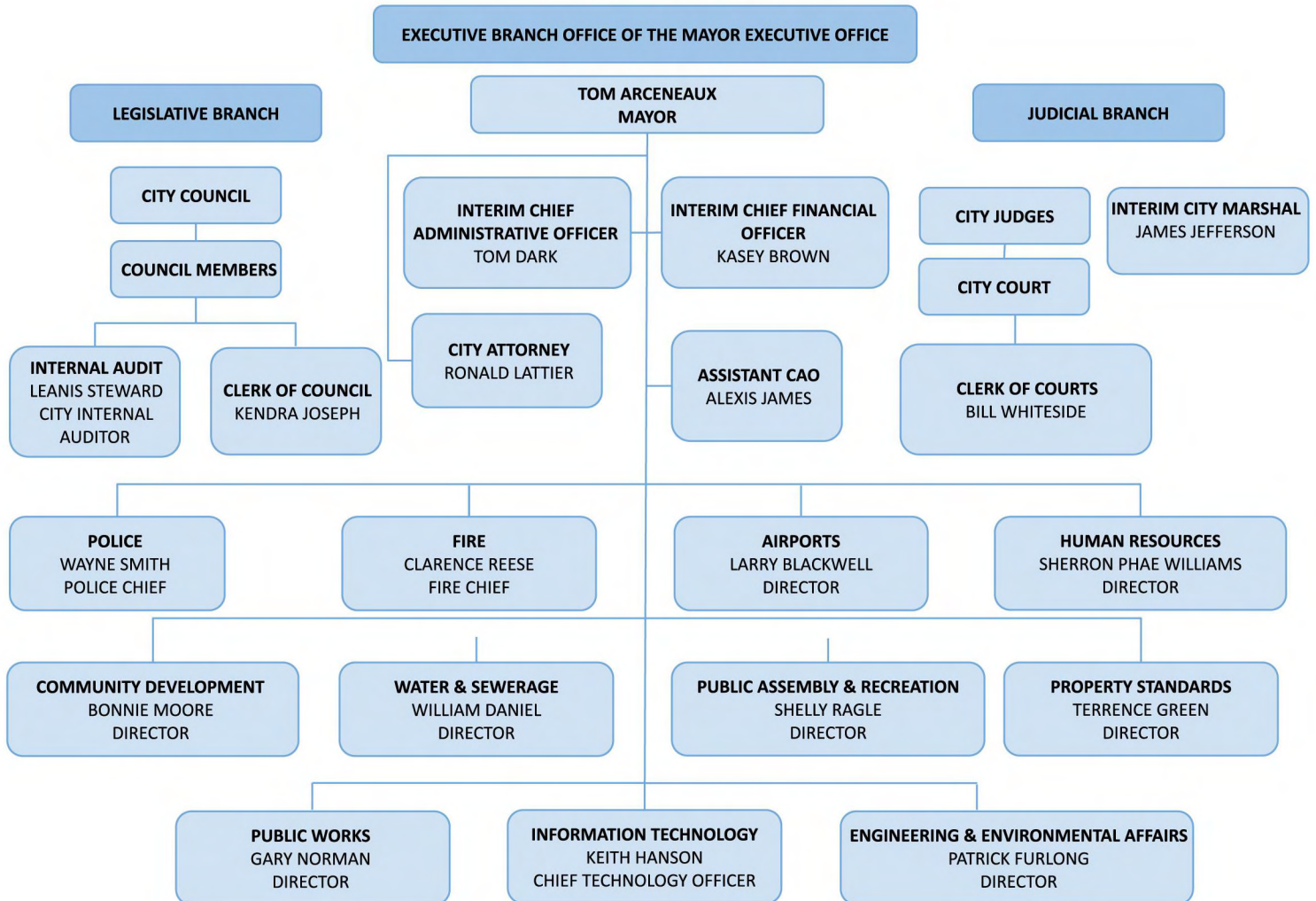
**City of Shreveport
Louisiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

CITY OF SHREVEPORT, LOUISIANA
ORGANIZATION CHART

**CITY OF SHREVEPORT, LOUISIANA
PRINCIPAL OFFICIALS**

Tom Arceneaux
Mayor

Tom Dark
Interim Chief Administrative Officer

Members of City Council

Tabatha Taylor	District A
Gary Brooks	District B
Jim Taliaferro	District C
Grayson Boucher	District D
Alan Jackson	District E
James Green	District F
Ursula Bowman	District G

**CITY OF SHREVEPORT, LOUISIANA
FINANCE DEPARTMENT**Interim Chief Financial Officer

Kasey Brown

Department Deputy Director

Arlene Adger

Division Managers

Vacant

Robert Terry

Renee Anderson

Controller

Revenue Administrator

Interim Purchasing Agent

Accounting Staff

Katherine Allen

Rosalyn Atkins

Shiwanda Brown

Jessica Carper

Dorothy Cole

Barbara Dunn

Ella Francis

Kimberly Horns

Marie LaFontant

Tobi Maiden

Diane Pharr

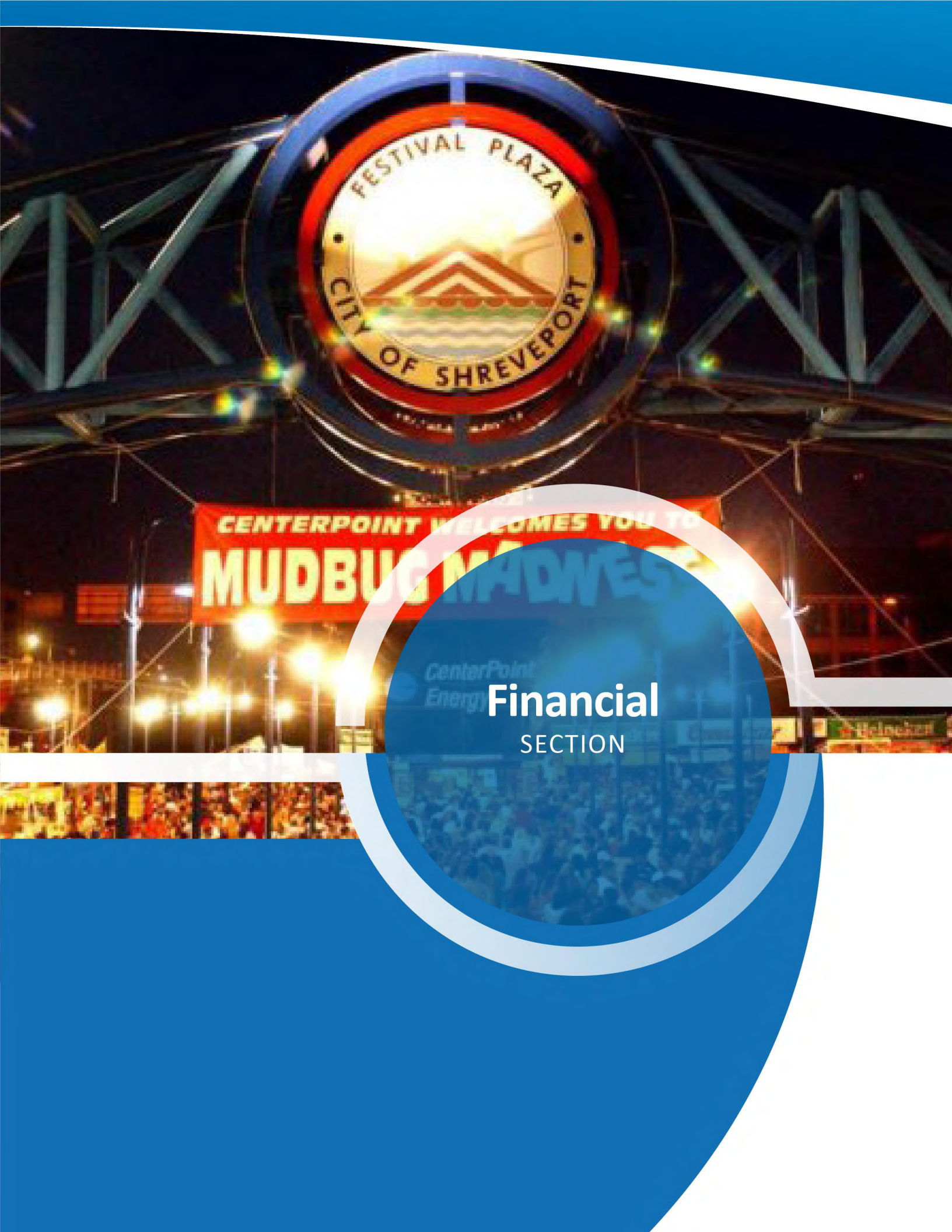
Sara Riser

LaShonda Samuels

Linda Smith

Sharla Wilkerson

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CenterPoint
Energy

Financial

SECTION



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CRIcpa.com

INDEPENDENT AUDITORS' REPORT

Members of the City Council and
Honorable Tom Arceneaux, Mayor
City of Shreveport, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Shreveport, Louisiana (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2022, 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.

We did not audit the financial statements of Downtown Development Authority, City of Shreveport City Court, and Shreveport City Marshal, which represent 13 percent of the assets, 34 percent of the net position, and 23 percent of the revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for Downtown Development Authority, City of Shreveport City Court, and Shreveport City Marshal, are based solely on the report of the other auditors.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City 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.

Change in Accounting Principle

As described in Note I. E. to the financial statements, in 2022, the City adopted new accounting guidance, GASB Statement No. 87, *Leases*. Under this pronouncement, a lessor recognizes lease receivables and deferred inflows of resources for leases that were in effect as of January 1, 2022. 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'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.

Auditors' 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 auditors' report that includes our opinions. 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'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'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 management's discussion and analysis, the budgetary comparison schedules, the Schedule of Changes in the City's Total OPEB Liability and Related Ratios, the Schedule of Changes in Net Pension Liability, the Schedule of Pension Contributions, the Schedule of Employer's Proportionate Share of Net Pension Liability – State and the Schedule of Pension Contributions – State, listed as Required Supplementary Information in the table of contents, 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's basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for nonmajor funds, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, the Justice System Funding Schedule – Receiving Entity As Required by Act 87 of the 2020 Regular Legislative Session, Combining and Individual Fund Statements and Schedules for nonmajor funds and the combining and individual component unit financial statements, 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 by us and other auditors.

In our opinion, based on our audit, and the reports of the other auditors, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for nonmajor funds, Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and the Justice System Funding Schedule – Receiving Entity As Required by Act 87 of the 2020 Regular Legislative Session, Combining and Individual Fund Statements and Schedules for nonmajor funds and the combining and individual component unit financial statements, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

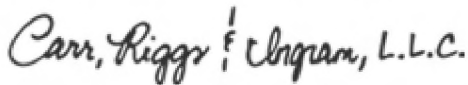
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' 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 June 30, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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'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 the City's internal control over financial reporting and compliance.



Shreveport, Louisiana

June 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Shreveport Finance Department offers readers of these financial statements an overview and analysis of the financial activities of the City of Shreveport for the year ended December 31, 2022. This narrative is designed to assist the reader in focusing on significant financial issues, identify changes in the government's financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) serves as an introduction to the City's basic financial statements which are the government-wide financial statements, fund financial statements, and notes to the financial statements.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2022 by \$246 million (net position). Unrestricted net position is a deficit of \$1.0 billion.
- The City's total net position increased \$69 million. Net position of governmental activities increased \$83 million and net position of business-type activities decreased \$14 million.
- As of December 31, 2022, the City's governmental funds reported combined fund balances of \$215 million, an increase of \$39 million from the prior year.
- The unassigned fund balances for the General Fund represented 20% of total General Fund expenditures.
- The City's total liabilities decreased \$57 million.

Overview of the Financial Statements

Government-wide financial statements. The government-wide financial statements report information about the overall finances of the City similar to a business enterprise. These statements combine and consolidate short-term, spendable resources with capital assets and long-term obligations.

The statement of net position presents information on all of the City's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as net position. The statement is designed to display the financial position of the City. Over time, increases or decreases in net position help determine whether the City's financial position is improving or deteriorating.

The statement of activities provides information which shows how the City's net position changed as a result of the year's activities. The statement uses the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. All of the revenues and expenses are reported regardless of the timing of when cash is received or paid. The statement distinguishes functions of the City that are financed primarily by taxes, intergovernmental revenues, and charges for services (governmental activities) from functions where user fees and charges to customers help to cover all or most of the cost of services (business-type activities). The City's governmental activities include general government, public safety, public works, culture and recreation, health and welfare, community development, economic development, and economic opportunity. The business-type activities of the City include airports, water and sewerage systems, convention center, hotel, transit, golf, solid waste and parking operations.

Not only do the government-wide financial statements include the City itself, which is the primary government, but also its component units: Northwest Louisiana Finance Authority, City Court, City Marshal, Downtown Development Authority, and Shreve Memorial Library. Although these component units are legally separate, their operational or financial relationship with the City makes the City financially accountable.

Fund financial statements. A fund is a grouping of self-balancing related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate fiscal accountability. The City uses governmental, proprietary, and fiduciary fund financial statements to provide more detailed information about the City's most significant funds rather than the City as a whole.

Governmental funds. Governmental funds are used to report most of the City's basic services. The funds focus on the inflows and outflows of current financial resources and the balances of spendable resources available at the end of the year. Governmental fund statements provide a near- or short-term view of the City's operations. A reconciliation is prepared of the governmental funds Balance Sheet to the Statement of Net Position and the Statement of Revenues, Expenditures, and Changes in Fund Balances of governmental funds to the Statement of Activities.

Eighteen governmental funds are used by the City. There are five major funds which have separately presented information in the governmental fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. The major funds are the General Fund, Debt Service, the 2022A General Obligation Bond Fund, the 2014 General Obligation Bond Fund,

MANAGEMENT'S DISCUSSION AND ANALYSIS

and the Community Development Fund. The thirteen nonmajor funds are presented in the aggregate in the governmental fund financial statements. The individual fund information is presented in combining statements.

The City adopts an annual appropriated budget for its general fund and certain special revenue funds. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its airports, water and sewerage, solid waste, convention center, hotel, and other operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its health care and retained risk. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Proprietary fund financial statements provide separate information for the airports, water and sewerage, solid waste, convention center, and hotel operations which are considered to be major funds of the City.

Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for others. Activities from fiduciary funds are not included in the government-wide financial statements because the City cannot use these assets for its operations. The accounting for fiduciary funds is much like that used in proprietary funds.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and postemployment benefits to its employees.

The combining statements for nonmajor governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information on pensions and postemployment benefits.

Government-wide Financial Analysis

Net Position. The following table reflects condensed information on the City's net position:

	Net Position (in millions)								
	Governmental Activities		Business-type Activities		Total		Change		
	2022	2021	2022	2021	2022	2021	Governmental Activities	Business Type Activities	Total
Current and other assets	\$ 270.36	\$ 208.15	\$ 244.29	\$ 288.17	\$ 514.65	\$ 496.32	\$ 62.21	\$ (43.88)	\$ 18.33
Capital assets	572.06	570.51	1,258.77	1,226.23	1,830.83	1,796.74	1.55	32.54	34.09
Total assets	842.42	778.66	1,503.06	1,514.40	2,345.48	2,293.06	63.76	(11.34)	52.42
Deferred outflows of resources	132.68	107.30	19.89	13.42	152.57	120.72	25.38	6.47	31.85
Current liabilities	56.50	37.41	21.93	19.60	78.43	57.01	19.09	2.33	21.42
Long-term liabilities	1,000.13	1,076.39	943.28	946.66	1,943.41	2,023.05	(76.26)	(3.38)	(79.64)
Total liabilities	1,056.63	1,113.80	965.21	966.26	2,021.84	2,080.06	(57.17)	(1.05)	(58.22)
Deferred inflows of resources	210.64	147.79	19.77	9.14	230.41	156.93	62.85	10.63	73.48
Net position									
Net investment in capital assets	437.55	433.13	609.07	622.71	1,046.62	1,055.84	4.42	(13.64)	(9.22)
Restricted	160.42	123.19	-	-	160.42	123.19	37.23	-	37.23
Unrestricted (Deficit)	(890.14)	(931.95)	(71.09)	(70.29)	(961.23)	(1,002.24)	41.81	(0.80)	41.01
Total net position	<u>\$ (292.17)</u>	<u>\$ (375.63)</u>	<u>\$ 537.98</u>	<u>\$ 552.42</u>	<u>\$ 245.81</u>	<u>\$ 176.79</u>	<u>\$ 83.46</u>	<u>\$ (14.44)</u>	<u>\$ 69.02</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

At December 31, 2022, the City, as a whole, had assets and deferred outflows greater than its liabilities by \$246 million compared to \$177 million at December 31, 2021. The majority of the City's net position of governmental activities is invested in capital assets (streets, drainage, construction in progress, buildings, equipment, etc.). The capital assets are net of the outstanding principal of the debt associated with their acquisition. These assets are not available for future spending since they will not be sold. Restrictions are imposed upon \$160 million of the governmental activities net position. These assets are unavailable for general expenses and must be used for the intended purposes. Unrestricted net position of governmental activities is a deficit of \$890 million at the end of the year, a decrease in the deficit from a \$932 million deficit in the prior year. The deficit does not mean that the City has insufficient resources to pay bills for the next year; however, it does show that on a long-term basis, the City has commitments beyond which it has current resources to fund its obligations. The largest of these commitments, besides the general obligation bonds, are certificates of indebtedness which were issued to fund state pension obligations, notes issued for remodeling of the Independence Stadium and the recognition of net pension liability, and other postemployment benefit obligations.

The net position of the City's business-type activities is \$538 million, a decrease of \$14 million from 2021. As with the governmental activities, the majority of the net position is invested in capital assets. The City uses these assets to provide services to the citizens. The unrestricted net position of the business-type activities is a deficit of \$71 million at December 31, 2022 compared to a deficit of \$70 million in the prior year.

Changes in net position. The City's total revenues and expenses for governmental and business-type activities are reflected in the following table:

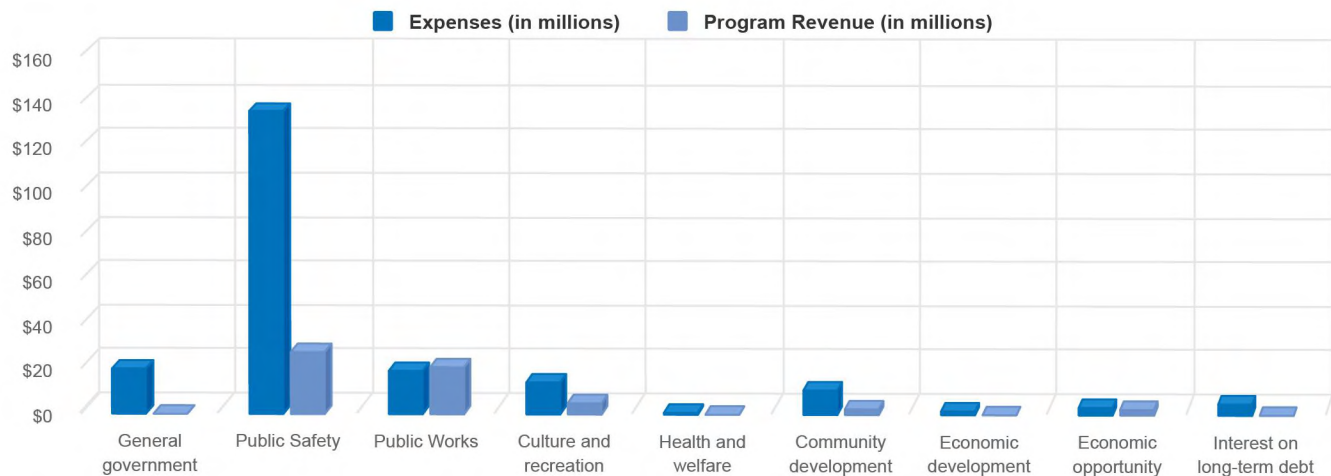
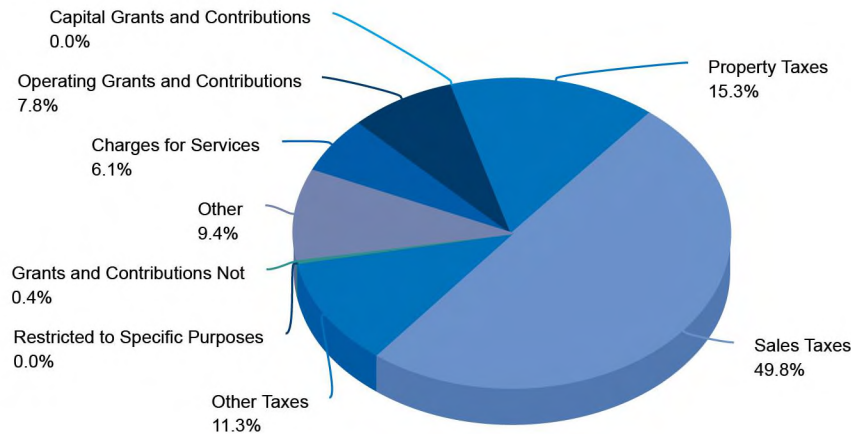
Changes in Net Position (in millions)									
	Governmental Activities		Business-type Activities		Total		Change		
	2022	2021	2022	2021	2022	2021	Governmental	Business	
Revenues:									
Program Revenues:									
Charges for Services	\$ 19.05	\$ 26.68	\$ 144.51	\$ 138.86	\$ 163.56	\$ 165.54	\$ (7.63)	\$ 5.65	
Operating Grants and Contributions	24.66	17.04	12.59	1.39	37.25	18.43	7.62	11.20	
Capital Grants and Contributions	-	-	13.07	14.56	13.07	14.56	-	(1.49)	
Property Taxes	48.09	41.39	-	-	48.09	41.39	6.70	-	
Sales Taxes	156.70	149.91	-	-	156.70	149.91	6.79	-	
Other Taxes	35.41	33.56	-	-	35.41	33.56	1.85	-	
Grants and Contributions Not Restricted to Specific Programs	1.23	1.22	-	-	1.23	1.22	0.01	-	
Other Revenues	29.43	12.51	6.05	3.43	35.48	15.94	16.92	2.62	
Total Revenues	314.57	282.31	176.22	158.24	490.79	440.55	32.26	17.98	
Expenses									
General Government	20.39	54.15	-	-	20.39	54.15	(33.76)	-	
Public Safety	136.20	125.17	-	-	136.20	125.17	11.03	-	
Public Works	19.14	33.62	-	-	19.14	33.62	(14.48)	-	
Culture and Recreation	14.60	23.10	-	-	14.60	23.10	(8.50)	-	
Health and Welfare	0.62	0.30	-	-	0.62	0.30	0.32	-	
Community Development	11.10	11.20	-	-	11.10	11.20	(0.10)	-	
Economic Development	1.72	1.32	-	-	1.72	1.32	0.40	-	
Economic Opportunity	3.09	2.16	-	-	3.09	2.16	0.93	-	
Interest on Long-term Debt	4.92	5.14	-	-	4.92	5.14	(0.22)	-	
Municipal and Regional Airports	-	-	17.76	16.39	17.76	16.39	-	1.37	
Water and Sewerage	-	-	101.57	94.60	101.57	94.60	-	6.97	
Convention Center	-	-	6.76	5.31	6.76	5.31	-	1.45	
Convention Center Hotel	-	-	16.31	12.26	16.31	12.26	-	4.05	
Shreveport Area Transit	-	-	18.19	16.20	18.19	16.20	-	1.99	
Golf	-	-	1.23	0.75	1.23	0.75	-	0.48	
Downtown Parking	-	-	0.35	0.36	0.35	0.36	-	(0.01)	
Solid Waste	-	-	47.94	16.16	47.94	16.16	-	31.78	
Total Expenses	211.78	256.16	210.11	162.03	421.89	418.19	(44.38)	48.08	
Increase (Decrease) in Net Position Before Transfers	102.79	26.15	(33.89)	(3.79)	68.90	22.36	76.64	(30.10)	
Transfers	(19.40)	(7.68)	19.40	7.68	-	-	(11.72)	11.72	
Change in net position	83.39	18.47	(14.49)	3.89	68.90	22.36	64.92	(18.38)	
Net Position-Beginning	(375.62)	(394.10)	552.42	548.54	176.80	154.44	18.48	3.88	
Net Position-Ending	\$ (292.16)	\$ (375.62)	\$ 537.98	\$ 552.42	\$ 245.82	\$ 176.80	\$ 83.46	\$ (14.44)	

MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities. Revenues for the City's governmental activities for the year ended December 31, 2022 were \$315 million compared to \$282 million in the prior year.

- Total program revenues increased \$32.3 million in 2022 compared to 2021 as a result of decreases in charges for services, increases in operating grants and contributions, and increase in sales and property taxes.
- General revenues are, for the most part, comprised of sales and property taxes (65%).
 - Sales taxes represent 49.850% of total governmental revenues at \$157 million compared to \$150 million for 2021.
 - Property tax revenues represent 15.3% at \$48 million.

Revenues by Source - Governmental Activities



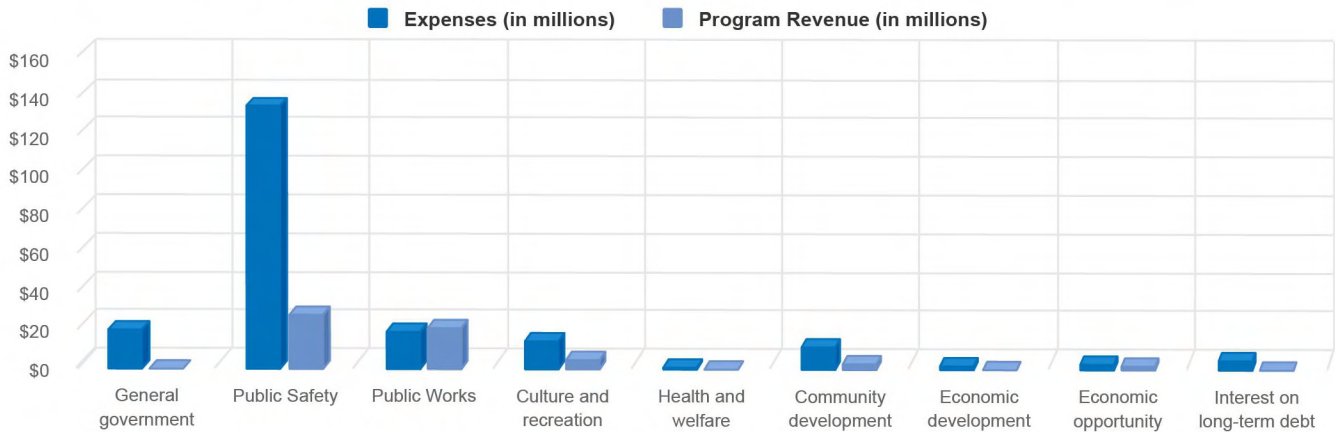
The cost of providing all governmental activities this year was \$212 million, decreased \$44 million from the prior year. The key factors for the decrease were:

- General Government expenditures decreased by \$34 million. The primary driver for this decrease was a \$34 million reduction from the change in the City's Total OPEB liability.
- Public works expenditures decreased by \$14 million since 2021, again primarily due to the decrease in the OPEB liability in 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

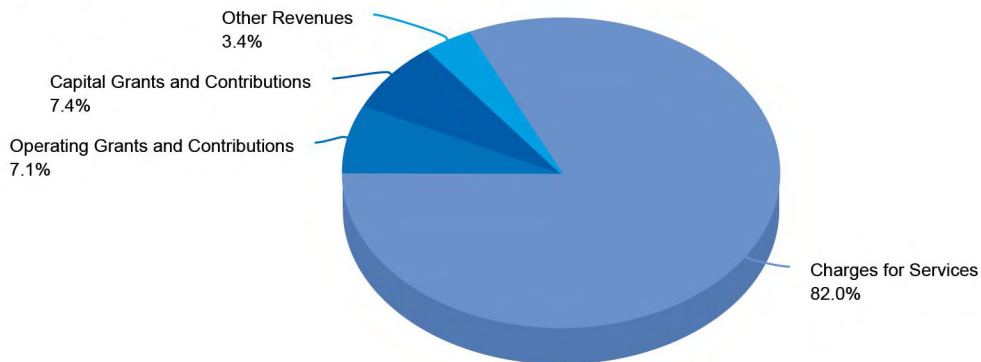
The City's five largest governmental activities are public safety, public works, general government, community development and cultural and recreation. The graph below shows the expenses and program revenues generated by governmental activities:

Expenses and Program Revenues - Governmental Activities

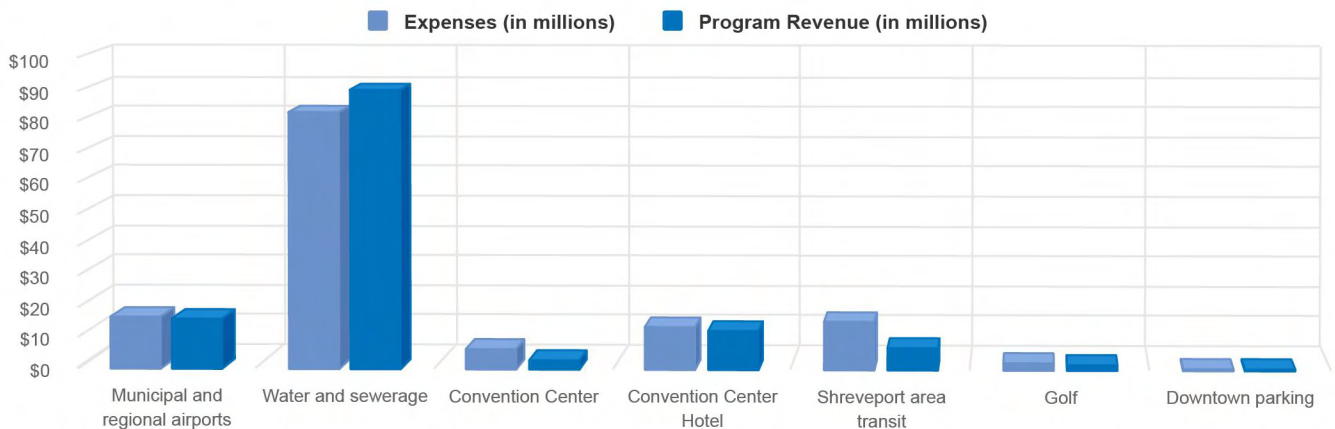


Business-type Activities. Charges for services for the City's business-type activities were \$145 million for 2022, an increase of \$5.65 million from 2021.

Revenues by Source - Governmental Activities



Expenses and Program Revenues - Business-type Activities



The costs of these business-type activities was \$210.11 million for 2022, an increase of \$48.08 million from 2021.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Increase due to more construction activity in water and sewer in 2022.
- Solid Waste experienced a \$31 million increase in costs predominantly caused by the pension and OPEB liabilities in the Solid Waste fund.
- Other funds had small increases and decreases.

Financial Analysis of the City's Funds

Governmental funds. The analysis of governmental funds serves the purpose of looking at what resources came into the funds, how they were spent and what is available for future expenditures. Did the government generate enough revenue to pay for current obligations? What is available for spending at the end of the year? The City's governmental funds for the year ended December 31, 2022 reflect combined fund balances of \$215 million, an increase of \$39 million compared to the prior year. The increase in fund balance was mostly associated with increases in property and sales tax collections, CARES funding and related decreases in costs also tied to the Covid -19 pandemic. There was \$52 million restricted primarily for debt service and \$97.6 million restricted for capital projects. Balances assigned to the future years was \$-0- and \$55 million is unassigned and available for spending.

The General Fund is the City's operating fund which provides most basic services. Its fund balance had a decrease \$15.8 million from the prior year. The major revenue sources are property taxes, sales taxes, and charges for services.

- Sales tax collections increased \$6.8 million from 2021 due to an increase in spending from stimulus packages received.
- Charges for services and intergovernmental revenue increased \$12.5 million from 2021.
- Intergovernmental revenue increased \$7.6 million from 2021 primarily because of CARES funding. The ARPA funding received in 2021 is predominately deferred until expenditures are incurred.

The Debt Service Fund has a total fund balance of \$52 million, which is restricted for payment of principal and interest on debt outstanding. The fund balance for 2022 remained essentially consistent from 2021.

The Community Development Fund has a total fund balance (deficit) of (\$2.4 million) compared to the fund balance (deficit) of (\$2.2 million) from 2021. The increase is a result of additional expenditures for economic opportunities and health and welfare in 2022.

The 2022A General Obligation Bond fund is a result of the Series 2022A General Obligation Bond issuance in the current year. The fund balance was \$42.5 million at the end of the calendar year.

Proprietary funds. The proprietary funds had an decrease in net position of \$14.5 million. The Municipal and Regional Airport received capital contributions. Water and Sewerage's net position increased \$6.1 million. The Solid Waste Fund was created in 2019 and ended the year with a net position (deficit) of \$39.9 million, predominantly due to the changes in Solid Waste OPEB and pension liabilities.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets as of December 31, 2022, for its governmental and business-type activities was \$1.8 billion, net of depreciation, as reflected in the following schedule.

Capital Assets (net of depreciation in millions)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 113.73	\$ 112.20	\$ 51.79	\$ 51.79	\$ 165.52	\$ 163.99
Construction in progress	6.61	6.62	162.70	273.55	169.31	280.17
Buildings	116.58	110.77	126.39	130.65	242.97	241.42
Improvement other than buildings	47.35	45.68	56.71	57.69	104.06	103.37
Equipment	20.17	18.48	27.18	18.91	47.35	37.39
Distribution and collection systems	-	-	833.99	693.64	833.99	693.64
Infrastructure	267.62	276.77	-	-	267.62	276.77
Total	<u>\$ 572.06</u>	<u>\$ 570.52</u>	<u>\$ 1,258.76</u>	<u>\$ 1,226.23</u>	<u>\$ 1,830.82</u>	<u>\$ 1,796.75</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Major additions to capital assets during the current year included the following (in millions):

Asset	Amount
Sanitary Sewer Assessment-Phase 2	\$ 122.6
Sanitary Sewer Assessment-Phase 3	14.4
Lucas % North Regional WWTP Improvements	14.4
Stoner Force Main Replacement	9.3
Millennium Studio Project Building	6.0
Taxiway B - Phase III East/Gate Ramp Rehab	3.5
Fire Station # 8 Greenwood Road	3.0
Terminal & Concourse Modern - SHV	2.2
Linwood Avenue Reconstruction Phase I	1.4
	<u>\$ 176.8</u>

Construction commitments

The government has approximately \$3.5 million in active major construction projects as of December 31, 2022 (see list below):

Project Number	Project Description	Remaining Commitment	Financing Sources
F20001	Citywide Sewer Infrastructure	\$ 1,688,786	Multiple Water & Sewer Revenue Bonds
F10001	Sewer Survey & Master Plan	\$ 1,230,428	Multiple Water & Sewer Revenue Bonds
E14004	Amiss WTP Ozone Improvements	\$ 650,888	2014B&C W&S Revenue Bonds

For further information, refer to Note E in the notes to the financial statements.

Long-term debt. At year end, the City had \$998.14 million in bonds and other lending agreements, including \$142 thousand in Section 108 Housing and Urban Development guaranteed loans as shown in the following table.

Outstanding Debt General Obligation and Revenue Bonds and Other Lending Agreements (in millions)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 169.67	\$ 133.47	\$ -	\$ -	\$ 169.67	\$ 133.47
Revenue bonds	5.36	5.58	798.90	826.94	804.26	832.52
Other lending agreements	19.30	25.91	4.92	4.70	24.22	30.61
Total	<u>\$ 194.32</u>	<u>\$ 164.96</u>	<u>\$ 803.82</u>	<u>\$ 831.64</u>	<u>\$ 998.14</u>	<u>\$ 996.60</u>

State statutes limit the amount of government obligation debt a municipality may issue at a maximum of 10% of the assessed valuation for any purpose. The maximum may be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation. The City's outstanding general obligation debt is below the state limit. Approximately \$423 million of additional general obligation bonded debt is available for issuance.

For further information, refer to Note H in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The pandemic declaration ended in May of 2023 and 2022 year-end economic activity appeared to be returning to pre-pandemic levels. The 2022 Shreveport MSA unemployment is 4.2%, a significant decrease from 7.1% during the height of the pandemic. Sales taxes for 2022 were 5% greater than 2021. Sales tax collections through May 2023 are up 4.8% over the same period in 2022; and are expected to remain up through the balance of the year. Gaming revenues, which were non-existent for several months during the pandemic shutdown, rebounded in 2022. Through May 2023, City collections from gaming revenues are 5% greater than 2022. Hotel occupancy taxes in 2022 were \$.5 million more than 2021, an 11% increase. The City's budget for 2023 compared to 2022 was mostly unchanged. Despite the fluctuations in revenues, the City has maintained its services to citizens at expected levels in all basic service areas. As the City finalizes its budget for 2024, the amounts and trends of all revenues will be taken into consideration when budgeting costs.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City of Shreveport, 505 Travis Street, Suite 670, Shreveport, Louisiana 71101.

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Basic Financial Statements



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CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 125,997,658	\$ 76,060,309	\$ 202,057,967	\$ 19,360,294
Investments	54,302,581	3,235,619	57,538,200	881,653
Interest receivable	54,500	-	54,500	-
Receivables, net	22,475,057	16,847,389	39,322,446	16,296,717
Due from other governments	25,696,988	16,611,854	42,308,842	-
Due from primary government	-	-	-	354,119
Internal balances	31,756,037	(31,756,037)	-	-
Inventories	1,899,325	5,206,494	7,105,819	-
Prepaid items	1,961,207	290,871	2,252,078	74,699
Notes receivable	4,177,268	-	4,177,268	-
Other assets	196,066	-	196,066	159,496
Restricted assets:				
Cash and cash equivalents	-	152,988,713	152,988,713	-
Investments	1,847,736	2,184,303	4,032,039	-
Prepaid items	-	2,625,373	2,625,373	-
Capital assets:				
Land and construction in progress	120,348,767	214,496,446	334,845,213	6,733,972
Other capital assets, net of depreciation	451,714,878	1,044,270,256	1,495,985,134	27,498,099
Total assets	<u>842,428,068</u>	<u>1,503,061,590</u>	<u>2,345,489,658</u>	<u>71,359,049</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	1,644,774	5,244,297	6,889,071	-
Deferred outflows for pensions	82,763,325	9,883,903	92,647,228	3,143,016
Deferred outflows for OPEB	48,271,752	4,763,171	53,034,923	1,637,340
Total deferred outflows of resources	<u>132,679,851</u>	<u>19,891,371</u>	<u>152,571,222</u>	<u>4,780,356</u>
LIABILITIES				
Accounts payable	9,041,791	13,197,199	22,238,990	195,530
Accrued liabilities	2,601,154	3,658,205	6,259,359	272,667
Accrued interest payable	903,562	3,344,146	4,247,708	-
Due to other governments	680,970	-	680,970	58,595
Due to component unit	-	-	-	-
Unearned revenue	41,272,625	336,108	41,608,733	-
Deposits and other	1,996,411	1,390,096	3,386,507	-
Non-current liabilities:				
Due within one year	37,560,639	30,874,156	68,434,795	559,055
Due in more than one year	962,571,158	912,408,993	1,874,980,151	42,434,007
Total liabilities	<u>1,056,628,310</u>	<u>965,208,903</u>	<u>2,021,837,213</u>	<u>43,519,854</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows on leases	2,830,170	960,738	3,790,908	-
Deferred inflows on bond refunding	4,807,441	-	4,807,441	733,867
Deferred inflows for pensions	13,315,047	89,226	13,404,273	28,373
Deferred inflows for OPEB	189,683,619	18,716,853	208,400,472	6,433,919
Total deferred inflows of resources	<u>210,636,277</u>	<u>19,766,817</u>	<u>230,403,094</u>	<u>7,196,159</u>
NET POSITION				
Net investment in capital assets	437,550,559	609,071,567	1,046,622,126	34,006,264
Restricted for:				
Capital projects	97,654,450	-	97,654,450	-
Debt service	51,781,574	-	51,781,574	18,494
Community development	-	-	-	-
Streets	4,010,667	-	4,010,667	-
Enrichment	1,336,456	-	1,336,456	-
Downtown entertainment economic development	-	-	-	-
Environmental grants	1,000,782	-	1,000,782	-
Other purposes	4,648,666	-	4,648,666	418,344
Unrestricted (deficit)	(890,139,822)	(71,094,326)	(961,234,148)	(9,019,710)
Total net position (deficit)	<u>\$ (292,156,668)</u>	<u>\$ 537,977,241</u>	<u>\$ 245,820,573</u>	<u>\$ 25,423,392</u>

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

**CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 20,390,343	\$-	\$-	\$-
Public safety	136,197,294	1,857,273	10,303,151	-
Public works	19,141,669	15,006,553	694,000	-
Culture and recreation	14,598,712	2,184,012	2,005,400	-
Health and welfare	616,193	-	-	-
Community development	11,102,991	-	6,792,520	-
Economic development	1,719,739	-	2,895,637	-
Economic opportunity	3,087,622	-	1,969,585	-
Interest on long-term debt	4,915,780	-	-	-
Total governmental activities	211,770,343	19,047,838	24,660,293	-
Business-type activities:				
Municipal and Regional Airports	17,764,174	12,208,192	-	9,601,702
Water and Sewerage	101,569,462	101,609,335	-	-
Convention Center	6,762,631	2,720,625	-	-
Convention Center Hotel	16,306,789	13,261,591	-	-
Shreveport Area Transit System	18,189,637	6,067	12,588,352	3,463,440
Golf	1,234,102	2,189,048	-	-
Downtown Parking	350,342	453,504	-	-
Solid Waste	47,940,882	12,059,334	-	-
Total business-type activities	210,118,019	144,507,696	12,588,352	13,065,142
Total primary government	\$ 421,888,362	\$ 163,555,534	\$ 37,248,645	\$ 13,065,142
Component units:				
Northwest Louisiana Finance Authority	\$ 63,996	\$-	\$-	\$-
City Court	576,554	433,517	12,805	-
City Marshal	3,481,703	897,943	2,542,416	-
Downtown Development Authority	1,365,662	650,530	175,000	-
Shreve Memorial Library	13,665,904	321,609	-	-
Total component units	\$ 19,153,819	\$ 2,303,599	\$ 2,730,221	\$-
General Revenues:				
Taxes:				
Property taxes levied for general purposes				
Property taxes levied for debt service				
Sales taxes				
Franchise taxes				
Occupational licenses				
Gaming				
Grants and contributions not restricted to specific programs				
Investment earnings				
Payment from City of Shreveport				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in Net Position				
Net position (deficit) - beginning				
Prior period adjustment				
Net position (deficit) - beginning, restated				
Net position (deficit) - ending				

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

(continued)

Net (Expenses) Revenue and Changes in Net Position				
Primary Government				
Governmental Activities	Business-type Activities	Total	Component Units	
\$ (20,390,343)	\$-	\$ (20,390,343)	\$-	
(124,036,870)	-	(124,036,870)	-	
(3,441,116)	-	(3,441,116)	-	
(10,409,300)	-	(10,409,300)	-	
(616,193)	-	(616,193)	-	
(4,310,471)	-	(4,310,471)	-	
1,175,898	-	1,175,898	-	
(1,118,037)	-	(1,118,037)	-	
(4,915,780)	-	(4,915,780)	-	
(168,062,212)	-	(168,062,212)	-	
-	4,045,720	4,045,720	-	
-	39,873	39,873	-	
-	(4,042,006)	(4,042,006)	-	
-	(3,045,198)	(3,045,198)	-	
-	(2,131,778)	(2,131,778)	-	
-	954,946	954,946	-	
-	103,162	103,162	-	
-	(35,881,548)	(35,881,548)	-	
-	(39,956,829)	(39,956,829)	-	
\$ (168,062,212)	\$ (39,956,829)	\$ (208,019,041)	\$-	
\$-	\$-	\$-	\$ (63,996)	
-	-	-	(130,232)	
-	-	-	(41,344)	
-	-	-	(540,132)	
-	-	-	(13,344,295)	
\$-	\$-	\$-	\$ (14,119,999)	
\$ 29,418,588	\$-	\$ 29,418,588	\$ 18,022,347	
18,673,343	-	18,673,343	-	
156,697,181	-	156,697,181	-	
21,044,688	-	21,044,688	-	
7,657,847	-	7,657,847	-	
6,708,542	-	6,708,542	-	
1,232,114	-	1,232,114	-	
680,392	1,681,288	2,361,680	(43,763)	
-	-	-	-	
28,751,223	4,365,667	33,116,890	736,526	
(19,402,733)	19,402,733	-	-	
251,461,185	25,449,688	276,910,873	18,715,110	
83,398,973	(14,507,141)	68,891,832	4,595,111	
(375,624,047)	552,424,394	176,800,347	20,828,281	
68,406	59,988	128,394	-	
(375,555,641)	552,484,382	176,928,741	20,828,281	
\$ (292,156,668)	\$ 537,977,241	\$ 245,820,573	\$ 25,423,392	

(concluded)

**CITY OF SHREVEPORT, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Debt Service	2022A General Obligation Bonds	2014 General Obligation Bonds	Community Development	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 72,986,845	\$ 2,745,447	\$ -	\$ 8,512,236	\$ 200	\$ 41,752,944	\$ 125,997,672
Investments	-	420,156	-	-	-	-	420,156
Property taxes receivable, net	4,557,395	2,899,779	-	-	-	-	7,457,174
Franchise taxes receivable	2,488,792	-	-	-	-	-	2,488,792
Accounts receivable, net	2,562,132	-	-	-	52,192	2,670,210	5,284,534
Lease receivable	322,280	-	-	-	-	2,503,451	2,825,731
Due from other governments	19,086,265	18,104	-	-	2,982,302	3,610,317	25,696,988
Due from other funds	484,966	46,273,895	-	10,746,450	600	202,476	57,708,387
Inventories	1,899,325	-	-	-	-	-	1,899,325
Notes receivable, net	-	-	-	-	4,177,268	-	4,177,268
Assets held for resale	-	-	-	-	-	196,066	196,066
Restricted assets	1,847,736	-	42,590,495	-	-	-	44,438,231
Total assets	<u>\$ 106,235,736</u>	<u>\$ 52,357,381</u>	<u>\$ 42,590,495</u>	<u>\$ 19,258,686</u>	<u>\$ 7,212,562</u>	<u>\$ 50,935,464</u>	<u>\$ 278,590,324</u>
LIABILITIES							
Liabilities:							
Accounts payable	\$ 3,000,742	\$ -	\$ 263	\$ 33,751	\$ 2,169,694	\$ 3,158,346	\$ 8,362,796
Accrued liabilities	2,601,154	-	-	-	-	-	2,601,154
Due to other governments	605,730	-	-	-	-	741,060	1,346,790
Due to other funds	33,614	-	-	-	3,099,079	74,670	3,207,363
Unearned revenue	36,968,117	-	-	-	4,229,838	75,240	41,273,195
Deposits and other	1,984,595	-	-	-	-	-	1,984,595
Notes payable	-	-	-	-	142,000	-	142,000
Items held in escrow	-	-	-	-	11,816	-	11,816
Total liabilities	<u>45,193,952</u>	<u>-</u>	<u>263</u>	<u>33,751</u>	<u>9,652,427</u>	<u>4,049,316</u>	<u>58,929,709</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue-property taxes	902,901	575,807	-	-	-	-	1,478,708
Lease revenue	360,259	-	-	-	-	2,469,911	2,830,170
Total deferred inflows of resources	<u>1,263,160</u>	<u>575,807</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,469,911</u>	<u>4,308,878</u>
FUND BALANCES							
Nonspendable:							
Inventories	1,899,305	-	-	-	-	-	1,899,305
Endowments	13,171	-	-	-	-	-	13,171
Restricted for:							
Debt service	-	51,781,574	-	-	-	-	51,781,574
Community development	-	-	-	-	-	-	-
Streets	-	-	-	-	-	4,010,667	4,010,667
Capital projects	-	-	42,590,232	19,224,935	-	35,839,283	97,654,450
Other purposes	-	-	-	-	-	4,648,666	4,648,666
Assigned	15,975,768	-	-	-	6,266,256	-	22,242,024
Unassigned	41,890,380	-	-	-	(8,706,121)	(82,379)	33,101,880
Total fund balance	<u>59,778,624</u>	<u>51,781,574</u>	<u>42,590,232</u>	<u>19,224,935</u>	<u>(2,439,865)</u>	<u>44,416,237</u>	<u>215,351,737</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 106,235,736</u>	<u>\$ 52,357,381</u>	<u>\$ 42,590,495</u>	<u>\$ 19,258,686</u>	<u>\$ 7,212,562</u>	<u>\$ 50,935,464</u>	<u>\$ 278,590,324</u>

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

CITY OF SHREVEPORT, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2022

Fund balances - total governmental funds		\$ 215,351,737
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	1,137,197,888	
Less accumulated depreciation	<u>(565,134,243)</u>	572,063,645
Some of the City's property taxes will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the governmental funds.		1,478,707
Receivables that are not financial resources and therefore are not reported in the governmental funds		783,245
Long-term liabilities including bonds payable are not due and payable in the current period and therefore are not reported in the governmental funds. Long-term liabilities at year-end consist of:		
Bonds, notes, and loans payable	(179,123,765)	
Unamortized bond discount	90,418	
Deferred outflow charge on refunding	1,644,774	
Deferred inflow charge on refunding	(4,807,441)	
Unamortized bond premium	(9,633,248)	
Accrued interest payable	(903,562)	
Compensated absences	<u>(8,139,151)</u>	(200,871,975)
Net pension liability and deferred inflows and outflows for pensions		(299,760,849)
Total OPEB liability and deferred inflows for OPEB		(522,529,151)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities.		<u>(58,672,027)</u>
Net position (deficit) of governmental activities.		<u>\$ (292,156,668)</u>

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	General	Debt Service	2022A General Obligation Bonds	2014 General Obligation Bonds	Community Development	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes:							
Property	\$ 28,554,674	\$ 18,673,342	\$ -	\$ -	\$ -	\$ -	\$ 47,228,016
Sales	156,697,181	-	-	-	-	-	156,697,181
Franchise	11,904,260	-	-	-	-	9,140,428	21,044,688
Licenses and permits	10,816,746	-	-	-	-	-	10,816,746
Intergovernmental	16,794,594	2,061,699	-	-	10,903,945	3,250,854	33,011,092
Charges for services	26,504,936	-	-	-	-	-	26,504,936
Fines and forfeitures	1,490,478	-	-	-	-	-	1,490,478
Gaming	-	-	-	-	-	6,708,541	6,708,541
Investment earnings	(35,092)	(23,898)	342,705	197,953	5,074	(4,407)	482,335
Miscellaneous	5,385,274	-	-	-	753,797	5,490,388	11,629,459
Total revenues	<u>258,113,051</u>	<u>20,711,143</u>	<u>342,705</u>	<u>197,953</u>	<u>11,662,816</u>	<u>24,585,804</u>	<u>315,613,472</u>
EXPENDITURES							
Current:							
General government	54,685,933	379,366	-	-	-	1,778,423	56,843,722
Public safety	136,749,723	-	-	-	-	3,146,185	139,895,908
Public works	25,102,839	-	263	-	-	-	25,103,102
Culture and recreation	23,984,762	-	-	-	10,000	42,699	24,037,461
Health and welfare	-	-	-	-	608,214	144,484	752,698
Community development	-	-	-	-	10,965,785	-	10,965,785
Economic development	-	-	-	-	-	-	-
Economic opportunity	-	-	-	-	3,087,622	1,719,738	4,807,360
Debt service:							
Principal	1,938,272	9,910,000	-	-	-	-	11,848,272
Interest and other charges	196,004	6,653,759	-	-	-	-	6,849,763
Bond issuance costs	-	639,326	627,267	-	-	-	1,266,593
Capital outlay	-	-	-	3,497	-	18,804,254	18,807,751
Total expenditures	<u>242,657,533</u>	<u>17,582,451</u>	<u>627,530</u>	<u>3,497</u>	<u>14,671,621</u>	<u>25,635,783</u>	<u>301,178,415</u>
Excess (deficiency) of revenues over (under) expenditures	15,455,518	3,128,692	(284,825)	194,456	(3,008,805)	(1,049,979)	14,435,057
OTHER FINANCING SOURCES (USES)							
Transfers in	9,362,900	-	-	-	2,727,750	26,837,481	38,928,131
Transfers out	(40,694,905)	-	-	(1,229,584)	-	(15,638,250)	(57,562,739)
Bonds issued	-	50,140,000	41,749,999	-	-	-	91,889,999
Premium on bonds issued	-	-	1,125,058	-	-	-	1,125,058
Total other financing sources and (uses)	<u>(31,332,005)</u>	<u>627,326</u>	<u>42,875,057</u>	<u>(1,229,584)</u>	<u>2,727,750</u>	<u>11,199,231</u>	<u>24,867,775</u>
Net change in fund balances	<u>(15,876,487)</u>	<u>3,756,018</u>	<u>42,590,232</u>	<u>(1,035,128)</u>	<u>(281,055)</u>	<u>10,149,252</u>	<u>39,302,832</u>
Fund balances-beginning	<u>75,619,524</u>	<u>48,025,556</u>	<u>-</u>	<u>20,260,063</u>	<u>(2,158,810)</u>	<u>34,196,302</u>	<u>175,942,635</u>
Prior period adjustments	<u>35,587</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,683</u>	<u>106,270</u>
Fund balances-beginning - as restated, see Note IV. G.	<u>75,655,111</u>	<u>48,025,556</u>	<u>-</u>	<u>20,260,063</u>	<u>(2,158,810)</u>	<u>34,266,985</u>	<u>176,048,905</u>
Fund balances-ending	<u>\$ 59,778,624</u>	<u>\$ 51,781,574</u>	<u>\$ 42,590,232</u>	<u>\$ 19,224,935</u>	<u>\$ (2,439,865)</u>	<u>\$ 44,416,237</u>	<u>\$ 215,351,737</u>

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

CITY OF SHREVEPORT, 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 DECEMBER 31, 2022

Net change in fund balances - total funds \$ 39,302,832

Amounts reported for governmental activities in the Statement of Activities are different because: Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	25,843,962	
Disposals	(2,717,706)	
Depreciation expense	<u>(22,377,579)</u>	748,677

Revenues reported in the Statement of Activities which are not reported in governmental funds because they do not provide current financial resources. This adjustment is to recognize the net change in unavailable revenues.

Property taxes		863,913
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The detail of these differences in the treatment of long-term debt and related items is as follows:

Principal payments		11,848,272
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The changes in other long-term assets and liabilities are reported in the Statement of Activities but do not affect current financial resources of governmental funds. The changes are as follows:

Net pension liability and deferred inflows and outflows for pensions	7,889,667	
Total OPEB liability and deferred inflows and outflows for OPEB	<u>61,942,589</u>	69,832,256

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These expenses consist of:

Amortization of deferred outflow charge on refunding	(191,644)	
Amortization of deferred inflow charge on refunding	(3,492,054)	
Increase in bond premium	(1,125,058)	
Amortization of certificate of indebtedness premium	218,518	
Amortization of bond premiums	7,026,320	
Decrease in accrued interest	1,501,965	
Increase in other bond items	(43,625,891)	
Decrease in compensated absences	<u>981,358</u>	(38,706,486)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The change in net position of the internal service funds is reported with governmental activities.

Change in net position of governmental activities.		<u><u>\$ 83,398,973</u></u>
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The accompanying notes are an integral part of the financial statements.

**CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022**

	Business-type Activities Enterprise Funds							Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Solid Waste	Convention Center	Convention Center Hotel	Other Enterprise Funds	Total	
ASSETS								
Current Assets:								
Cash and cash equivalents	\$ 11,606,548	\$ 61,014,395	\$ -	\$ 862,430	\$ -	\$ 2,576,936	\$ 76,060,309	\$ (15)
Investments	-	-	3,235,618	-	-	-	3,235,618	11,291,930
Receivables, net	936,508	10,774,250	1,742,476	1,486,117	405,465	490,542	15,835,358	3,635,583
Interest receivable	-	-	-	-	-	-	-	54,500
Lease receivable	1,012,033	-	-	-	-	-	1,012,033	-
Due from other funds	-	33,614	-	-	-	-	33,614	-
Due from other governments	3,824,856	-	-	-	-	12,786,997	16,611,853	-
Inventories	61,601	3,652,197	-	64,577	123,361	1,304,759	5,206,495	-
Prepaid items	-	-	-	10,259	160,861	119,751	290,871	1,961,207
Total current assets	17,441,546	75,474,456	4,978,094	2,423,383	689,687	17,278,985	118,286,151	16,943,205
Noncurrent Assets:								
Restricted:								
Cash and cash equivalents	4,122,194	148,287,826	-	-	578,686	-	152,988,706	-
Investments	-	2,184,303	-	-	-	-	2,184,303	-
Prepaid items	127,871	2,497,502	-	-	-	-	2,625,373	-
Total restricted assets	4,250,065	152,969,631	-	-	578,686	-	157,798,382	-
Capital Assets:								
Land	37,627,729	996,201	6,652,516	6,147,743	-	368,877	51,793,066	-
Buildings	75,250,535	-	59,219	88,822,703	46,534,826	14,835,063	225,502,346	-
Improvements other than buildings	149,738,985	-	768,705	3,553,819	1,144,300	1,495,908	156,701,717	-
Equipment	8,515,960	22,040,473	12,240,229	8,168,114	9,803,936	32,066,430	92,835,142	-
Distribution and collection systems	-	1,208,945,494	-	-	-	-	1,208,945,494	-
Construction in progress	12,264,143	147,309,286	-	-	-	3,129,951	162,703,380	-
Less accumulated depreciation	(150,663,675)	(393,656,492)	(9,073,537)	(41,094,876)	(22,547,571)	(22,678,296)	(639,714,447)	-
Total capital assets, net of accumulated depreciation	132,733,677	985,634,962	10,647,132	65,597,503	34,935,491	29,217,933	1,258,766,698	-
Total noncurrent assets	136,983,742	1,138,604,593	10,647,132	65,597,503	35,514,177	29,217,933	1,416,565,080	-
Total assets	154,425,288	1,214,079,049	15,625,226	68,020,886	36,203,864	46,496,918	1,534,851,231	16,943,205
DEFERRED OUTFLOWS OF RESOURCES								
Deferred amount on refunding	2,426,608	1,524,567	-	-	1,293,122	-	5,244,297	-
Deferred outflow OPEB	714,476	3,066,291	2,213,028	-	-	104,195	6,097,990	-
Deferred pension	1,292,719	6,221,070	878,209	-	-	157,086	8,549,084	-
Total deferred outflows of resources	\$ 4,433,803	\$ 10,811,928	\$ 3,091,237	\$ -	\$ 1,293,122	\$ 261,281	\$ 19,891,371	\$ -

(continued)

**CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Business-type Activities Enterprise Funds							Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Solid Waste	Convention Center	Convention Center Hotel	Other Enterprise Funds	Total	
LIABILITIES								
Current Liabilities:								
Accounts payable	\$ 672,322	\$ 7,622,864	\$ 1,663,899	\$ 1,394,446	\$ 699,009	\$ 1,150,060	\$ 13,202,600	\$ 672,197
Accrued liabilities	466,688	2,160,904	102,974	147,387	419,071	361,171	3,658,195	-
Accrued interest payable	488,946	2,522,851	-	-	332,349	-	3,344,146	-
Due to other funds	-	-	13,014,846	-	10,746,449	8,028,355	31,789,650	22,078,598
Unearned revenue	105,805	-	-	-	-	230,303	336,108	-
Customer deposits	169,445	977,747	-	207,374	35,530	-	1,390,096	-
Compensated absences	105,997	472,431	113,544	-	-	252,238	944,210	16,145
Claims and judgments	-	-	-	-	-	-	-	52,841,495
Leases payable	-	296,261	636,441	-	-	-	932,702	-
Revenue bonds and notes payable, net	2,020,000	22,230,999	-	-	1,959,500	-	26,210,499	-
Total current liabilities	4,029,203	36,284,057	15,531,704	1,749,207	14,191,908	10,022,127	81,808,206	75,608,435
Noncurrent Liabilities:								
Leases payable	-	918,377	1,969,541	-	-	-	2,887,918	-
Compensated absences	81,765	214,740	114,960	-	-	11,381	422,846	6,799
Landfill closure	-	-	10,436,157	-	-	-	10,436,157	-
Total OPEB liability	5,640,959	24,209,115	6,933,679	-	-	822,640	37,606,393	-
Net pension liability	11,777,382	56,677,419	20,161,920	-	-	1,431,140	90,047,861	-
Revenue bonds and notes payable, net	19,374,526	725,388,687	-	-	29,025,952	-	773,789,165	-
Total noncurrent liabilities	36,874,632	807,408,338	39,616,257	-	29,025,952	2,265,161	915,190,340	6,799
Total liabilities	40,903,835	843,692,395	55,147,961	1,749,207	43,217,860	12,287,288	996,998,546	75,615,234
DEFERRED INFLOWS OF RESOURCES								
Deferred lease rent	960,738	-	-	-	-	-	960,738	-
Deferred OPEB	2,807,528	12,048,976	3,450,920	-	-	409,430	18,716,854	-
Deferred pensions	11,670	56,160	19,978	-	-	1,418	89,226	-
Total deferred inflows of resources	3,779,936	12,105,136	3,470,898	-	-	410,848	19,766,818	-
NET POSITION (DEFICIT)								
Net investment in capital assets	113,775,760	383,535,937	11,276,769	65,597,503	5,667,665	29,217,933	609,071,567	-
Restricted for debt service	3,960,404	-	-	-	-	-	3,960,404	-
Unrestricted (deficit)	(3,560,844)	(14,442,491)	(51,179,165)	674,176	(11,388,539)	4,842,130	(75,054,733)	(58,672,029)
Total net position (deficit)	\$ 114,175,320	\$ 369,093,446	\$ (39,902,396)	\$ 66,271,679	\$ (5,720,874)	\$ 34,060,063	\$ 537,977,238	\$ (58,672,029)

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities Enterprise Funds							Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Solid Waste	Convention Center	Convention Center Hotel	Other Enterprise Funds	Total	
OPERATING REVENUES								
Charges for services	\$ 12,199,500	\$ 101,609,335	\$ 12,059,334	\$ 2,720,625	\$ 13,261,591	\$ 2,648,619	\$ 144,499,004	\$ 53,740,093
Miscellaneous	517,448	1,995,862	45,382	23,585	61,142	706,121	3,349,540	1,665,363
Total operating revenues	12,716,948	103,605,197	12,104,716	2,744,210	13,322,733	3,354,740	147,848,544	55,405,456
OPERATING EXPENSES								
Personal services	3,630,564	16,011,433	33,858,884	1,426,636	-	10,919,680	65,847,197	695,364
Contractual services and other expenses	2,470,895	14,284,293	12,513,130	1,912,528	11,729,077	2,481,538	45,391,461	7,632,488
Utilities	1,320,857	6,850,121	-	810,453	786,925	428,242	10,196,598	-
Repairs and maintenance	283,977	3,130,784	-	390,805	725,512	15,279	4,546,357	-
Materials and supplies	304,575	9,540,519	1,120,652	140,397	-	2,962,563	14,068,706	9,903
Claims	-	-	-	-	-	-	-	46,988,475
Depreciation	8,621,654	23,150,694	369,454	2,081,812	1,688,307	2,965,639	38,877,560	-
Total operating expenses	16,632,522	72,967,844	47,862,120	6,762,631	14,929,821	19,772,941	178,927,879	55,326,230
Operating income (loss)	(3,915,574)	30,637,353	(35,757,404)	(4,018,421)	(1,607,088)	(16,418,201)	(31,079,335)	79,226
NONOPERATING REVENUES (EXPENSES)								
Investment earnings (loss)	27,965	1,605,296	50,264	(1,598)	-	(633)	1,681,294	198,069
Interest expense	(1,131,655)	(28,601,620)	(78,760)	-	(1,376,968)	(1,140)	(31,190,143)	-
Intergovernmental	-	-	-	-	-	12,535,073	12,535,073	-
Passenger facility charges	1,140,914	-	-	-	-	-	1,140,914	-
Bond issuance costs	-	-	-	-	-	-	-	-
Gain / (Loss) on disposal of capital assets	(3)	(8,324)	-	-	(107,772)	-	(116,099)	-
Net nonoperating revenues (expenses)	37,221	(27,004,648)	(28,496)	(1,598)	(1,484,740)	12,533,300	(15,948,961)	198,069
Income (loss) before contributions and transfers	(3,878,353)	3,632,705	(35,785,900)	(4,020,019)	(3,091,828)	(3,884,901)	(47,028,296)	277,295
Capital contributions	9,601,702	-	-	-	-	3,516,719	13,118,421	-
Transfers in	1,837,937	7,963,795	2,733,900	2,000,000	2,000,000	10,147,057	26,682,689	-
Transfers out	(1,837,937)	(5,442,020)	-	-	-	-	(7,279,957)	(767,789)
Change in net position	5,723,349	6,154,480	(33,052,000)	(2,020,019)	(1,091,828)	9,778,875	(14,507,143)	(490,494)
Total net position (deficit)- beginning of year	108,391,983	362,938,966	(6,850,396)	68,291,698	(4,629,046)	24,281,188	552,424,393	(58,181,535)
Prior period adjustment	59,988	-	-	-	-	-	59,988	-
Total net position (deficit)- beginning of year, restated	108,451,971	362,938,966	(6,850,396)	68,291,698	(4,629,046)	24,281,188	552,484,381	(58,181,535)
Total net position (deficit)- ending	\$ 114,175,320	\$ 369,093,446	\$ (39,902,396)	\$ 66,271,679	\$ (5,720,874)	\$ 34,060,063	\$ 537,977,238	\$ (58,672,029)

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities Enterprise Funds							Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Solid Waste	Convention Center	Convention Center Hotel	Other Enterprise Funds	Total	
Cash flows from operating activities:								
Receipts from customers	\$ 11,942,738	\$ 102,179,815	\$ 12,083,161	\$ 2,220,897	\$ 13,106,193	\$ 2,842,099	\$ 144,374,903	\$ 62,733,824
Payments to suppliers	(4,930,055)	(35,077,037)	(4,676,182)	(2,639,282)	(12,307,723)	(9,462,475)	(69,092,754)	(11,277,126)
Payments to employees	(4,358,665)	(17,570,956)	(6,318,417)	(1,426,636)	-	(11,380,768)	(41,055,442)	(693,237)
Claims	-	-	-	-	-	-	-	(47,841,412)
Other receipts	517,448	1,995,862	45,382	23,585	61,142	706,121	3,349,540	-
Net cash provided by (used in) operating activities	3,171,466	51,527,684	1,133,944	(1,821,436)	859,612	(17,295,023)	37,576,247	2,922,049
Cash flows from noncapital financing activities:								
Transfers out	(1,837,937)	(5,442,020)	-	-	-	-	(7,279,957)	(767,789)
Intergovernmental	-	-	-	-	-	12,588,352	12,588,352	-
Transfers in	1,837,937	7,963,795	2,733,900	2,000,000	2,000,000	10,147,058	26,682,690	-
Interest expense on operations	-	-	-	-	-	(1,140)	(1,140)	-
Net cash provided by (used in) noncapital financing activities	-	2,521,775	2,733,900	2,000,000	2,000,000	22,734,270	31,989,945	(767,789)
Cash flows from capital and related financing activities:								
Acquisition and construction of capital assets	(8,352,032)	(47,525,534)	(3,308,503)	-	(344,021)	(12,064,912)	(71,595,002)	-
Proceeds from disposal of capital assets	-	-	-	-	-	-	-	-
Principal paid on debt	(1,950,000)	(21,365,762)	(594,018)	-	(1,360,000)	-	(25,269,780)	-
Interest paid on debt	(928,772)	(31,187,251)	(42,424)	-	(1,536,769)	-	(33,695,216)	-
Proceeds from bond issuance	-	640,107	-	-	-	-	640,107	-
Capital grants	9,601,702	-	-	-	-	3,463,440	13,065,142	-
Passenger facility charges	1,140,913	-	-	-	-	-	1,140,913	-
Net cash provided by (used in) capital and related financing activities	(488,189)	(99,438,440)	(3,944,945)	-	(3,240,790)	(8,601,472)	(115,713,836)	-
Cash flows from investing activities:								
Purchase of investments	-	-	-	-	-	-	-	(10,105,394)
Proceeds from sale and maturity of investments	-	-	-	-	-	-	-	4,865
Interest on investments	27,963	1,605,296	13,927	(1,597)	-	(632)	1,644,957	-
Net cash provided by (used in) investing activities	27,963	1,605,296	13,927	(1,597)	-	(632)	1,644,957	(10,100,529)
Net increase (decrease) in cash and cash equivalents	2,711,240	(43,783,685)	(63,174)	176,967	(381,178)	(3,162,857)	(44,502,687)	(7,946,269)
Cash and cash equivalents, beginning of year	13,017,501	253,085,906	3,298,793	685,463	959,864	5,739,794	276,787,321	7,946,254
Cash and cash equivalents, end of year	\$ 15,728,741	\$ 209,302,221	\$ 3,235,619	\$ 862,430	\$ 578,686	\$ 2,576,937	\$ 232,284,634	\$ (15)
								(continued)

(continued)

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Business-type Activities Enterprise Funds						Governmental Activities Internal Service Funds
	Municipal and Regional Airports	Water and Sewerage	Solid Waste	Convention Center	Convention Center Hotel	Other Enterprise Funds	
						Total	
A reconciliation of the cash and cash equivalents per this statement to the Statement of Net Position follows:							
Current Assets:							
Cash and cash equivalents	\$ 11,606,547	\$ 61,014,395	\$ -	\$ 862,430	\$ -	\$ 2,576,937	\$ 76,060,309
Investments	-	-	3,235,619	-	-	-	\$ 3,235,619
Noncurrent Assets:							
Restricted: Cash and cash equivalents	4,122,194	148,287,826	-	-	578,686	-	152,988,706
	<u>\$ 15,728,741</u>	<u>\$ 209,302,221</u>	<u>\$ 3,235,619</u>	<u>\$ 862,430</u>	<u>\$ 578,686</u>	<u>\$ 2,576,937</u>	<u>\$ 232,284,634</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:							
Operating income (loss)	\$ (3,915,574)	\$ 30,637,353	\$ (35,757,406)	\$ (4,018,421)	\$ (1,607,088)	\$ (16,418,201)	\$ (31,079,337)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:							
Depreciation	8,621,654	23,150,694	369,454	2,081,812	1,688,307	2,965,639	38,877,560
(Increase) Decrease in assets:							
Receivables	(180,342)	(51,778)	23,827	(497,986)	(121,799)	150,103	(677,975)
Lease receivable	(1,012,034)	-	-	-	-	-	(1,012,034)
Due from other governments	(33,883)	-	-	-	-	(12,376,306)	(12,410,189)
Due from other funds	-	-	-	-	-	15,279	15,279
Inventories	(3,152)	(1,280,032)	-	890	(61,163)	(256,481)	(1,599,938)
Deferred outflows for pensions and OPEB	(725,954)	(3,162,736)	(3,091,237)	-	-	(42,720)	(7,022,647)
Prepaid items	7,522	-	-	22,642	(70,782)	109,461	68,843
Increase (Decrease) in liabilities:							
Accounts payable	(149,932)	(24,150)	315,397	622,241	329,132	859,091	1,951,779
Accrued liabilities	(404,189)	32,862	23,345	(30,872)	7,118	173,034	(198,702)
Total OPEB liability	(2,707,420)	(16,605,184)	6,933,679	-	-	(53,018)	(12,431,943)
Net pension liability	1,435,790	13,219,503	20,161,920	-	-	(545,817)	34,271,396
Landfill closure	-	-	2,360,658	-	-	-	2,360,658
Deferred inflows for pensions	(631,755)	(2,647,669)	19,978	-	-	(83,724)	(3,343,170)
Deferred inflows for OPEB	1,865,980	7,445,851	3,450,920	-	-	242,045	13,004,796
Deferred inflows for leases	960,738	-	-	-	-	-	960,738
Due to other funds	-	-	6,258,200	-	729,486	7,916,347	14,904,033
Unearned revenue	4,179	-	-	-	-	28,098	32,277
Customers' deposits	4,580	622,258	-	(1,742)	(33,599)	-	591,497
Claims and judgments	-	-	-	-	-	-	(853,003)
Compensated absences	35,258	190,712	65,209	-	-	22,147	313,326
Total adjustments	<u>7,087,040</u>	<u>20,890,331</u>	<u>36,891,350</u>	<u>2,196,985</u>	<u>2,466,700</u>	<u>(876,822)</u>	<u>68,655,584</u>
Net cash provided by (used in) operating activities	<u>\$ 3,171,466</u>	<u>\$ 51,527,684</u>	<u>\$ 1,133,944</u>	<u>\$ (1,821,436)</u>	<u>\$ 859,612</u>	<u>\$ (17,295,023)</u>	<u>\$ 37,576,247</u>
							<u>\$ 2,922,049</u>
							(concluded)

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

CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2022

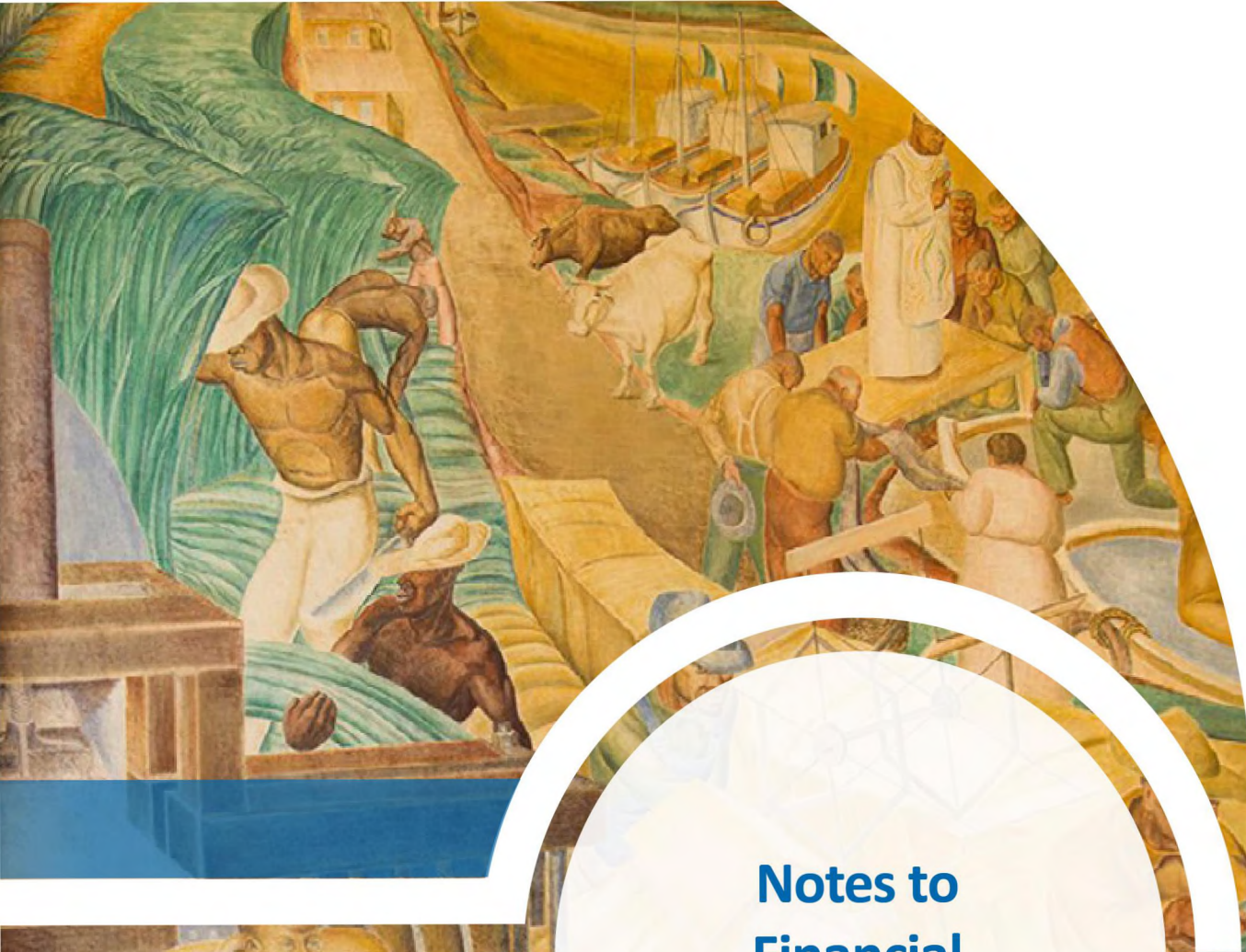
	<u>Employee Retirement Funds</u>
ASSETS	
Cash and cash equivalents	\$ 3,678,536
Receivables:	
Interest and dividends receivable	69,705
Accounts receivable	-
Prepaid items	-
Investments, at fair value:	
U.S. Treasuries	1,682,463
U.S. Instrumentalities	233,267
Asset-backed Securities	2,347,668
Corporate Bonds	3,638,311
Mutual Bond Funds	9,234,655
Investment Pool	156,184,748
Domestic Equities	4,420,876
International Equities	4,647,810
Total investments, at fair value:	<u>182,389,798</u>
Other assets:	
Cash surrender value of life insurance policies	690,640
Total assets	<u>186,828,679</u>
LIABILITIES	
Due to other funds	-
Accrued liabilities	289
Employees' deposits held in escrow	1,407,464
Total liabilities	<u>1,407,753</u>
Net position restricted for pensions	<u>\$ 185,420,926</u>

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

**CITY OF SHREVEPORT, LOUISIANA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Employee Retirement Funds
ADDITIONS	
Contributions:	
Employer	\$ 15,251,034
Plan members	6,134,197
Total contributions	<u>21,385,231</u>
Investment earnings:	
Net appreciation (depreciation) in fair value of investments	(32,718,797)
Interest	124,349
Dividends	441,946
Total investment earnings	<u>(32,152,502)</u>
Less investment expense	1,143,942
Net investment income	<u>(33,296,444)</u>
Life insurance proceeds	991,729
Miscellaneous	575
Total additions	<u>(10,918,909)</u>
DEDUCTIONS	
Benefits	34,573,069
Refund of member contribution	1,611,488
Administrative expenses	127,988
Life insurance premiums	<u>1,134,383</u>
Total deductions	<u>37,446,928</u>
Change in net position	(48,365,837)
Net position restricted for pensions	
Beginning of year	233,786,763
End of year	<u>\$ 185,420,926</u>

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



Notes to Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

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NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

The accounting policies of the City of Shreveport conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. The Financial Reporting Entity

The City of Shreveport (the "City") was incorporated in 1839, under the provisions of Louisiana R.S. 33:1. In May of 1978, the present City Charter was adopted, which established a mayor-council form of government. The City provides a full range of municipal services as authorized by the charter. These include police and fire protection, emergency medical services, public works (streets and waste collection), public improvements, water and sewer services, parks and recreation, planning and zoning, public transportation, social, cultural, and general administrative services.

The basic criterion for determining whether another governmental organization should be included in a primary governmental unit's reporting entity for basic financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary government to impose its will on the organization, or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government and there is a financial benefit/burden relationship should be included in its reporting entity.

The financial statements present the City of Shreveport (the primary government) and its component units. The operations of the Shreveport Municipal and Regional Airports and the Shreveport Area Transit System are included as a part of the primary government. The discrete component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. There are no blended component units in the City.

Discretely Presented Component Units

The component units' column in the government-wide financial statements include the financial data of the City's component units. They are reported in a separate column to emphasize that they are legally separate from the City.

City Court

The City Court has jurisdiction over all violations of City ordinances and state misdemeanor cases. The Court was created by special legislative act. Their jurisdiction includes the incorporated area of the City of Shreveport plus the fourth ward of Caddo Parish. City judges are elected and cannot be removed by City officials. The City Court is fiscally dependent on the City of Shreveport and there is a financial benefit/burden relationship. The City has the ability to modify or approve its budget which comes from the General Fund. There are certain funds collected by the City Court, pursuant to state statute, which are under the control of the court. The City Court serves the citizenry of the City of Shreveport plus Ward Four of Caddo Parish. Its administrative office is located at 1244 Texas Avenue, Shreveport, Louisiana 71101.

City Marshal

The City Marshal is the executive officer of the City Court. The Marshal has the power of a sheriff in the execution of the court's orders and mandates in making requests and preserving the peace. The City Marshal is an elected official. The City Marshal is fiscally dependent on the City of Shreveport and there is a financial benefit/burden relationship. The City has the ability to modify or approve the budget which comes from the General Fund. Certain funds are collected such as court costs, pursuant to state statute, which are under the control of the City Marshal. The City Marshal serves the citizenry of the City of Shreveport plus Ward Four of Caddo Parish. Its administrative office is located at 1244 Texas Avenue, Shreveport, Louisiana 71101.

Downtown Development Authority

The Downtown Development Authority was established by an ordinance of the City of Shreveport to provide for the revitalization of downtown Shreveport. Its purpose is to coordinate the efforts of the public and private sectors for the economic and overall development of the Downtown Development District. The Downtown Development District is a special taxing district within the City of Shreveport created by an act of the State legislature. The City Council appoints the seven voting members of the Authority. The Authority must submit to the City Council its proposals, programs and recommendations for the levy of special ad valorem taxes. The City has the ability to modify or approve the budget of the Authority and its plan of work. The Authority's governing body is not substantively the same as the City's. The Authority provides services for a limited area of the City of Shreveport, which consists basically of the downtown area. Its administrative office is located at 416 Cotton Street, Shreveport, Louisiana 71101.

NOTES TO THE FINANCIAL STATEMENTS**I. Summary of Significant Accounting Policies (continued)****Northwest Louisiana Finance Authority**

The Northwest Louisiana Finance Authority (formerly Shreveport Home Mortgage Authority) is a public trust, created by state statute, with the City of Shreveport as beneficiary. The Authority is authorized to undertake various programs to assist in the financing of housing for persons of low to moderate income in the City of Shreveport. There are five trustees that are appointed by the City Council for terms of five years. Per the terms of the trust indenture, the City has no power to transact business for the trustees nor to control or direct the actions of the trustees. The City is entitled solely to the benefits of the trust, and at the termination of the trust it shall receive the residual assets of the trust. The City cannot access the organization's funds at will, although there is some ability to access them at the discretion of the Authority. The City is financially accountable since it appoints all of the governing body and there is a potential for the Authority to provide specific financial benefits to the City. The Northwest Louisiana Finance Authority serves the citizenry of the City of Shreveport. Its administrative office is located at 1215 Hawn Avenue, Shreveport, Louisiana 71107.

Shreve Memorial Library

The Shreve Memorial Library (the "Library"), a parish-wide system, was established in compliance with the provisions of Louisiana Revised Statute 25:211 and created by an agreement between the City and Caddo Parish Commission (the "Commission" or "Parish") and established as a joint city-parish public library. Under the City of Shreveport's City Charter Section 8.05, the Library is under control of a Board of Trustees, which shall have all of the powers and duties conferred on boards of control of joint city-parish public libraries by the laws of the state. The Library is fiscally dependent on both the City and the Parish; however, the City appoints the majority of the Board members and indirectly controls the financial operations of the Library. The City provides the accounting, payroll, purchasing, cash management, and some legal services (contract review) to support the Library's infrastructure and operations creating a financial benefit/burden relationship. Its administrative office is located at 885 Bert Kouns Industrial Loop, Shreveport, Louisiana 71118.

Related Organization**Shreveport Housing Authority**

The Authority was created by State statute and it is legally separate from the City. The Mayor appoints the five commissioners; however, the City cannot impose its will on the Authority since it does not have the ability to modify or approve the budget or overrule or modify the decisions of the commissioners. The Authority is fiscally independent and no financial benefit or burden relationship exists with the City. Therefore, it is not included in the City's financial statements.

Jointly Governed Organization**Caddo-Shreveport Sales and Use Tax Commission**

The Caddo-Shreveport Sales and Use Tax Commission is an independent agency which collects sales taxes. It is legally separate from the City. The Commission is a jointly governed organization. The City does not retain an ongoing financial interest or responsibility in its operations. It is not included in the City's financial statements.

NOTES TO THE FINANCIAL STATEMENTS**I. Summary of Significant Accounting Policies (continued)****B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. Fiduciary funds and fiduciary component units have not been included in the government-wide financial statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function of governmental activities and different business-type activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 property taxes, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. For revenues other than property taxes, the City considers them to be available if they are collected within 90 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items except landfill fees are considered to be measurable and available only when cash is received by the government.

NOTES TO THE FINANCIAL STATEMENTS**I. Summary of Significant Accounting Policies (continued)**

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The 2014 General Obligation Bonds Fund accounts for proceeds of bonds issued for the purpose of constructing, acquiring and improving the water and sewer system, parks and recreation, police, fire, finance and streets and drainage.

The 2022A General Obligation Bond Fund were issued for the purpose of paying the cost of constructing, acquiring and improving public facilities and equipment for the police and fire departments.

The Community Development Fund accounts for the City's activities and grants in its community development programs and initiatives.

The City reports the following major proprietary funds:

The Water and Sewerage Fund accounts for the activities involved in operating the sewerage treatment plant, sewerage pumping stations and collection systems, and the water distribution system.

The Solid Waste Fund is used to account for the revenue and costs associated with the collection and disposal of the solid waste collected in Shreveport and the costs associated with the Landfill.

The Municipal and Regional Airports Fund accounts for the activities involved in operating the City's two airports.

The Convention Center Fund accounts for the conventions, conferences, and rentals of the convention center.

The Convention Center Hotel Fund accounts for the activities involved in the operations of the hotel, which is separately operated and adjacent to the convention center.

Additionally, the City reports the following fund types:

Internal Service Funds account for health care and risk management services provided to other departments on a cost reimbursement basis.

The Fiduciary Funds account for the activities of the Firemen's Pension and Relief Fund, the Policemen's Pension and Relief Fund, and the Employees' Retirement System, which accumulate resources for pension benefit payments to qualified employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewerage function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. The City does not use an indirect cost allocation system; however, the General Fund charges certain funds an administrative overhead charge based on a cost allocation plan. This is eliminated like a reimbursement and reduces the revenue and expense in the General Fund.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds and the internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available, it is the City's policy for the government-wide and proprietary fund financial statements to use restricted – net position first, followed by unrestricted – net position.

Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows, and disclosure of contingent assets and liabilities at the date of the financial statements along with reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from estimates.

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies (continued)

D. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash, Cash Equivalents and Investments

The City maintains a pooled cash and investment account that is available for use by all funds, except those restricted by state statutes or other legal requirements. Each fund's positive equity in the pooled cash and investment account is presented as cash and cash equivalents and investments on the balance sheet or statement of net position. Negative equity balances have been reclassified and are reflected as due to/from other funds. Interest income and expense are allocated to the various funds based upon their average daily equity balances.

Investments are reported at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Interest is accrued as earned. For purposes of the Statement of Cash Flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. These cash equivalents are included in investments in the Statement of Net Position.

The City has investment policies for the primary government and its fiduciary funds. The fiduciary funds are the Employees' Retirement System, the Policemen's Pension and Relief Fund, and the Firemen's Pension and Relief Fund.

The primary government's investments are made in accordance with Louisiana Revised Statutes and are further defined in the City's investment policy which has been approved by the Mayor and Chief Administrative Officer and implements Section 26-55 of the City Code.

The State authorized investments are as follows:

- 1) U.S. Treasury obligations
- 2) U.S. government agencies
- 3) U.S. government instrumentalities
- 4) Collateralized repurchase agreements
- 5) Collateralized certificates of deposit with Louisiana domiciled institutions
- 6) Collateralized interest bearing bank accounts
- 7) Mutual or trust funds which are registered with the Securities and Exchange Commission which have underlying investments consisting of and limited to securities of the U.S. government or its agencies
- 8) Guaranteed investment contracts issued by a bank, financial institution, insurance company or other entity having one of the two highest short-term rating categories of either Standard and Poor's Corporation or Moody's Investors Service
- 9) Investment grade (A-1/P-1) commercial paper of domestic U.S. corporations
- 10) Louisiana Asset Management Pool (LAMP)
- 11) Any other investments allowed by state statute for local governments

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of the participants' position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

In addition to the above types of securities, the Employees' Retirement System is authorized by a separate investment policy in accordance with Article II, Chapter 66 of the City Code of Ordinances to invest in the following with a mix of 70% equities and 30% fixed:

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies (continued)

- 1) Domestic securities registered with the Securities and Exchange Commission and traded on a recognized U.S. stock exchange or over-the-counter market. Equity securities include common stocks, real estate securities and securities convertible into common stock of U.S.-based companies. Individual convertible securities should be rated "B" or higher at the time of purchase.
- 2) International securities registered (or filed) with the Securities and Exchange Commission and traded on a recognized national exchange or over-the-counter market. Non-U.S. dollar denominated equity securities traded on recognized exchanges or over-the-counter markets outside the U.S. may also be purchased.
- 3) Fixed income securities in the form of bonds, notes, securitized mortgages, collateralized mortgage obligations, asset-backed securities, taxable municipal bonds, and preferred stock. Fixed income securities shall be rated "BBB" or higher at the time of purchase except for asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations which shall be rated "AAA" at the time of purchase. The minimum dollar-weighted average credit quality rating of the fixed income portfolio should be "AA". The maximum effective maturity of any single issue should not exceed 30 years.
- 4) Cash reserves shall be held in the custodians' money market funds, short-term maturity treasury securities or high quality money market instruments.

The Policemen's Pension and Relief Fund is authorized by the Board of Trustees to invest in the same types of investments listed above with a mix of 65% equity, 35% fixed and 10% alternative investments.

The Firemen's Pension and Relief Fund is authorized by the Board of Trustees to invest in the same types of investments listed above with a mix of 65% equity and 35% fixed.

2. Receivables and Payables

All outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Within the City's Water and Sewerage Fund, an estimated amount has been recorded for services rendered, but not yet billed, as of the close of the year. The receivable was computed by taking the cycle billings the City sent to its customers in January and prorating the amount of days applicable to the current year. All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

3. Inventories and Prepaid Items

Inventories are valued at cost using the first in, first out (FIFO) method. Inventory in the General Fund consists of materials and supplies held for consumption. Inventories in the Enterprise Funds consist of pipes, meters, fittings and valves, repair materials, spare parts, and items held for sale at the Municipal Golf Courses. Inventories are accounted for using the consumption method.

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

4. Restricted Assets

Certain proceeds of the general obligation bonds and the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The bond construction funds are used to report those proceeds of bond issuances that are restricted for use in construction. The bond and interest sinking funds are used to segregate resources accumulated for debt service payments over the next twelve months. The debt service reserve funds are used to report resources set aside to make up potential future deficiencies in the revenue bond current debt service account.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies (continued)

or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items are recorded at acquisition value rather than fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are charged to expense or expenditures as incurred.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	10-50
Improvements other than buildings	10-50
Infrastructure	20-75
Distribution and collection systems	10-50
Equipment	3-20

6. Compensated Absences

The City has two systems of compensated absences: Civil Service (Police and Fire) and all other employees.

Non-Civil Service:

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Vacation earned is based on the number of years of services as follows:

Total Employment	Days Earned Per Year
Less than five years	10
Five to ten years	12
Ten to fifteen years	15
Fifteen to twenty years	18
Twenty or more years	21

For classified employees, a maximum of 240 hours of accrued vacation leave can be vested and carried forward to succeeding calendar years. For non-classified employees, the maximum is 320 hours. All accrued sick leave credited to an employee can be carried forward to succeeding calendar years without limitation. Accumulated sick leave is forfeited at the time an employee terminates employment; however, accumulated sick leave is counted as creditable service at retirement if the employee has accumulated at least 175 hours.

Civil Service:

The Fire and Police Departments have leave policies that are subject to state Civil Service.

Fire:

No employee shall be granted more compensatory time than they can be reasonably expected to use within a short period of time, and in no event shall an employee accrue and carry more than 240 hours of compensatory time.

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies (continued)

Vacation Time:

Vacation is accrued based on the employee's anniversary date as follows:

<u>Anniversary</u>	<u>Days entitled</u>
1-5	18
6-9	21
10 -14	27
15 and on	30

Holiday Time/Leave:

Holiday time/leave is based on the employees' division as follows:

<u>Division</u>	<u>Hours Entitled</u>
Operations	8 or 16 hours
Communications	5.5, 6.5, or 12

The rate of pay for working a holiday during the employee's normal work schedule will be the same as overtime pay, which is one and one-half (1 1/2) times the employee's hourly rate. An employee who is called in to work extra duty (overtime) on a paid holiday will be paid 2 ½ times the employee's hourly rate. If an employee has not taken all of his/her earned holiday time by August 31st, then the remaining holiday time will be assigned during the next holiday scheduling period using the same procedure that employees use when scheduling annual leave.

Executive level employees may earn Discretionary Executive Time at one (1) times their regularly assigned work schedule. They may not accumulate more than 240 hours of time, and are not entitled to conversion into monetary payment at any time, including at the time of employee's separation from service. Discretionary Executive Time, if not taken by the employee, shall be forfeited at time of separation.

Police:

<u>Anniversary</u>	<u>Days entitled</u>
New	1.5
1-5	18
6-9	21
10 -14	27
15 and on	30

Employees who leave/separate voluntarily may only take 80 hours of any combination of time prior to leaving. If an employee decides to expend unused vacation and/or compensatory time prior to the date of separation, the time expended shall not exceed 80 total hours for any combination of time given. All eligible remaining time shall be compensated by pay. No single vacation day may be taken on a holiday. Any annual leave in excess of 40 hours in single vacation days must be taken consecutively. All annual leave will be taken during the calendar year following the one in which it was accrued. The chief of police, for good cause, may authorize carrying annual leave over into the next calendar year. Vacation days that are not taken and not authorized for carry over by the chief of police are forfeited.

Compensatory time

Compensatory time is awarded by rank. See the schedule below.

<u>Rank</u>	<u>Authority</u>	<u>Minimum Hours Needed</u>	<u>Maximum Hours</u>
Below Captain	69:53:00	40	n/a
Captain and above	SPC 301.13	40	240

NOTES TO THE FINANCIAL STATEMENTS**I. Summary of Significant Accounting Policies (continued)**

No member shall be granted more compensatory time than they can be reasonably expected to use within a short period of time. In no event shall a member accrue and carry more than 240 hours of compensatory time.

Holiday overtime

Members working regularly scheduled shifts on holidays are compensated at the rate of 2.5 times the current hourly earnings for each hour worked on the holiday. A member who works an eight-hour shift on a holiday is paid their regular salary plus eight hours at time and a half for a total of 2.5 times their salary.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums, discounts, and gains (losses) on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount or deferred amount on refunding.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, when incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet 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 assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify for reporting in this category. One is the deferred charge on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded and refunding debt. The second one is deferred pension related items reported in the government-wide statement of net position, and the third one is deferred Other Postemployment Benefit (OPEB) items reported in the government-wide statement of net position.

In addition to liabilities, the statement of net position and/or balance sheet 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 assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has four types of items that qualify for reporting in this category. At the governmental fund level, lease revenues anticipated to be collected in accordance with GASB 87, *Leases*, and revenues that have been billed but not yet collected are reported as unavailable revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows from refundings are recognized and amortized over the shorter of the life of the refunded or refunding debt. Deferred pension related items are reported in the government wide statement of net position. Deferred OPEB items are reported in the government-wide statement of net position.

9. Fund Balance**Nonspendable Fund Balance**

Nonspendable fund balance includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact including inventories and endowments.

Restricted Fund Balance

Restricted fund balance includes amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or by law through constitutional provisions or enabling legislation.

Assigned Fund Balance

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies (continued)

Assigned fund balance includes amounts that are intended to be used for specific purposes that are not considered restricted. Fund balance may be assigned by the Finance Director as provided through the City Charter.

Unassigned Fund Balance

Unassigned fund balance is the residual classification for the general fund which represents fund balance that has not been restricted or assigned. In other governmental funds, it represents a negative fund balance.

The City's policies require restricted fund balances to be used before using any of the components of unrestricted fund balances when appropriate. Additionally, when the components of unrestricted fund balance can be used for the same purpose, assigned fund balance is used first followed by unassigned fund balance.

10. Net Position

The government-wide statement of net position reports \$157,136,999 of restricted net position for governmental activities, of which \$48,665,979 is restricted by enabling legislation.

The calculation for net investment in capital assets for the governmental and business-type net position are as follows:

	Government-wide		Enterprise Funds					Other
	Governmental	Business-Type	Municipal and Regional Airports	Water and Sewerage	Solid Waste	Convention Center	Convention Center Hotel	Enterprise Funds
	Activities	Activities						
Capital assets, net	\$ 572,063,645	\$ 1,258,766,701	\$ 132,733,677	\$ 985,634,964	\$ 10,647,133	\$ 65,597,503	\$ 34,935,491	\$ 29,217,933
Capital-related accounts payable	-	(1,169,653)	-	(1,169,653)	-	-	-	-
Contracts (retainage) payable	-	(4,052,227)	-	(4,052,227)	-	-	-	-
Capital-related debt outstanding	(179,123,765)	(752,916,328)	(21,355,000)	(699,065,346)	(2,605,982)	-	(29,890,000)	-
Prepaid insurance cost - bonds	-	-	-	-	-	-	-	-
Deferred outflows on refunding	1,644,774	5,244,300	2,426,608	1,524,567	-	-	1,293,125	-
Deferred inflows on refunding	(4,807,441)	-	-	-	-	-	-	-
Unamortized bond discounts	90,418	449,499	-	449,499	-	-	-	-
Unamortized bond premiums	(15,193,350)	(50,918,954)	(29,525)	(50,218,478)	-	-	(670,951)	-
Unspent capital-related debt proceeds	62,876,278	153,668,229	-	150,432,611	3,235,618	-	-	-
Net investment in capital assets	\$ 437,550,559	\$ 609,071,567	\$ 113,775,760	\$ 383,535,937	\$ 11,276,769	\$ 65,597,503	\$ 5,667,665	\$ 29,217,933

E. Recently Issued and Implemented Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The City adopted GASB No.87 on January 1, 2022. See Note III C for effects of adopting this pronouncement.

In June 2020, the GASB issued GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other post-employment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. There were no significant impacts of implementing this Statement.

NOTES TO THE FINANCIAL STATEMENTS**I. Summary of Significant Accounting Policies (continued)**

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 100, *Accounting Changes and Error Corrections* establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, *Compensated Absences*, The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

F. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reported period. Actual results could differ from those estimates.

G. Related Party Transactions:

The City had no identified related party transactions for the year ended December 31, 2022.

NOTES TO THE FINANCIAL STATEMENTS

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Prior to October 1, the Mayor files with the Clerk of Council a proposed operating budget for the fiscal year commencing the following January. The operating budget includes proposed expenditures and related financing sources. The City Council conducts public hearings and proposes adoption of the various budget ordinances. Prior to December 15, the City Council adopts the final budgets controlling the financial operations of the City for the ensuing fiscal year.

Legal budgetary control for operating budgets is exercised at the department/object class with the exception of the Community Development Department where control is exercised at the division/object class. The ordinances provide lump sum appropriation at the object level. The City Charter allows the Mayor to authorize the transfer of budgeted amounts from one activity to another within the same lump sum appropriation, within the same department with the exception of the Community Development Department where funds must be spent within the same division. Budgetary transfers across department lines or between classes of lump sum appropriations must be approved by the City Council. During the year, the City Council approves several amendments to the budget. The City Charter provides that expenditures may not legally exceed appropriations. Formal budgetary integration and encumbrance accounting are employed as management control devices during the year for the General, Debt Service, Special Revenue Funds (except for the Enrichment Fund), Capital Projects, and Proprietary Funds. The capital project funds adopt project length budgets. The budgets for governmental funds are legally adopted on a basis substantially consistent with generally accepted accounting principles except for state supplemental pay for fire and police which is included but not budgeted in the General Fund.

All appropriations which are not expended or encumbered lapse at year end. Encumbrances outstanding at year end will be re-appropriated and honored during the subsequent year. Encumbrances outstanding at year end by fund are as follows:

General fund - materials and supplies	<u>\$ 15,975,768</u>
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Revisions were made to the following major governmental funds' original budgets (expenditures including transfers out) as follows:

	<u>Original Budget</u>	<u>Revisions</u>	<u>Final Revised Budget</u>
General Fund	<u>\$ 249,513,910</u>	<u>\$ 48,674,388</u>	<u>\$ 298,188,298</u>
Community Development	<u>\$ 29,375,250</u>	<u>\$ (21,768,300)</u>	<u>\$ 7,606,950</u>

Adjustments necessary to convert the revenues and expenditures of the General Fund at the end of the year on the budgetary basis to the GAAP basis are as follows:

Revenues	<u>General Fund</u>
Actual on the budgetary basis	\$ 252,807,989
Adjustment for state supplemental pay	5,305,062
GAAP basis	<u>\$ 258,113,051</u>
Expenditures	
Actual on the budgetary basis	\$ 235,218,196
Adjustment for state supplemental pay	5,305,062
Adjustment for debt service	\$ 2,134,275
GAAP basis	<u>\$ 242,657,533</u>

NOTES TO THE FINANCIAL STATEMENTS**II. Stewardship, Compliance, and Accountability (continued)****B. Excess of Expenditures over Appropriations**

During the year, the City Council revised the City's general fund budget several times. After the first quarter, amendments and supplemental appropriations were approved to reflect the actual beginning fund balances estimated during the budget process which must be submitted by October 1st for the next year. Additional changes were made as new information indicated a need. The major differences between the original budget and the final budget were overall revenues increased by \$43,000,000 and transfers in increased by \$65,000, while expenditures including transfers out were increased by \$54,184,400. During the year, revenues including transfers in were \$19,728,061 more than the revised budget, while expenditures including transfers out were \$52,651,353 less than the revised budget. The variances in expenditures were primarily the result of vacancies from unfilled positions due to the shortage in the labor market and remaining ARPA funds that have not been spent, while the increased consumer spending from Federal stimulus drove the increase in revenues.

NOTES TO THE FINANCIAL STATEMENTS

II. Stewardship, Compliance, and Accountability (continued)

During 2022, based on the legally adopted level of control for budgetary purposes, the General Fund had excess expenditures over appropriations as follows:

	<u>Final Budget</u>	<u>Actual on a budgetary basis</u>	<u>Variance</u>
General government:			
<u>Office of the Mayor:</u>			
Salaries, wages and employee benefits	\$ 1,164,200	\$ 1,191,131	\$ (26,931)
Materials and supplies	13,500	14,574	(1,074)
Contractual Services	45,400	79,212	(33,812)
Other charges	600	20,359	(19,759)
Improvements and equipment	13,000	38,725	(25,725)
	<u>1,236,700</u>	<u>1,344,001</u>	<u>(107,301)</u>
<u>City Attorney</u>			
Salaries, wages and employee benefits	1,204,000	1,225,341	(21,341)
Improvements and equipment	7,000	14,850	(7,850)
	<u>1,211,000</u>	<u>1,240,191</u>	<u>(29,191)</u>
<u>Property Standards</u>			
Materials and supplies	142,700	276,168	(133,468)
Other charges	550,000	2,205,672	(1,655,672)
	<u>692,700</u>	<u>2,481,840</u>	<u>(1,789,140)</u>
<u>Personnel</u>			
Materials and supplies	6,800	11,887	(5,087)
Other charges	2,000	2,512	(512)
Improvements and equipment	4,000	5,669	(1,669)
	<u>12,800</u>	<u>20,068</u>	<u>(7,268)</u>
<u>Information Technology</u>			
Salaries, wages and employee benefits	3,299,200	3,469,948	(170,748)
<u>Other-unclassified Interest and civic appropriations</u>			
Salaries, wages and employee benefits	8,065,000	9,615,110	(1,550,110)
Interest and civic appropriations	4,358,525	4,585,057	(226,532)
Claims	7,140,200	10,684,457	(3,544,257)
	<u>19,563,725</u>	<u>24,884,624</u>	<u>(5,320,899)</u>
Public Safety			
<u>Police:</u>			
Improvements and equipment	1,795,500	2,672,796	(877,296)
<u>Fire</u>			
Contractual Services	6,633,600	8,519,322	(1,885,722)
Improvements and equipment	1,932,400	2,921,902	(989,502)
	<u>8,566,000</u>	<u>11,441,224</u>	<u>(2,875,224)</u>
<u>Engineering</u>			
Improvements and equipment	29,000	921,010	(892,010)
<u>Public works</u>			
Contractual Services	8,397,000	8,533,916	(136,916)
<u>Culture and recreation:</u>			
Salaries, wages and employee benefits	10,724,800	10,851,703	(126,903)
Materials and supplies	792,200	820,684	(28,484)
Contractual Services	7,343,300	8,021,203	(677,903)
Other charges	141,100	363,902	(222,802)
Improvements and equipment	1,146,800	3,927,270	(2,780,470)
	<u>20,148,200</u>	<u>23,984,762</u>	<u>(3,836,562)</u>
	<u>\$ 64,951,825</u>	<u>\$ 80,994,380</u>	<u>\$ (16,042,555)</u>

NOTES TO THE FINANCIAL STATEMENTS

II. Stewardship, Compliance, and Accountability (continued)

C. Deficit Net Position

These Funds have deficit net position as of December 31, 2022:

Community Development	Golf	Solid Waste	Employees Health Care	Retained Risk	Hotel	DEEDA
\$ (2,439,865)	\$ (679,802)	\$ (39,902,396)	\$ (14,961,387)	\$ (43,710,642)	\$ (5,720,874)	\$ (82,379)

The Convention Center Hotel Fund, a major enterprise fund, had a deficit net position balance of \$5,720,874. The deficit is due to major renovations throughout the Hotel causing a large number of the rooms, on a rolling basis during the construction, to be unavailable. The COVID pandemic during the prior fiscal years caused an unprecedented decline in travel and tourism that prevented the hotel from recovering from its major renovation room shortages.

The Community Development Fund had a deficit fund balance of \$2,439,865. The deficit was due to a decrease in funding for 2022 compared to 2021 due to Covid 19 Pandemic restrictions.

The Golf Fund, a nonmajor enterprise fund, had a deficit net position balance of \$679,802. The deficit was due to the accrual of Other Postemployment Benefits (OPEB) and the net pension liability as described in Note IV. A.

The Solid Waste Fund, a nonmajor enterprise fund, had a deficit net position balance of \$39,902,396. The deficit was due to the accrual of the landfill post-closure liability, the OPEB and Pension liabilities and because the \$7 solid waste fee is not sufficient to cover operations.

The Employees Healthcare Fund, an internal service fund, had a deficit net position balance of \$14,961,387, as employee premiums and employer contributions failed to meet the health claims approved and paid. The deficit will be recovered through future premium increases and charges to other funds.

The Retained Risk Fund, an internal service fund, had a deficit net position balance of \$43,710,642, which will be recovered through future charges to other funds.

The Downtown Entertainment Economic Development Fund had a deficit fund balance of \$82,379. The deficit was due to a decrease in funding for 2022 because the TIF district is not meeting its monthly and annual baseline revenue.

III. Detailed Notes on All Funds

A. Deposits and Investments

1. Investments – Primary Government excluding Fiduciary Funds

Interest rate risk. The City investment policy limits its exposure to declines in fair value by limiting investment maturities to 3 years from the date of settlement unless matched to a specific cash flow requirement.

Credit risk. The standard of prudence to be used for managing the City's assets is the "prudent investor" rule which states, "Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable safety of their capital as well as the probable income to be derived." The City's investment policy limits investments to those discussed previously. The investments in U.S. treasuries and instrumentalities were rated AA+ and Aaa, the Investment Agreements and Money Market investments were unrated and the LAMP investment was rated AAA.

Concentration of credit risk. The City has no investments in one issuer greater than 5 percent except those backed by the full faith and credit of the U.S. Government.

Custodial credit risk – deposits. In the case of deposits; this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy is that banks holding deposits are required to pledge securities to fully collateralize these transactions. The pledged securities are held by another bank or through book entry in a custodial account in the Federal Reserve System. The City must authorize in writing the release or substitution of the pledged securities.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's policy is that all investments purchased by the City, except certificates of

NOTES TO THE FINANCIAL STATEMENTS
III. Detailed Notes on All Funds (continued)

deposit, local government investment pools, and money market funds, will be delivered by book entry and will be held in third-party safekeeping by a City-approved custodian bank.

Fair value measurements. - GASB Statement No. 72 establishes a hierarchy of inputs to valuation techniques used to measure fair value. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The implementation of this new statement did not change the method of measuring the fair value of the City's assets.

These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1 — Investments reflect prices quoted in active markets.
- Level 2 — Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 — Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk. The investments with LAMP and money market accounts are categorized by fair value level in the following table.

Investment Type	Investment Maturities (in years)		
	Fair Value	Less Than 1	1-3
U.S. Treasuries	\$ 9,371,203	\$ 5,267,328	\$ 4,103,877
U.S. Instrumentalities	19,744,010	6,724,254	13,019,756
Money Market	246,566,712	246,566,712	-
LAMP	489,010	489,010	-
Total	<u>\$ 276,170,935</u>	<u>\$ 259,047,304</u>	<u>\$ 17,123,633</u>

A reconciliation of the above schedule to the Statement of Net Position follows:

Unrestricted Assets:	
Cash	\$ 202,057,967
Investments	57,538,200
Restricted assets:	
Cash	\$ 152,988,713
Investments	4,032,039
Less: Equity in Pooled Cash	(140,445,984)
Total per above	<u>\$ 276,170,935</u>

At December 31, 2022, all deposits were collateralized in accordance with statute. \$79,275,626 is collateralized by securities held by the pledging financial institutions.

2. Investments – Fiduciary Funds

Interest rate risk. The Fiduciary Funds do not have a policy to limit investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The funding obligations of the plan are long-term in nature; consequently, the investment of the Plan's assets shall have a long-term focus, but shall not exceed 30 years.

Credit risk. Fixed income securities shall be rated "BBB" or higher at the time of purchase except for asset-backed securities, mortgage-backed securities, and collateralized mortgage obligations which shall be rated "AAA." Convertible securities shall be rated "B" or higher at the time of purchase. The minimum dollar-weighted average credit quality rating of the fixed income portfolio should be "AA."

Concentration of credit risk. Holdings of any single issue shall not exceed more than 5% of the market value of the issuer.

Currency risk. The international equities are held through "American Depositary Receipts" which are traded in U.S. dollars on the American Stock Exchanges. There were no investments in international fixed-income securities.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Information about the fair value level and exposure of the City's investments risk, using the segmented time distribution model is as follows (all are considered Level 1 investments):

Investment Type	Amount	Level 1	Level 2
U.S. Treasuries	\$ 1,682,463	\$ 1,682,463	\$ -
U.S. Instrumentalities	233,267	233,267	-
Asset-backed Securities	2,347,668	-	2,347,668
Corporate Bonds	3,638,311	3,237,782	400,529
Mutual Bond Funds	9,234,655	9,234,655	-
Investment Pool	156,184,748	-	156,184,748
Domestic Equities	4,420,876	4,420,876	-
International Equities	4,647,810	4,647,810	-
Total	\$ 182,389,798	\$ 23,456,853	\$ 158,932,945

Investment Type	Fair Value	Less Than 1	1-5	5-10	>10
U.S. Treasuries	\$ 1,682,463	\$ -	\$ 586,623	\$ 266,705	\$ 829,135
U.S. Instrumentalities	233,267	-	-	-	233,267
Asset-backed Securities	2,347,668	-	18,207	264,982	2,064,479
Corporate Bonds	3,638,311	159,364	1,563,675	1,479,767	435,505
Mutual Bond Funds	9,234,655	9,234,655	-	-	-
Investment Pool	156,184,748	156,184,748	-	-	-
Domestic Equities	4,420,876	4,420,876	-	-	-
International Equities	4,647,810	4,647,810	-	-	-
Total	\$ 182,389,798	\$ 174,647,453	\$ 2,168,505	\$ 2,011,454	\$ 3,562,386

Note: The S&P/Moody's rating for U.S. Treasuries, Asset-backed Securities, Corporate Bonds, and Money Market types are included in the schedule below; however credit ratings are not available at the investment level.

3. Discretely Presented Component Units

Deposits

Northwest Louisiana Finance Authority – The Authority has no deposits since all funds are maintained at trust departments at financial institutions.

The City Court, City Marshal, and Downtown Development Authority do not have a policy for custodial risk nor do they have collateral in their names.

The following is a schedule of deposit and the amounts exposed to custodial risk by fund:

	City Court	City Marshal	Downtown Development Authority	Northwest Louisiana Finance Authority	Shreve Memorial Library
Total on deposit	\$ 7,058,399	\$ 1,881,047	\$ 1,823,208	\$ 1,467,634	\$ 12,154,413
Amount exposed to custodial risk	\$ 6,558,399	\$ -	\$ 1,493,378	\$ -	\$ -

Louisiana Revised Statute 39:1229 imposes statutory requirements on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the component unit that the fiscal agent has failed to pay deposited funds upon demand.

Investments

Northwest Louisiana Finance Authority – The \$881,653 of investments consists of guaranteed mortgage-backed securities.

B. Property Taxes

The City levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the City on property values assessed by the Bossier Parish and Caddo Parish Tax Assessors and approved by the State of Louisiana Tax Commission.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Assessment date	January 2022
Levy date	Not later than June 1, 2022
Tax bills mailed	On or about November 15, 2022
Total taxes are due	December 2022
Penalties and interest are added	January, 2023
Lien date	January 1, 2023
Tax sale -2021 delinquent property	July 1, 2023

Property taxes levied for the current year are recognized as revenues, even though a portion is collectible in the period subsequent to the levy. The City's property tax collection records show that 96.9% of the property taxes due were collected within 60 days after the due date. Assessed values are established by the Bossier Parish and Caddo Parish Tax Assessors each year on a uniform basis at the following ratios to fair market value.

10% Land	15% Machinery
10% Residential Improvements	15% Commercial Improvements
15% Industrial Improvements	25% Public Service properties, excluding land

A re-evaluation of all property is required to be completed no less than every 4 years. A re-evaluation was completed for the tax roll of January 1, 2020.

Tax Abatements

As of December 31, 2022, the City has entered into property and sales tax abatement agreements with individuals and businesses through four programs — the Restoration Tax Abatement (RTA), Industrial Tax Exemption (ITEP), Tax Rebate Incentive Pay (TRIP), and the Film Industry Incentive Program, (FIIP). Each agreement was negotiated under a particular authority allowing localities to abate property taxes for a variety of economic development purposes, including job creation, as well as, business relocation, retention, and expansion.

The City has not made any commitments as part of the agreements other than to reduce taxes, and the City is not subject to any tax abatement agreements entered into by other governmental entities.

Restoration Tax Abatement (RTA):

The Restoration Tax Abatement (RTA) program is a program, which provides an up-to-10 year abatement of the City-portion of ad valorem property taxes on the renovations and improvements of existing commercial structures and owner-occupied residences. It is a five-year award with an option for a five-year renewal with local governing authority approval. The legal authority is Louisiana Revised Statute 47:4311, et seq.

Eligibility Criteria:

This incentive is open to all Louisiana businesses and homeowners with existing structures to be expanded, restored, improved or developed in qualifying locations, and as approved by the local governing authority. Qualifying locations for properties include Downtown Development Districts, Historic Districts (includes properties listed on the National Register of Historic Places), and Economic Development Districts. Eligible expenses are building and materials, machinery and equipment (only that which becomes an integral part of the structure), and labor and engineering.

The property owner must apply and pay an application fee, and upon approval by the state and local authorities, the contract is issued.

Mechanism By Which the Taxes are Abated:

The property tax valuation before the restoration is frozen, whereby the property owner is not taxed on the increase in value that they would otherwise have to pay for the restoration.

Provisions for Recapturing Abated Taxes:

Per LA R.S. 47:1313, any remaining portion of the exemption provided may be terminated for a violation of the contract.

Types of Commitments Made by the Recipients of the Tax Abatements:

NOTES TO THE FINANCIAL STATEMENTS**III. Detailed Notes on All Funds (continued)**

The property owner agrees to file annually with the assessor of the parish in which the structure is located. Within six months after construction has been completed, the property owner must file an affidavit of final cost showing complete cost of the exempted project.

Gross Dollar Amount by Which the City's Tax Revenues Were Reduced:

The City estimates property tax revenues have been reduced by \$268,450 for the year.

Industrial Tax Exemption (ITEP):

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers an attractive tax incentive for manufacturers within the state. The program abates, up to ten years, City property taxes (Ad Valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. The legal authority is Article 7, Section 21(F) of the Louisiana Constitution and Executive Order JBE 2016-73.

Eligibility Criteria:

Businesses must be classified as a manufacturer or related to the manufacturing project in order to receive the benefits of the ITEP program. ITEP is only available for activities related to manufacturers that meet the constitutional definition of manufacturing. The program can be used by manufacturers new to Louisiana and is also available to existing manufacturers in Louisiana with new investments and miscellaneous capital additions to existing facilities. The property owner must apply and pay an application fee, and upon approval by the state and local authorities, the contract is issued.

Note that the eligibility criteria have been modified by Executive Order Number JBE2016-73 (effective October 21, 2016) as follows:

Only contracts accompanied by advance notifications will be considered by the Governor. Applications for miscellaneous capital additions and applications for tax exemptions for maintenance capital, required environmental capital upgrades, and new replacements for existing machinery will not be approved or issued contracts by the Governor.

The Governor will not approve contracts unless the Board of Commerce and Industry has specifically determined that the establishment meets the constitutional definition of manufacturing. Exemption contracts for new manufacturing plants or establishments are favored by the Governor and exemption contracts for additions to any existing plant or establishment are not favored by the Governor unless they provide for new jobs or present compelling reasons for the retention of existing jobs.

Mechanism By Which the Taxes are Abated:

The property tax valuation before the construction is frozen, whereby the property owner is not taxed on the increase in value that they would otherwise have to pay for the restoration.

Provisions for Recapturing Abated Taxes:

The contract may be terminated or modified if a violation has been found, but currently, there is no provision to recapture taxes.

Types of Commitments Made by the Recipients of the Tax Abatements:

The property owner agrees to file annually with the assessor of the parish in which the structure is located. Within six months of the beginning of operations, completion of construction, or receipt of the executed contract, whichever occurs last, the owner of a manufacturing establishment or addition must file an affidavit of final cost showing complete cost of the exempted project.

Gross Dollar Amount by Which the City's Tax Revenues Were Reduced:

The City estimates property tax revenues have been reduced by \$976,796 for the year.

Tax Rebate Incentive Pay (TRIP):

The City has determined that there are significant benefits to the community in having police officers living within the city limits and in having marked police cars parked at those residences; therefore, the City has developed the TRIP whereby property taxes of certain police officers may be refunded back to them under certain conditions. The

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

goal is to have a visible law enforcement presence in the neighborhood in which the officer lives. The legal authority for this is Resolution 92 of 2007.

Eligibility Criteria:

The rebate will only apply to taxes paid on the member's primary domiciliary residence and, only for taxes paid by December 31st of the calendar year in which the taxes are due. The Tax Rebate Incentive Pay is not retroactive. In addition, 1) the member must be a post certified police officer, 2) the member must be assigned a marked take-home patrol unit, which is parked at the member's residence when not in use, 3) the member must be a homeowner within the city limits of Shreveport, and the member must pay all property taxes owed to the City of Shreveport by December 31st of each calendar year.

The commissioned member must own and reside in the property within the city limits of Shreveport, and the property must be in a Community Development Block Grant Targeted Area (CDBG) – targeted areas within the City Limits of Shreveport as defined by the Department of Community Development in accordance with federal and grant requirements.

Mechanism By Which the Taxes are Abated:

The property taxes are then refunded to officers through payroll.

Provisions for Recapturing Abated Taxes:

There is no provision to recapture refunded taxes.

Types of Commitments Made by the Recipients of the Tax Abatements:

Police officers must park the vehicles at their residence.

Gross Dollar Amount by Which the City's Tax Revenues Were Reduced:

The City estimates property tax revenues have been reduced by \$16,519 for the year.

Film Industry Incentive Program:

The Film Industry Incentive Program (FIIP) is a City administered incentive program whereby the City's portion of sales taxes paid for lodging, lease and rental expenses, and other production expenses, etc. for a production are rebated to the recipient in exchange for doing business in the City. The legal authority for this program is Resolution 86 of 2009.

Eligibility Criteria:

The program is open to any business that will promise to have a production office or utilize a sound stage in Caddo Parish and have production expenditures of \$300,000.

Mechanism By Which the Taxes are Abated:

The recipient must file a sales tax return whereby the taxes are abated.

Provisions for Recapturing Abated Taxes:

There is no provision to recapture refunded taxes.

Types of Commitments Made by the Recipients of the Tax Abatements:

The recipient must do two things: First, it must either 1) have its production office located within Caddo Parish, or 2) utilize a soundstage within Caddo Parish AND must have production expenditures of \$300,000.

Gross Dollar Amount by Which the City's Tax Revenues Were Reduced:

The City estimates sales tax revenues have been reduced by \$0 for the year.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

C. Receivables

Receivables as of December 31, 2022 consisted of the following:

Interest receivable	\$ 54,500
Taxes	13,704,133
Other receivables	48,640,814
Due from other governments	42,308,841
Lease Receivable	3,837,767
	<u>108,546,055</u>
Allowance for uncollectibles	<u>(26,860,267)</u>
	<u>\$ 81,685,788</u>

A reconciliation of receivables for the City's individual major, nonmajor, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are outlined below:

	Government-wide	General	Debt Service	General Obligation Bonds	Community Development	Municipal and Regional Airports	Water and Sewerage	Solid Waste	Convention Center	Convention Center Hotel	Nonmajor and Other Funds	Total
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,500	\$ 54,500
Taxes	-	8,206,172	3,501,544	-	-	-	-	-	-	-	1,996,417	13,704,133
Accounts	783,246	9,473,017	-	-	52,192	936,368	26,371,616	4,326,284	1,486,117	411,128	4,800,846	48,640,814
Intergovernmental	-	19,086,265	18,104	-	2,982,302	3,824,856	-	-	-	-	16,397,314	42,308,841
Leases	-	322,281	-	-	-	1,012,034	-	-	-	-	2,503,452	3,837,767
Gross receivables	<u>783,246</u>	<u>37,087,735</u>	<u>3,519,648</u>	<u>-</u>	<u>3,034,494</u>	<u>5,773,258</u>	<u>26,371,616</u>	<u>4,326,284</u>	<u>1,486,117</u>	<u>411,128</u>	<u>25,752,529</u>	<u>108,546,055</u>
Less: Allowance for uncollectibles	<u>-</u>	<u>(8,070,870)</u>	<u>(601,765)</u>	<u>-</u>	<u>-</u>	<u>140</u>	<u>(15,597,366)</u>	<u>(2,583,811)</u>	<u>-</u>	<u>(5,663)</u>	<u>(932)</u>	<u>(26,860,267)</u>
Net total receivables	<u>\$ 783,246</u>	<u>\$ 29,016,865</u>	<u>\$ 2,917,883</u>	<u>\$ -</u>	<u>\$ 3,034,494</u>	<u>\$ 5,773,398</u>	<u>\$ 10,774,250</u>	<u>\$ 1,742,473</u>	<u>\$ 1,486,117</u>	<u>\$ 405,465</u>	<u>\$ 25,751,597</u>	<u>\$ 81,685,788</u>

NOTES TO THE FINANCIAL STATEMENTS
III. Detailed Notes on All Funds (continued)
Leases Receivable and Deferred Inflows of Resources

The City is reporting Leases Receivable of \$3,837,656 and Deferred Inflows of \$3,790,908 at December 31, 2022. For 2022, the City reported lease revenue of \$1,720,650 and interest revenue of \$93,819 related to lease payments received. These leases are summarized as follows:

Lease	Lease Receivable	Deferred Inflows	Lease Revenue	Lease Interest Revenue
Riverfront Development Fund Lease #1	\$ 1,571,561	\$ 1,555,575	\$ 518,525	\$ 19,185
Riverfront Development Fund Lease #2	931,781	914,336	685,752	13,547
General Fund Lease #1	322,280	360,259	10,342	16,092
Airport Fund Lease #1	113,109	101,127	30,338	4,558
Airport Fund Lease #2	57,323	56,420	47,740	2,663
Airport Fund Lease #3	655,181	630,323	82,216	24,327
Airport Fund Lease #4	165,788	153,444	306,888	11,959
Airport Fund Lease #5	20,633	19,424	38,849	1,488
Total	<u>\$ 3,837,656</u>	<u>\$ 3,790,908</u>	<u>\$ 1,720,650</u>	<u>\$ 93,819</u>

Riverfront Development Lease #1 – In May 1999, the City entered into a lease agreement with an entity for the lease of real estate. Based on this agreement, the City is receiving monthly payments through 2025 in the amount of \$44,359. Renewal options are available; however, there is uncertainty regarding the length of time.

Riverfront Development Lease #2 – In March 1998, the City entered into a lease agreement with an entity for the lease of real estate. Based on this agreement, the City is receiving monthly payments through 2024 in the amount of \$58,665. Renewal options are available; however, there is uncertainty regarding the length of time.

General Fund Lease #1 – In February 2009, the City entered into a lease agreement with an entity for the lease of land and facilities. Based on this agreement, the City receives an advance payment of \$100,000 in November at the end of a five-year period that is for the following five-year period. The City of Shreveport received their most recent advance payment in November 2022. The lease is scheduled to terminate in November 2042; however, there are two ten-year renewal options and one additional four-year renewal option term included in this lease agreement.

Airport Fund Lease #1 – In May 2016, the City entered into a lease agreement with an entity for the lease of an airport hangar. Based on this agreement, the City is receiving monthly payments through 2026 in the amount of \$3,000. There are no remaining renewal options as of December 31, 2022.

Airport Fund Lease #2 – In February 2022, the City entered into an amended lease agreement with an entity for the lease of cargo bays. Based on this agreement, the City is receiving monthly payments through January 2024 in the amount of \$4,500. There are no remaining renewal options as of December 31, 2022.

Airport Fund Lease #3 – In September 2020, the City entered into a lease agreement with an entity for the lease of land. Based on this agreement, the City is receiving monthly payments through August 2030 in the amount of \$8,130. There are two ten-year renewal options available as of December 31, 2022 that are contingent on improvements being made.

Airport Fund Lease #4 – In July 2018, the City entered into a lease agreement with an entity for the lease of facilities. Based on this agreement, the City is receiving monthly payments through June 2023 in the amount of \$27,914. There is a lease agreement that is pending as of December 31, 2022 to be effective July 1, 2023.

Airport Fund Lease #5 – In July 2019, the City entered into a lease agreement with an entity for the lease of a hangar. Based on this agreement, the City is receiving monthly payments through June 2023 in the amount of \$3,474. There is a lease agreement that is pending as of December 31, 2022 to be effective July 1, 2023.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Future undiscounted rental payments are as follows for the years ending December 31:

Year Ended December 31:	Principal
2023	\$ 1,612,177
2024	905,028
2025	665,868
2026	109,560
2027	197,560
2028-2032	360,160
2033-2037	100,000
2038-2042	100,000
2038-2047	100,000
2048-2052	100,000
2053-2057	<u>100,000</u>
Total undiscounted future cash flows	<u>\$ 4,350,353</u>

D. Federal and State Financial Assistance

Federal and State governmental units represent an important source of supplementary funding to finance housing, employment and construction programs, and other activities beneficial to the community. These funds, primarily in the form of grants, are recorded in the General, Special Revenue, Capital Projects, and Enterprise Funds. A grant receivable is recorded when the City has a right to reimbursement under the related grant. The grants normally specify the purpose for which the funds may be used and are audited annually under the Office of Management and Budget Circular A-133 under the "Single Audit Concept" for grants awarded prior to December 26, 2014, and in accordance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements, for grants awarded on or after December 26, 2014.

The following amounts under various grants and entitlements are recorded as revenues, passenger facility charges, subsidies, or contributions in the accompanying financial statements:

Governmental-type funds:	
General Fund/ARPA	\$ 9,417,297
Community Development	13,175,678
Public Safety Grants	2,924,098
Environmental Grants	2,933
Business-type funds:	
Municipal and Regional Airports	8,443,015
Shreveport Area Transit System	<u>12,802,897</u>
Totals	<u>\$ 47,406,025</u>

Supplementary salary payments are made by the State to certain groups of employees. The City is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution from the State. The State paid supplemental salaries as follows:

Fire Department	\$ 2,698,178
Police Department	<u>2,606,884</u>
Total	<u>\$ 5,305,062</u>

NOTES TO THE FINANCIAL STATEMENTS
III. Detailed Notes on All Funds (continued)

These amounts were paid directly to the employees. There were no payments made for fringe benefits. The amounts for fire and police employees have been recorded in the General Fund financial statements as revenue and expenditures.

E. Capital Assets

Capital asset activity for the year ended December 31, 2022, is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 112,903,184	\$ 830,820	\$ -	\$ 113,734,004
Construction in progress	6,616,481	17,199,562	(17,201,280)	6,614,763
Total capital assets not being depreciated	119,519,665	18,030,382	(17,201,280)	120,348,767
Capital assets, being depreciated:				
Buildings	205,336,192	10,045,622	(38,014)	215,343,800
Improvements other than buildings	101,563,283	4,624,969	-	106,188,252
Equipment	84,322,677	5,953,550	(4,774,732)	85,501,495
Infrastructure	607,176,204	3,423,314	(783,944)	609,815,574
Total capital assets being depreciated	998,398,356	24,047,455	(5,596,690)	1,016,849,121
Less accumulated depreciation for:				
Buildings	(94,567,409)	(4,234,683)	35,220	(98,766,872)
Improvements other than buildings	(55,829,659)	(3,008,433)	-	(58,838,092)
Equipment	(65,803,303)	(3,341,379)	3,811,163	(65,333,519)
Infrastructure	(330,402,676)	(11,793,084)	-	(342,195,760)
Total accumulated depreciation	(546,603,047)	(22,377,579)	3,846,383	(565,134,243)
Total capital assets, being depreciated, net	451,795,309	1,669,876	(1,750,307)	451,714,878
Governmental activities capital assets, net	\$ 571,314,974	\$ 19,700,258	\$ (18,951,587)	\$ 572,063,645
Business-type activities:				
Municipal and Regional Airports				
Capital assets, not being depreciated:				
Land	\$ 37,627,729	\$ -	\$ -	\$ 37,627,729
Construction in progress	10,204,445	8,051,918	(5,992,219)	12,264,144
Total capital assets not being depreciated	47,832,174	8,051,918	(5,992,219)	49,891,873
Capital assets, being depreciated:				
Buildings	75,214,685	35,850	-	75,250,535
Improvements other than buildings	143,749,457	6,021,914	(32,384)	149,738,987
Equipment	8,567,544	231,881	(283,465)	8,515,960
Total capital assets being depreciated	227,531,686	6,289,645	(315,849)	233,505,482
Less accumulated depreciation for:				
Buildings	(46,644,519)	(1,555,726)	-	(48,200,245)
Improvements other than buildings	(88,763,076)	(6,741,650)	-	(95,504,726)
Equipment	(6,917,888)	(324,277)	283,462	(6,958,703)
Total accumulated depreciation	(142,325,483)	(8,621,653)	283,462	(150,663,674)
Total capital assets, being depreciated, net	85,206,203	(2,332,008)	(32,387)	82,841,808
Municipal and Regional Airports capital assets, net	\$ 133,038,377	\$ 5,719,910	\$ (6,024,606)	\$ 132,733,681

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Water and Sewerage:				
Capital assets, not being depreciated:				
Land	\$ 996,201	\$ -	\$ -	\$ 996,201
Construction in progress	262,599,212	46,870,517	(162,160,444)	147,309,285
Total capital assets not being depreciated	263,595,413	46,870,517	(162,160,444)	148,305,486
Capital assets, being depreciated:				
Equipment	21,716,780	535,795	(212,103)	22,040,472
Distribution and collection systems	1,046,665,829	162,279,666	-	1,208,945,495
Total capital assets being depreciated	1,068,382,609	162,815,461	(212,103)	1,230,985,967
Less accumulated depreciation for:				
Equipment	(18,045,586)	(810,640)	151,154	(18,705,072)
Distribution and collection systems	(352,611,405)	(22,340,016)	-	(374,951,421)
Total accumulated depreciation	(370,656,991)	(23,150,656)	151,154	(393,656,493)
Total capital assets, being depreciated, net	697,725,618	139,664,805	(60,949)	837,329,474
Water and Sewerage capital assets, net	\$ 961,321,031	\$ 186,535,322	\$ (162,221,393)	\$ 985,634,960
	Beginning Balance	Increases	Decreases	Ending Balance
Solid Waste:				
Capital assets, not being depreciated:				
Land	\$ 6,652,516	\$ -	\$ -	\$ 6,652,516
Construction in progress	-	-	-	-
Total capital assets not being depreciated	6,652,516	-	-	6,652,516
Capital assets, being depreciated:				
Buildings	59,219	-	-	59,219
Improvements other than buildings	768,705	-	-	768,705
Equipment	8,943,001	3,308,503	(11,276)	12,240,228
Total capital assets being depreciated	9,770,925	3,308,503	(11,276)	13,068,152
Less accumulated depreciation for:				
Buildings	(42,637)	(1,184)	-	(43,821)
Improvements other than buildings	(765,453)	(3,252)	-	(768,705)
Equipment	(7,907,269)	(365,018)	11,276	(8,261,011)
Total accumulated depreciation	(8,715,359)	(369,454)	11,276	(9,073,537)
Total capital assets, being depreciated, net	1,055,566	2,939,049	-	3,994,615
Solid waste capital assets, net	\$ 7,708,082	\$ 2,939,049	\$ -	\$ 10,647,131
	Beginning Balance	Increases	Decreases	Ending Balance
Convention Center:				
Capital assets, not being depreciated:				
Land	\$ 6,147,743	\$ -	\$ -	\$ 6,147,743
Construction in progress	-	-	-	-
Total capital assets not being depreciated	6,147,743	-	-	6,147,743
Capital assets, being depreciated:				
Buildings	88,822,704	-	-	88,822,704
Improvements other than buildings	3,553,819	-	-	3,553,819
Equipment	8,168,114	-	-	8,168,114
Total capital assets being depreciated	100,544,637	-	-	100,544,637
Less accumulated depreciation for:				
Buildings	(28,691,107)	(1,916,654)	-	(30,607,761)
Improvements other than buildings	(2,227,519)	(146,476)	-	(2,373,995)
Equipment	(8,094,438)	(18,682)	-	(8,113,120)
Total accumulated depreciation	(39,013,064)	(2,081,812)	-	(41,094,876)
Total capital assets, being depreciated, net	61,531,573	(2,081,812)	-	59,449,761
Convention Center capital assets, net	\$ 67,679,316	\$ (2,081,812)	\$ -	\$ 65,597,504

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Convention Center Hotel:

Capital assets, being depreciated:

Buildings

Improvements other than buildings

Equipment

Total capital assets being depreciated

Less accumulated depreciation for:

Buildings

Improvements other than buildings

Equipment

Total accumulated depreciation

Total capital assets, being depreciated, net

Convention Center Hotels capital assets, net

<u>Beginning Balance</u>		<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
\$	46,534,825	\$ -	\$ -	\$ 46,534,825
	1,121,869	22,431	-	1,144,300
	9,605,050	321,590	(122,704)	9,803,936
	57,261,744	344,021	(122,704)	57,483,061
	(14,240,906)	(1,032,265)	-	(15,273,171)
	(241,514)	(60,817)	-	(302,331)
	(6,410,342)	(672,368)	110,641	(6,972,069)
	(20,892,762)	(1,765,450)	110,641	(22,547,571)
	36,368,982	(1,421,429)	(12,063)	34,935,490
\$	36,368,982	\$ (1,421,429)	\$ (12,063)	\$ 34,935,490

Other business-type activity programs:

Capital assets, not being depreciated:

Land

Construction in progress

Total capital assets not being depreciated

Capital assets, being depreciated:

Buildings

Improvements other than buildings

Equipment

Total capital assets being depreciated

Less accumulated depreciation for:

Buildings

Improvements other than buildings

Equipment

Total accumulated depreciation

Total capital assets, being depreciated, net

Other enterprise funds capital assets, net

Business-type activities capital assets, net

<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
\$ 368,877	\$ -	\$ -	\$ 368,877
751,200	2,378,753	-	3,129,953
<u>1,120,077</u>	<u>2,378,753</u>	<u>-</u>	<u>3,498,830</u>
14,357,155	585,371	-	14,942,526
1,255,192	1,665	-	1,256,857
23,098,895	9,099,125	-	32,198,020
<u>38,711,242</u>	<u>9,686,161</u>	<u>-</u>	<u>48,397,403</u>
(4,719,107)	(376,050)	-	(5,095,157)
(766,076)	(37,268)	-	(803,344)
<u>(14,227,474)</u>	<u>(2,552,322)</u>	<u>-</u>	<u>(16,779,796)</u>
<u>(19,712,657)</u>	<u>(2,965,640)</u>	<u>-</u>	<u>(22,678,297)</u>
18,998,585	6,720,521	-	25,719,106
<u>\$ 20,118,662</u>	<u>\$ 9,099,274</u>	<u>\$ -</u>	<u>\$ 29,217,936</u>
<u>\$ 1,226,234,450</u>	<u>\$ 200,790,314</u>	<u>\$ (168,258,062)</u>	<u>\$ 1,258,766,702</u>

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

In some cases, the reduction in construction in progress is greater than the increase in capital assets due to items not meeting the capitalization criteria. Also, in the other business-type activities, the Shreveport Area Transit System's operating and capital grants are tracked through the City's capital project system. Operating expenses are expensed out of construction in progress.

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

Governmental activities:

General government	\$	4,828,492
Public safety		1,389,336
Public works, including depreciation of general infrastructure assets		10,661,701
Community development		189,291
Culture and recreation		5,302,501
Economic Development		6,258
Economic Opportunity		-
Total depreciation expense-governmental activities	\$	<u>22,377,579</u>

Business-type activities:

Municipal and Regional Airports	\$	8,621,653
Convention Center Hilton Hotel		1,765,450
Convention Center		2,081,812
Water and Sewerage		23,150,696
Shreveport Area Transit System		2,916,234
Solid Waste		369,454
Golf		49,405
Total depreciation expense-business-type activities	\$	<u>38,954,704</u>

Construction commitments

The government has approximately \$3,600,000 in construction commitments for water and sewer projects at December 31, 2022.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Discretely presented component unit

Activity for the Downtown Development Authority for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Downtown Development Authority				
Capital assets, not being depreciated:				
Idle assets	\$ 56,237	\$ -	\$ -	\$ 56,237
Land	74,000	-	-	74,000
Total capital assets not being depreciated	<u>130,237</u>	<u>-</u>	<u>-</u>	<u>130,237</u>
Capital assets, being depreciated:				
Buildings	1,511,123	-	-	1,511,123
Equipment	30,029	-	-	30,029
Streetscape equipment	132,131	-	-	132,131
Parking program equipment	96,622	-	-	96,622
Total capital assets being depreciated	<u>1,769,905</u>	<u>-</u>	<u>-</u>	<u>1,769,905</u>
Less accumulated depreciation for:				
Buildings	(738,235)	(62,530)	-	(800,765)
Equipment	(3,373)	(2,293)	-	(5,666)
Streetscape equipment	(94,324)	(7,396)	-	(101,720)
Parking program equipment	(94,152)	(5,227)	-	(99,379)
Total accumulated depreciation	<u>(930,084)</u>	<u>(77,446)</u>	<u>-</u>	<u>(1,007,530)</u>
Total capital assets, being depreciated, net	<u>839,821</u>	<u>(77,446)</u>	<u>-</u>	<u>762,375</u>
Downtown Development Authority capital assets, net	<u>\$ 970,058</u>	<u>\$ (77,446)</u>	<u>\$ -</u>	<u>\$ 892,612</u>
Depreciation expense was charged to functions/programs as follows:				
Downtown development		\$ 64,823		
Streetscape program		7,396		
Parking program		5,227		
Total		<u>\$ 77,446</u>		

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Activity for the Shreve Memorial Library for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Shreve Memorial Library				
Capital assets, not being depreciated:				
Land and land improvements	\$ 5,261,444	\$ -	\$ -	\$ 5,261,444
Construction in progress	1,088,100	254,191	-	1,342,291
Total capital assets not being depreciated	6,349,544	254,191	-	6,603,735
Capital assets, being depreciated:				
Buildings and structures	33,875,750	-	-	33,875,750
Improvements	284,995	-	-	284,995
Equipment and books	25,830,414	905,516	(773,432)	25,962,498
Total capital assets being depreciated	59,991,159	905,516	(773,432)	60,123,243
Less accumulated depreciation for:				
Buildings and structures	(12,701,856)	(671,756)	-	(13,373,612)
Improvements	(248,646)	(5,319)	-	(253,965)
Equipment and books	(21,820,354)	(1,092,095)	773,432	(22,139,017)
Total accumulated depreciation	(34,770,856)	(1,769,170)	773,432	(35,766,594)
Total capital assets, being depreciated, net	25,220,303	(863,654)	-	24,356,649
Shreve Memorial Library capital assets, net	\$ 31,569,847	\$ (609,463)	\$ -	\$ 30,960,384

All depreciation expense was charged to culture and recreation.

Activity for the City Court for the year ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
City Court:				
Capital assets, being depreciated:				
Computer equipment	\$ 244,234	\$ -	\$ (28,687)	\$ 215,547
Software	1,161,881	-	-	1,161,881
Office equipment	336,221	6,626	-	342,847
Office furniture and improvements	510,135	-	-	510,135
Total capital assets being depreciated	2,252,471	6,626	(28,687)	2,230,410
Less accumulated depreciation for:				
Computer equipment	(202,395)	(13,152)	28,687	(186,860)
Software	(29,047)	(58,094)	-	(87,141)
Office equipment	(284,223)	(17,492)	-	(301,715)
Office furniture and improvements	(507,429)	(2,706)	-	(510,135)
Total accumulated depreciation	(1,023,094)	(91,444)	28,687	(1,085,851)
Total capital assets, being depreciated, net	1,229,377	(84,818)	-	1,144,559
Leased assets				
Equipment	43,235	49,094	-	92,329
Total leased assets being amortized	43,235	49,094	-	92,329
Less accumulated amortization for:				
Leased equipment	(18,639)	(11,102)	-	(29,741)
Total accumulated amortization, leased assets	(18,639)	(11,102)	-	(29,741)
City Court capital assets, net	\$ 1,253,973	\$ (46,826)	\$ -	\$ 1,207,147
Judicial expenses		\$ 101,754		
Probation		792		
		\$ 102,546		

NOTES TO THE FINANCIAL STATEMENTS
III. Detailed Notes on All Funds (continued)

Activity for the City Marshal for the year ended December 25, 2022, was as follows:

	Balance	Increases	Decreases	Balance
City Marshal:				
Capital assets, being depreciated:				
Buildings	\$ 614,260	\$ -	\$ -	\$ 614,260
Vehicles	1,843,605	88,481	(55,936)	1,876,150
Communication	517,305	-	-	517,305
Computers	73,692	31,408	-	105,100
Other Equipment	377,754	-	-	377,754
Weapons	64,851	-	-	64,851
Total capital assets being depreciated	<u>3,491,467</u>	<u>119,889</u>	<u>(55,936)</u>	<u>3,555,420</u>
Less accumulated depreciation for:				
Buildings	(88,036)	(20,857)	-	(108,893)
Vehicles	(1,360,966)	(147,859)	15,982	(1,492,843)
Communication	(231,034)	(52,625)	-	(283,659)
Computers	(73,691)	(5,235)	-	(78,926)
Other Equipment	(360,248)	(6,117)	-	(366,365)
Weapons	(49,391)	(3,415)	-	(52,806)
Total accumulated depreciation	<u>(2,163,366)</u>	<u>(236,108)</u>	<u>15,982</u>	<u>(2,383,492)</u>
Total capital assets, being depreciated, net	<u>1,253,153</u>	<u>(116,219)</u>	<u>(39,954)</u>	<u>1,171,928</u>
City Marshal capital assets, net	<u>\$ 1,253,153</u>	<u>\$ (116,219)</u>	<u>\$ (39,954)</u>	<u>\$ 1,171,928</u>
Judicial expenses		<u>\$ 236,108</u>		

F. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2022, is as follows:

Fund	Due from	Due to
General Fund	\$ 484,966	\$ 33,614
Debt Service	46,273,895	-
2014 General Obligation Bonds	10,746,450	-
Community Development	600	3,099,079
Nonmajor governmental funds:		
Riverfront Development Fund	-	6,891
Police Grants Fund	-	459,082
DEEDA	-	79,502
Miscellaneous General Obligation Bond Funds	195,585	195,585
Miscellaneous Capital Projects Funds	6,891	-
Major enterprise funds:		
Water and Sewerage	33,614	-
Convention Center Hotel	-	10,746,449
Solid Waste	-	13,014,846
Nonmajor enterprise funds:		
Shreveport Area Transit System	-	8,028,355
Internal Service Funds	-	22,078,598
Total	<u>\$ 57,742,001</u>	<u>\$ 57,742,001</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

The composition of interfund transfers as of December 31, 2022, is as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 9,362,900	\$ 40,695,240
2014 General Obligation Bonds	-	1,229,584
Community Development	2,727,750	-
Nonmajor governmental funds:		
Streets Fund	-	7,942,700
Riverfront Development Fund	-	7,269,600
Metropolitan Planning Commission	947,106	-
2003A General Obligation Bond Fund	-	78,741
2011 General Obligation Bond Fund	1,985,704	340,122
Miscellaneous General Obligation Bond Funds	78,741	7,087
Miscellaneous Capital Projects Funds	23,825,930	-
Major enterprise funds:		
Municipal and Regional Airport	1,837,937	1,837,937
Water and Sewerage	7,963,795	5,442,020
Convention Center	2,000,000	-
Convention Center Hotel	2,000,000	-
Solid Waste	2,733,900	-
Nonmajor enterprise funds:		
Shreveport Area Transit System	10,059,857	-
Golf Fund	87,200	-
Retained Risk	-	767,789
Total	<u>\$ 65,610,820</u>	<u>\$ 65,610,820</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

G. Finance Purchase Agreements

In the prior year, the City has entered into financed purchase agreements totaling \$11,477,000. The agreements are accounted for as capital leases for accounting purposes, and have been recorded at the present value of their future minimum lease payments as of the inception date. The payment schedule below includes all of the current agreements in effect at year end.

	Governmental Activities	Business Activities	Totals
Original financed purchase amounts			\$ 11,477,000
Cost of equipment under agreements	\$ 4,273,837	\$ 2,179,929	
Less: accumulated depreciation	(2,110,188)	(2,179,929)	
	<u>\$ 2,163,649</u>	<u>\$ -</u>	

NOTES TO THE FINANCIAL STATEMENTS
III. Detailed Notes on All Funds (continued)

The future minimum obligations and the net present value of these minimum lease payments as of December 31, 2022 were as follows:

Ending December 31,	Governmental Activities	Business Activities
2023	\$ 1,428,101	\$ 989,300
2024	1,428,101	989,300
2025	1,428,101	989,300
2026	1,428,101	989,300
2027	-	-
Total minimum payments	5,712,404	3,957,200
Less: amount representing interest	(193,639)	(136,580)
Present value of minimum payments	<u>\$ 5,518,765</u>	<u>\$ 3,820,620</u>

The City has entered into a few operating lease agreements; however, Management believes them to be immaterial and inappropriate for disclosure.

H. Long-term Liabilities

Long-term liability activity (in thousands of dollars) for the year ended December 31, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 119,280	\$ 91,890	\$ (55,565)	\$ 155,605	\$ 9,325
Plus unamortized premium	14,187	1,125	(1,248)	14,064	1,307
Total bonds payable	<u>133,467</u>	<u>93,015</u>	<u>(56,813)</u>	<u>169,669</u>	<u>10,632</u>
Certificate of indebtedness/revenue bond	5,675	-	(230)	5,445	250
Less unamortized discount	(95)	-	5	(90)	(5)
Total certificates of indebtedness	<u>5,580</u>	<u>-</u>	<u>(225)</u>	<u>5,355</u>	<u>245</u>
Capital lease	7,462	-	(1,943)	5,519	1,348
Notes	14,315	-	(1,760)	12,555	1,845
Plus unamortized premium	1,346	-	(219)	1,127	219
Total notes	<u>15,661</u>	<u>-</u>	<u>(1,979)</u>	<u>13,682</u>	<u>2,064</u>
Net pension liability	256,891	112,319	-	369,210	-
Total OPEB liability	594,219	-	(213,102)	381,117	-
Claims and judgments	53,694	44,974	(45,827)	52,841	14,991
Compensated absences	9,141	12,662	(13,664)	8,139	8,139
Governmental activities (Excluding:					
Community Development notes)	1,076,115	262,970	(333,553)	1,005,532	37,419
Community Development notes	273	-	(131)	142	142
Total long-term liabilities	<u>\$ 1,076,388</u>	<u>\$ 262,970</u>	<u>\$ (333,684)</u>	<u>\$ 1,005,674</u>	<u>\$ 37,561</u>

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Municipal and Regional Airports:					
Revenue bonds and notes	\$ 23,305	\$ -	\$ (1,950)	\$ 21,355	\$ 2,020
Plus unamortized premium	40	-	(10)	30	10
Total bonds payable	23,345	-	(1,960)	21,385	2,030
Net pension liability	10,342	1,435	-	11,777	-
Total OPEB liability	8,348	-	(2,707)	5,641	-
Compensated absences	152	141	(106)	187	106
Total	42,187	1,576	(4,773)	38,990	2,136
Water and Sewerage:					
Revenue bonds and notes	718,288	640	(21,080)	697,848	22,228
Plus unamortized premium	53,197	-	(2,978)	50,219	2,978
Less unamortized discount	(468)	-	19	(449)	(19)
Total bonds payable	771,019	640	(24,039)	747,618	25,187
Capital leases	1,500	-	(285)	1,215	296
Net pension liability	43,458	13,220	-	56,678	-
Total OPEB liability	40,814	-	(16,605)	24,209	-
Compensated absences	496	663	(472)	687	472
Accrued liability	75	-	(75)	-	-
Total	857,362	14,523	(41,476)	830,407	25,955
Solid Waste:					
Capital leases	3,200	-	(594)	2,606	636
Landfill	8,076	2,360	-	10,436	-
Net pension liability	-	20,162	-	20,162	-
Total OPEB liability	-	6,934	-	6,934	-
Compensated absences	163	179	(114)	228	114
Total	11,439	29,635	(708)	40,366	750
Convention Center Hotel					
Notes	603	-	(163)	440	190
Revenue bonds	31,250	-	(1,360)	29,890	1,535
Plus unamortized premium	724	-	(53)	671	54
Total	32,577	-	(1,576)	31,001	1,779
Other business-type activities:					
Net pension liability	1,368	63	-	1,431	-
Total OPEB liability	1,484	-	(662)	822	-
Compensated absences	241	88	(65)	264	252
Total	3,093	151	(727)	2,517	252
Business-type activity long-term liabilities	\$ 946,658	\$ 45,885	\$ (49,260)	\$ 943,281	\$ 30,872

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. The claims and judgments liability will be liquidated through the City's Employees' Health Care Fund and the Retained Risk Fund. These funds will finance the payment of these claims by charging other funds based on the origination of the claims. The General Fund normally bears approximately 90% of these costs. At year end, \$22,945 of internal service funds compensated absences is included in the above amounts. For governmental activities, the balance of compensated absences is generally liquidated by the General Fund. Net pension liability and the total OPEB liability will also be liquidated by the General Fund.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in substantial compliance with all significant limitations and restrictions.

State law allows a maximum of 10% of the assessed valuation for general obligation bonded debt for any one purpose. However, the 10% maximum can be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuation. A total of approximately \$437,245,574 of additional general obligation bonded debt is available for issuance on a total assessed valuation of \$1,638,146,432 pursuant to the 35% limitation. Included in the total assessed valuation of property within the City limits is \$9,226,983 of assessed valuation which has been adjudicated to Caddo Parish. The table below shows the computation of the City's legal debt margin calculated at 10% of assessed valuation as of December 31, 2022.

	Debt limit-10% of assessed value for any one purpose	Deduct-amount of debt applicable to debt limit	Legal Debt margin
Street Improvements	\$ 165,192,820	\$ 24,875,445	\$ 140,317,375
Police and Fire	165,192,820	41,750,000	123,442,820
Water and Sewer Improvem	165,192,820	61,191,633	104,001,187
Parks and Recreation	165,192,820	19,305,422	145,887,398
Public Buildings	165,192,820	4,207,320	160,985,500
Drainage	165,192,820	4,275,180	160,917,640
Sanitation and Incinerator	165,192,820	-	165,192,820
Industrial Bond	165,192,820	-	165,192,820
Airports	165,192,820	-	165,192,820
Sportran	165,192,820	-	165,192,820
Riverfront Park	165,192,820	-	165,192,820

The annual requirements to amortize all debt outstanding as of December 31, 2022, including interest requirements are as follows:

	Maturities (in thousands of dollars)											
	Total	2023	2024	2025	2026	2027	2028 - 2032	2033 - 2037	2038 - 2042	2043 - 2047	2048 - 2052	2053 - 2057
PRINCIPAL REQUIREMENTS:												
General Obligation Bonds												
2014 Issue -2.00-5.00%	\$ 17,720	\$ 4,110	\$ 4,315	\$ 4,535	\$ 4,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plus: Unamortized Premium	2,904	726	726	726	726	-	-	-	-	-	-	-
	20,624	4,836	5,041	5,261	5,486	-	-	-	-	-	-	-
2017 Refunding Issue 3.00-5.00%	45,995	4,145	4,375	4,615	4,865	5,140	22,855	-	-	-	-	-
Plus: Unamortized Premium	4,475	522	522	522	522	522	1,865	-	-	-	-	-
	50,470	4,667	4,897	5,137	5,387	5,662	24,720	-	-	-	-	-
2022 Refunding Issue	50,140	-	-	475	495	5,500	30,140	13,530	-	-	-	-
Plus: Unamortized Premium	-	-	-	-	-	-	-	-	-	-	-	-
	50,140	4,667	4,897	5,137	5,387	5,500	30,140	13,530	-	-	-	-
2022A Refunding Issue	41,750	1,070	1,350	1,420	1,490	1,570	9,135	11,530	14,185	-	-	-
Plus: Unamortized Premium	1,126	59	59	59	59	59	293	293	245	-	-	-
	42,876	4,667	4,897	5,137	5,387	1,629	9,428	11,823	14,430	-	-	-
Total General Obligation Bonds	164,110	18,837	19,732	20,672	21,246	12,791	64,288	25,353	14,430	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

	Maturities (in thousands of dollars)											
	Total	2023	2024	2025	2026	2027	2028 - 2032	2033 - 2037	2038 - 2042	2043 - 2047	2048 - 2052	2053 - 2057
PRINCIPAL REQUIREMENTS:												
Revenue bonds												
2021 Revenue Bond	5,445	250	255	265	270	280	1,535	1,790	800	-	-	-
Less: Unamortized Discount	(90)	(5)	(5)	(5)	(5)	(5)	(27)	(27)	(11)	-	-	-
	5,355	245	250	260	1,670	275	1,508	1,763	789	-	-	-
Certificate of Indebtedness												
2016 COI Independence Stadium Project	12,555	1,845	1,940	2,035	2,135	2,245	2,355	-	-	-	-	-
Plus: Unamortized premium	1,129	219	219	219	219	219	34	-	-	-	-	-
	13,684	2,064	2,159	2,254	4,853	2,254	2,389	-	-	-	-	-
Total Certificate of Indebtedness and revenue bond	19,039	2,309	2,409	2,514	6,523	2,529	3,897	1,763	789	-	-	-
Capital Leases:												
2021 Capital Lease -1.545%	5,519	1,348	1,369	1,390	1,412	-	-	-	-	-	-	-
Total Capital Leases	5,519	1,348	1,369	1,390	1,412	-	-	-	-	-	-	-
Total Governmental Activities Debt	188,668	22,494	23,510	24,576	130,281	15,320	68,185	27,116	15,219	-	-	-
Municipal and Regional Airports												
2015A Revenue Refunding	21,355	2,020	2,095	2,175	-	-	5,100	-	9,965	-	-	-
Plus: Unamortized premium	30	10	10	10	-	-	-	-	-	-	-	-
	21,385	2,030	2,105	2,185	5,100	2,185	5,100	9,965	-	-	-	-
Total Municipal and Regional Airports -Notes	21,385	2,030	2,105	2,185	5,100	2,185	5,100	9,965	-	-	-	-
Water and Sewerage												
2009A Revenue Bonds RLF -3.45%	458	52	53	54	55	56	188	-	-	-	-	-
2009B Revenue Bonds RLF -3.45%	4,027	460	470	480	490	500	1,627	-	-	-	-	-
2010D Revenue Bonds RLF -.95%	5,669	584	589	594	598	603	2,701	-	-	-	-	-
2013 Revenue Bonds RLF -.95%	3,190	246	248	262	252	254	1,309	619	-	-	-	-
2014A Refunding Revenue Bonds	20,055	4,745	4,490	3,725	2,705	2,785	1,605	-	-	-	-	-
Plus: Unamortized Reoffer Call Premium	4,541	656	656	656	656	656	1,261	-	-	-	-	-
	24,596	5,401	5,146	4,381	3,361	3,441	2,866	-	-	-	-	-
2014B Revenue Bonds	67,045	-	-	-	-	-	19,345	5,990	41,710	-	-	-
Plus: Unamortized Reoffer Call Premium	1,116	70	70	70	70	70	351	351	64	-	-	-
	68,161	70	70	70	70	70	19,696	6,341	41,774	-	-	-
2014C Revenue Bonds	7,955	-	-	-	-	-	-	-	7,955	-	-	-
Plus: Unamortized Reoffer Call Premium	474	28	28	28	28	28	140	140	54	-	-	-
	8,429	28	28	28	140	28	140	140	8,009	-	-	-
2015 Revenue Refunding	116,380	625	660	-	1,545	5,145	31,125	22,755	54,525	-	-	-
Plus: Unamortized premium	12,245	683	683	683	683	683	3,418	3,418	1,994	-	-	-
	128,625	1,308	1,343	683	2,228	5,828	34,543	26,173	56,519	-	-	-
2016A RLF Revenue Bonds	14,457	957	966	975	985	994	5,112	4,468	-	-	-	-
2016B Revenue Bonds	100,000	-	1,030	2,600	2,940	3,020	16,880	24,790	48,740	-	-	-
Plus: Unamortized premium	5,654	299	299	299	299	299	1,494	1,494	1,171	-	-	-
	105,654	299	1,329	2,899	3,239	3,319	18,374	26,284	49,911	-	-	-

	Maturities (in thousands of dollars)											
	Total	2023	2024	2025	2026	2027	2028 - 2032	2033 - 2037	2038 - 2042	2043 - 2047	2048 - 2052	2053 - 2057
2016C Revenue Bonds	1,300	1,300	-	-	-	-	-	-	-	-	-	-
2017A Revenue Bonds	54,475	-	-	-	-	-	-	19,525	34,950	-	-	-
Plus: Unamortized premium	5,428	287	287	287	287	287	1,435	1,435	1,123	-	-	-
	59,903	287	287	287	287	287	1,435	20,960	36,073	-	-	-
2017B Revenue Bonds	35,140	-	-	-	-	-	-	10,740	24,400	-	-	-
Plus: Unamortized premium	2,226	118	118	118	118	118	588	588	460	-	-	-
	37,366	118	118	118	118	118	588	11,328	24,860	-	-	-
2017C Revenue Bonds	32,145	2,445	2,530	2,620	2,715	2,805	15,580	3,450	-	-	-	-
2018A DEQ Loan	13,580	939	948	957	966	975	5,017	3,778	-	-	-	-
2018C Revenue Bonds	96,690	7,645	8,915	9,585	9,555	5,275	31,005	23,960	750	-	-	-
Plus: Unamortized premium	9,587	505	505	505	505	505	2,523	2,523	2,016	-	-	-
	106,277	8,150	9,420	10,090	10,060	5,780	33,528	26,483	2,766	-	-	-
2019B Revenue Bonds	97,835	2,230	2,320	2,435	2,535	2,660	15,440	19,120	13,285	25,930	11,880	-
Plus: Unamortized premium	8,834	328	328	328	328	328	1,641	1,641	1,641	1,642	629	-
	106,669	2,558	2,648	2,763	2,863	2,988	17,081	20,761	14,926	27,572	12,509	-
2020A Revenue Bonds	12,620	-	-	-	-	-	-	-	1,780	10,840	-	-
Less: Unamoritized Discount	(304)	(12)	(12)	(12)	(12)	(12)	(61)	(61)	(61)	(61)	-	-
	12,316	(12)	(12)	(12)	(61)	(12)	(61)	(61)	10,114	2,433	-	-
2020B Revenue Bonds	9,415	-	-	-	-	-	-	-	-	-	9,415	-
Plus: Unamortized Premium	114	4	4	4	4	4	20	20	20	20	14	-
	9,529	4	4	4	4	4	20	20	20	20	9,429	-
2020C Revenue Bonds	5,415	-	-	-	-	-	-	-	1,730	3,685	-	-
Less: Unamortized Discount	(146)	(7)	(7)	(7)	(7)	(7)	(33)	(33)	(33)	(12)	-	-
	5,269	(7)	(7)	(7)	(7)	(7)	(33)	(33)	1,697	3,673	-	-
Total Revenue Bonds -Water and Sewerage	747,620	25,187	26,178	27,246	28,363	28,031	159,711	150,711	246,669	33,698	21,938	-
2021 Capital Lease - Water & Sewer -1.64%	1,214	296	301	306	311	-	-	-	-	-	-	-
Total Water and Sewerage	748,834	25,483	26,479	27,552	28,674	28,031	159,711	150,711	246,669	33,698	21,938	-
Solid Waste												
Capital Leases:												
2021 Capital Lease -1.545%	2,606	636	646	656	-	668	-	-	-	-	-	-
Total Capital Leases	2,606	636	646	656	-	668	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Maturities (in thousands of dollars)												
	Total	2023	2024	2025	2026	2027	2028 - 2032	2033 - 2037	2038 - 2042	2043 - 2047	2048 - 2052	2053 - 2057
Convention Center Hotel												
2018C LA Community Development Authority												
Note	440	190	201	49	-	-	-	-	-	-	-	-
Bonds	29,890	1,535	1,665	1,870	2,050	2,200	12,000	8,570	-	-	-	-
Plus: Unamortized premium	671	54	54	54	54	54	273	128	-	-	-	-
Total Convention Center Hotel	31,001	1,779	1,920	1,958	11,977	2,254	12,273	-	-	-	-	-
Community Development Notes												
Fairmont Towers Note	142	142	-	-	-	-	-	-	-	-	-	-
Total Community Development Notes	142	142	-	-	-	-	-	-	-	-	-	-
Total Principal	\$ 992,636	\$ 43,230	\$ 44,866	\$ 46,653	\$ 237,969	\$ 48,458	\$ 245,269	\$ 264,332	\$ 42,107	\$ 30,304	\$ -	\$ -
(in thousands of dollars)												
	Total	2023	2024	2025	2026	2027	2028 - 2032	2033 - 2037	2038 - 2042	2043 - 2047	2048 - 2052	2053 - 2057
INTEREST REQUIREMENTS												
General Obligation	\$ 35,341	\$ 5,561	\$ 5,148	\$ 4,714	\$ 4,256	\$ 3,782	\$ 10,844	\$ 1,036	\$ -	\$ -	\$ -	\$ -
Debt Community Development Notes	8	8	-	-	-	-	-	-	-	-	-	-
Revenue Bonds and Notes												
Convention Center Hotel	13,278	1,313	1,252	1,181	4,210	1,112	4,210	-	-	-	-	-
Water and Sewerage	373,168	30,035	29,132	28,139	27,158	25,712	112,492	77,655	34,309	8,536	-	-
Municipal and Regional Airports	8,213	940	861	777	682	614	2,565	1,505	269	-	-	-
Solid Waste	91	38	28	18	7	-	-	-	-	-	-	-
Total Interest Requirements	430,099	38,145	36,643	34,040	139,495	31,220	130,111	44,651	10,158	2,385	-	-
Total Future Debt Requirements	\$ 1,422,735	\$ 81,375	\$ 81,509	\$ 80,693	\$ 377,464	\$ 79,678	\$ 375,380	\$ 308,983	\$ 52,265	\$ 32,689	\$ -	\$ -

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

General Obligation Bonds

General obligation bonds are direct general obligations of the City. Principal and interest are payable from ad valorem taxes levied on all taxable property within the City.

In August 2022, the City issued \$50,140,000 in General Obligation Refunding Bonds, Series 2022. The Bonds were issued for the purpose of refunding and/or defeasing of all or certain maturities of the Series 2014 Refunded Bonds, and paying the costs of issuance of the Bonds. The net proceeds of \$59,499,441 (including issuance cost of \$640,559) were placed in an irrevocable trust with an escrow agent to provide funds for the advance refunding for the above bonds. As a result, these amounts are considered defeased and the liabilities have been removed from the statement of net position. The bond refunding resulted in an economic savings of \$1,924,852 to the City. The 2022 Series Refunding Bonds bear interest rates ranging from 4.23% to 4.95% and have maturities from 2025 to 2034. No principal payments were made in the current year for the Series 2022, Refunding Bonds and the amount outstanding as of December 31, 2022 was \$50,140,000.

In July 2022, the City issued \$41,750,000 in General Obligation Bonds, Series 2022A. The Bonds were issued for the purpose of paying the cost of constructing, acquiring and improving public facilities and equipment for the police department, the fire department, along with acquiring the necessary buildings, land and/or rights therein, equipment and furnishings therefore, and paying the costs of the Bonds thereof. The net proceeds were \$42,200,000, which includes issuance costs of \$675,058 and a bond premium of \$1,125,058. The Series 2022A Bonds bear interest rates ranging from 4% - 5% and have maturities from 2023 to 2042. No principal payments were made in the current year for the Series 2022A Bonds and the amounts outstanding at December 31, 2022, were \$41,750,000.

In November 2021, the City issued \$5,675,000 in Revenue Bonds, Series 2021. The Bonds were issued for the purpose of financing the cost of upgrading the roofs and related portions of several municipal buildings through the acquisition and construction of improvements, extensions, and replacements, funding a debt service reserve fund, and paying costs of the issuance of the bonds. The net proceeds were \$5,579,263 including a discount of \$95,737. The funds were used to pay for the cost of issuance of \$175,340, to establish a reserve fund of \$420,156 and to deposit the remainder into the project account. The 2021 Revenue Bonds bear an interest rate of 3.125% and have maturities from 2022 to 2039. The amounts outstanding at December 31, 2022, were \$5,445,000.

In September 2021, the City obtained capital lease financing in the amount of \$6,777,000 for the purpose of reimbursing the City for the purchase of capital equipment for the Public Works and Police Department. The lease has an interest rate of 1.545% with payments semi-annually through the end of 2026. The lease is secured by the equipment purchased. The amount outstanding at December 31, 2022 was \$5,518,765.

In December 2017, the City issued \$50,000,000 in General Obligation Refunding Bonds, Series 2017. The Bonds were issued for the purpose of advance refunding the City's outstanding General Obligation Bonds, Series 2011 and paying the costs of issuance of the Bonds. The net proceeds of \$58,373,096 (including a premium of \$7,085,176 and issuance cost of \$715,873) were placed in an irrevocable trust with an escrow agent to provide funds for the advance refunding for the above bonds. As a result, these amounts are considered defeased and the liabilities have been removed from the statement of net position. \$13,955,000 remains on the books. The outstanding amounts of all the bonds will be called on August 1, 2021, and the amounts outstanding at December 31, 2022, were \$45,995,000.

The General Obligation Refunding Bonds, Series 2017 bear interest rates between 3% and 5% maturities from 2022 to 2031. The reacquisition price exceeded the carrying amount by \$2,603,171 and is amortized over the life of the refunding debt. The refunding was undertaken to reduce future debt service payments by \$2,317,456 and resulted in an economic gain of \$1,777,220.

In November 2016, the City issued \$20,800,000 in Refunding Bonds, Series 2016. The bonds were issued to defease and refund the Series 2008 – Stadium Debt Bonds \$24,665,000, and pay the costs of issuance, including the premiums for the municipal bond insurance policy and debt service reserve surety bond. The net proceeds of \$26,241,121 (including a premium of \$2,476,543, issuance costs of \$314,840, insurance premiums \$86,412, underwriter's discount \$127,982, and surety expense \$66,824) were placed in an irrevocable trust with an escrow agent to provide funds for the advance refunding for the above bonds. As a result, the Series 2008 – Stadium Debt bonds are considered defeased and the liabilities have been removed from the statement of net position. The amounts outstanding at December 31, 2022, were \$12,555,000.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

The 2016 Refunding Bonds bear interest rates of 3% to 5% with maturities from 2018 to 2028. The reacquisition price exceeded the carrying amount by \$3,023,655 and is amortized over the life of the refunding debt. The refunding was undertaken to reduce future debt service payments by \$6,439,525 and resulted in an economic gain of \$2,434,519.

In October 2014, the City issued \$93,500,000 in General Obligation Bonds, Series 2014. The bonds were issued for the purpose of paying the cost of (Proposition No.1) constructing, acquiring and/or improving the water system and the sewer system and appurtenances thereto and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$55,064,671), (Proposition No. 2) constructing, acquiring and improving public facilities and equipment for parks and recreation, public building, the police department, fire department and finance department and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$12,933,337), and (Proposition No. 3) constructing, acquiring and/or improving the streets, highways, bridges, and drainage systems and appurtenances thereto and acquiring the necessary land or rights therein, equipment and furnishings therefor, and paying the costs of issuance of the bonds thereof (\$25,501,992). The bonds are the final series of a total amount of \$175,000,000 in bonds for all three Propositions that were authorized at a special election held on April 2, 2011. The bonds have maturity dates from 2015 through 2034 with principal payments from \$3,670,000 to \$7,020,000 and interest rates of 2.00% to 5.00%. In 2022, the City issued 2022 Refunding Bonds in the amount of \$50,140,000 to refund \$47,645,000 of the General Obligation Bonds, Series 2014. The amounts outstanding at December 31, 2022, were \$17,720,000.

Community Development Notes

The City has one Housing and Urban Development (HUD) loan received in prior years. The loan is secured by a note receivable from the developer with a first lien mortgage and a pledge of the City's current and future CDBG funds. The note receivable and loan payable are recorded in the Community Development Fund due to the flow of funds between the developer, the City, and HUD. The developer makes payments to the City and the City services the loan to HUD.

The debt service requirements to maturity for this loan is as follows:

<u>Year Ending December31,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 150,037	\$ 142,000	\$ 8,037
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027	-	-	-
Total	<u>\$ 150,037</u>	<u>\$ 142,000</u>	<u>\$ 8,037</u>

Municipal and Regional Airports Revenue Bonds

The resolutions applicable to the Municipal and Regional Airports Revenue Bonds require the establishment of various bond principal and interest sinking funds and the establishment of a debt service reserve fund. For financial statement reporting, these funds have been consolidated within the Municipal and Regional Airport fund. Net position of the Municipal and Regional Airport fund has been restricted in accordance with the provisions of the respective bond indentures in the amount of \$3,960,404 at December 31, 2022, which represents the restricted assets included in the debt service funds at that date with no current liabilities payable from these restricted assets.

The City has covenanted in the General Bond Resolution that it will at all times fix, prescribe and collect rents, fees and other charges for the services and facilities furnished by the Airport System sufficient to yield net revenues during each fiscal year equal to at least 125% of debt service for such fiscal year and to yield revenues during each fiscal year equal to at least 100% of the aggregate amounts required to be deposited during the first year in each account created by the General Bond Resolution.

The City was in compliance with the debt service covenant of 125% net revenues of annual debt service.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

Restricted assets of the Municipal and Regional Airport fund primarily represent amounts which are required to be maintained pursuant to ordinances relating to bonded indebtedness. A summary of restricted assets at December 31, 2022, follows:

Fund	
Other Miscellaneous Restricted Funds	\$ 605,684
Bond and Interest Sinking Funds	4,122,175
Total restricted assets	<u>\$ 4,727,859</u>

Water and Sewerage Revenue Bonds

In September 2021, the City obtained capital lease financing in the amount of \$1,500,000 for the purpose of reimbursing the City for the purchase of capital equipment for the Water and Sewerage department. The lease has an interest rate of 1.64% with payments semi-annually through the end of 2026. The lease is secured by the equipment purchased. The amount outstanding at December 31, 2022 was \$1,214,638.

In December 2020, the City issued \$27,450,000 in Water and Sewer Revenue Bonds consisting of 2020A series in the amount of \$12,620,000; 2020B series in the amount of \$9,415,000; and 2020C series in the amount of \$5,415,000. The bonds were issued for the purpose of refunding the 2020 principal payments for the 2014A Water and Sewer Revenue Bond in the amount of \$7,870,000, the 2015 Water and Sewer Revenue Bond in the amount of \$545,000, and the 2016C Water and Sewer Revenue Bond in the amount of \$1,195,000; and the 2021 payments for the 2014A Water and Sewer Revenue Bond in the amount of \$8,285,000, the 2015 Water and Sewer Revenue Bond in the amount of \$570,000, the 2016C Water and Sewer Revenue Bond in the amount of \$1,225,000, and the 2018C Water and Sewer Revenue Bond in the amount of \$675,000; as well as paying the costs of issuance of the 2020 bonds, including the cost for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the 2020 bonds. The 2020A series and 2020C are taxable bonds. The bonds bear interest rates between 3.0% and 4.21% with maturities from 2042 to 2050. The amounts outstanding at December 31, 2022 were \$27,450,000.

In May 2019, the City issued \$100,000,000 in Water and Sewer Revenue Bonds, Junior Lien Series 2019B. The bonds were issued for the purpose of paying the costs for acquisition and construction of improvements, extensions and replacements to the System funding a debt service reserve and/or paying the cost of reserve fund surety bonds, if necessary, and paying the costs of issuance of the 2019B bonds, including the cost for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the 2019B bonds. The bonds bear interest rates between 3% and 5% with maturities from 2022 to 2049. The amounts outstanding at December 31, 2022, were \$97,835,000.

In May 2018, the City issued \$100,000,000 in Water and Sewer Revenue Bonds, Series 2018C. The bonds were issued for the purpose of paying the costs for acquisition and construction of improvements, extensions and replacements to the System funding a debt service reserve and/or paying the cost of reserve fund surety bonds, if necessary, and paying the costs of issuance of the 2018C bonds, including the cost for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the 2018C bonds. The bonds bear interest rates between 3% and 5% with maturities from 2021 to 2041. The amounts outstanding at December 31, 2022, were \$96,690,000.

In March 2018, the City issued \$20,000,000 in Taxable Water and Sewer Revenue Bonds (LDEQ Sewer Project), Series 2018A. The bonds were sold by the City to the Louisiana Department of Environmental Quality. The bonds bear an interest rate of .95% plus an administrative fee of .50%. The bonds were issued to finance a portion of the costs of constructing and acquiring improvements, extensions and replacements to the sewerage portion of the City's combined drinking water and wastewater collection, treatment and disposal system, and paying the costs of issuance. The proceeds of the bonds are received through drawdowns and interest is payable from the date of the drawdown. The amount drawn down in 2022 was \$640,107 for a total of \$15,006,598. The amount outstanding at December 31, 2021 was \$13,579,696.

In June 2017, the City issued \$55,975,000 in Water and Sewer Revenue Bonds, Series 2017A. The bonds were issued for the purpose of paying the costs of improvements to the Water System, including capitalized interest, purchasing a reserve fund surety, and paying the costs of issuance of the Series 2017A Bonds, including the premium for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the Series 2017A Bonds. The bonds bear interest rates between 4% and 5% with maturities from 2018 to 2042. The amounts outstanding at December 31, 2022, were \$54,475,000.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

In June 2017, the City issued \$35,840,000 in Water and Sewer Revenue Bonds, Junior Lien Series 2017B. The bonds were issued for the purpose paying the costs of improvements to the System, including capitalized interest, purchasing a reserve fund surety, and paying the costs of issuance of the Series 2017B Bonds, including the premium for the municipal bond insurance policy and the premium for the debt service reserve fund surety bond for the Series 2017B Bonds. The bonds bear interest rates between 3.375% and 5% with maturities from 2018 to 2042. The amounts outstanding at December 31, 2022 were \$35,140,000.

In July 2017, the City issued \$43,190,000 in Refunding Bonds, Series 2017C. The bonds were issued for the purpose of refunding, readjusting, restructuring and/or refinancing the City's repayment obligations under a Loan Agreement dated as of October 1, 2005 (the "Loan Agreement"), by and between the City, as borrower, and the Louisiana Local Government Environmental Facilities and Community Development Authority, as lender (the "Authority"), pursuant to which the City is indebted to the Authority for the repayment of certain sums of money, together with interest and other payments described in the Loan Agreement in connection with the issuance by the Authority of its Revenue Bonds (Shreveport Utility System Project) Series 2005 (the "Refunded Bonds"), and paying costs of issuance. The net proceeds of \$43,005,000 (including payment of accrued interest on refunded bonds of \$67,518 and cost of issuance of \$185,000) were placed in an irrevocable trust with an escrow agent to provide funds for the advance refunding for the above bonds. As a result, the Revenue Bonds (Shreveport Utility System Project) Series 2005 are considered defeased and the liabilities have been removed from the statement of net position.

The 2017C Refunding Bonds bear an interest rate of 3.50% with maturities from 2018 to 2033. The carrying amount exceeded the reacquisition price by \$596,032 and is amortized over the life of the refunding debt. The refunding was undertaken to fix the outstanding variable rate, align the governing documents with the new General Bond Ordinance and extend the final maturity to match the useful life of the original project – Utility System Debt Bonds \$43,005,000. The amounts outstanding at December 31, 2022, were \$32,145,000.

In December 2016, the City issued \$20,000,000 in Taxable Water and Sewer Revenue Bonds (LDEQ Sewer Project), Series 2016A. The bonds were sold by the City to the Louisiana Department of Environmental Quality. The bonds bear an interest rate of .45% plus an administrative fee of .50%. The bonds were issued to finance a portion of the costs of constructing and acquiring improvements, extensions and replacements to the sewerage portion of the City's combined drinking water and wastewater collection, treatment and disposal system, and paying the costs of issuance. The proceeds of the bonds are received through drawdowns and interest is payable from the date of the drawdown. The amount drawn down in 2022 was \$0 for a total of \$17,722,743 with a balance of \$14,456,742 at December 31, 2022.

In December 2016, the City issued \$100,000,000 in Water and Sewer Revenue Bonds, Series 2016B. The bonds were issued for the purpose of paying the costs of improvements to the System, including capitalized interest, funding a reserve fund surety, and paying the costs of issuance. The bonds bear an interest rate of 5% with maturities from 2024 to 2041. The amounts outstanding at December 31, 2022 were \$100,000,000.

In December 2016, the City issued \$8,420,000 in Taxable Water and Sewer Revenue Bonds, Junior Lien Series 2016C. The bonds were issued for the purpose of paying an interest rate swap termination fee in connection with previous indebtedness incurred in relation to the System, funding a reserve fund surety, and paying the costs of issuance. The bonds bear interest rates from 1.6% to 3.5% with maturities from 2017 to 2023. The amounts outstanding at December 31, 2022 were \$1,300,000.

In December 2015, the City issued \$120,000,000 in Water and Sewer Revenue and Refunding Bonds, Series 2015. The bonds were issued to advance refund the balance of the 2006A Refunding Issue in the amount of \$5,520,000, obtaining financing for the acquisition and construction of improvements, extensions and replacements to the combined revenue producing water and sewer utility system, funding a reserve fund surety, funding a municipal bond insurance policy and paying the costs of issuance of the bonds. The net proceeds of \$134,900,395 (including a premium of \$17,029,476 and issuance costs and insurance premiums of \$2,129,081) were used to place \$5,546,090 in an irrevocable trust with an escrow agent to provide funds for the advance refunding and \$129,354,305 was placed in the project account. As a result, the 2006A, Refunding Bonds are considered defeased and the liabilities have been removed from the statement of net position. The amount outstanding at December 31, 2022 was \$116,380,000.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

In November 2014, the City issued \$75,835,000 in Water and Sewer Revenue Refunding Bonds, Series 2014 A. The bonds were issued to currently refund the outstanding 2001A, 2001B, 2001C, 2002A, 2002B, 2003A, 2003B, 2004A and 2010C bonds in the amount of \$65,981,906 and to advance refund \$16,135,000 of the 2007 bonds. The net proceeds of \$85,387,973 (including a premium of \$9,792,379, a contribution from the City of \$947,000 and issuance costs and insurance premiums of \$1,186,406) were used for the current refunding \$66,832,837 and \$18,555,136 was placed in an irrevocable trust with an escrow agent to provide funds for the advance refunded 2007 bonds. As a result, all of the bonds are considered defeased and the liabilities have been removed from the statement of net position. The amount outstanding at December 31, 2022 was \$20,055,000.

In November 2014, the City issued \$67,045,000 in Water and Sewer Revenue Bonds, Series 2014B. Included in the proceeds was a reoffering premium of \$1,676,592. The bonds were issued for the purpose of financing construction of and extensions and improvements of the City's combined waterworks plant and system and sewer system, funding a deposit to the Debt Service Fund or the premiums for debt service fund sureties and paying the costs of issuance including the premiums for bond insurance policies. The bonds have maturity dates from 2027 through 2038 with interest rates of 4.00% to 5.00%. The amount outstanding at December 31, 2022 was \$67,045,000.

In December 2014, the City issued \$7,955,000 in Water and Sewer Revenue Bonds, Series 2014C. Included in the proceeds was a reoffering premium of \$698,051. The bonds were issued for the purpose of financing construction of and extensions and improvements to the City's combined waterworks plant and system and sewer system, funding a deposit to the Debt Service Fund or the premiums for debt service fund sureties and paying the costs of issuance including the premiums for bond insurance policies. The bonds have a maturity date of 2039 and an interest rate of 5.00%. The amount outstanding at December 31, 2022 was \$7,955,000.

In January 2013, the City issued Taxable Utility Revenue Bonds, Series 2013 in the amount of \$3,684,000 for the purpose of restructuring the balance of previously issued bonds for the purpose of assuming ownership of the Shreveport Biosolid Disposal Project, and paying the cost of issuance of the bonds. The bonds bear interest at the rate of 3.750%; and have maturities from 2013 through 2022. The amount outstanding at December 31, 2022 was \$0.

In November 2013, the City entered into a Loan and Pledge Agreement with the Louisiana Department of Environmental Quality. The Department purchased the City's \$5,000,000 Taxable Utility Revenue Bonds (LDEQ Series Project) Series 2013. The bonds were issued for the purpose of financing a portion of the costs of constructing and acquiring improvements, extensions and replacements to the sewerage portion of the combined water and sewer system of the City. The bonds bear an interest rate of .45% plus an administrative fee of .50%. The proceeds of the bonds are received through drawdowns and interest is payable from the date of the drawdown. There were no drawdowns in 2021. The amounts outstanding at December 31, 2022 were \$3,190,000.

In June 2010, the City issued \$11,560,000 of Taxable Water and Sewer Revenue Bonds (DEQ Sewer Project), Series 2010D. The bonds were sold by the City to the Louisiana Department of Environmental Quality, Municipal Facilities Revolving Loan Fund. The bonds are Build America Bonds and are entitled to a credit equal to 35% of the interest paid on the bonds. The bonds bear an interest rate of .45% plus an administrative fee of .50%. The proceeds of the bonds are received through drawdowns and interest is payable from the date of the drawdown. There were no drawdowns in 2021. The amounts outstanding at December 31, 2022 were \$5,668,968.

In November 2009, the City entered into a Loan and Pledge Agreement for \$11,000,000 with the Louisiana Department of Health and Hospitals. The Department purchased the City's \$2,000,000 Water and Sewer Revenue Bonds, Series 2009A and the City's \$9,000,000 Water and Sewer Revenue Bonds, Series 2009B. The proceeds of the bonds are received through drawdowns. There were no drawdowns in 2020 for either of the bonds. The total to date is \$2,000,000 for the 2009A bonds and \$8,692,302 for the 2009B bonds (\$1,000,000 of the 2009A bonds has been forgiven through the American Recovery and Investment Act of 2009). The amounts outstanding at December 31, 2022 were \$4,485,302.

The resolutions applicable to the Water and Sewerage Revenue Bonds require the establishment of various bond principal and interest sinking funds and the establishment of a debt service reserve fund. For financial statement reporting, these funds have been consolidated within the Department of Water and Sewerage.

NOTES TO THE FINANCIAL STATEMENTS

III. Detailed Notes on All Funds (continued)

The City has debt covenants with respect to the various Water and Sewer bond to fix, establish and maintain such rates and collect such fees, rents or other charges for the services and facilities of the System, and all parts thereof, and to revise the same from time to time whenever necessary, as will always provide revenues in each Fiscal Year sufficient to pay (a) Operating Expenses of the System in such Fiscal Year, (b) Annual Debt Service falling due during such Fiscal Year, (c) all other payments required for such Fiscal Year by the General Bond Ordinance and the applicable ordinances authorizing a series of bonds, and (d) all other obligations or indebtedness of the City payable out of the Net Revenues for such Fiscal Year which result in each Fiscal Year, and which in any event will provide Net Revenues in an amount equal to at least one hundred twenty-five percent (125%) of the Annual Debt Service due in such Fiscal Year on all Senior Lien Bonds (without regard to Annual Debt Service on the Junior Lien Bonds), and (ii) one hundred ten percent (110%) of the Annual Debt Service in such Fiscal Year on all Senior Lien Bonds plus all Junior Lien Bonds.

The City was in compliance with the covenant of 125% of the Annual Debt Service for all Senior Lien Bonds; however, the City was not in compliance with the 110% of the Annual Debt Service requirement for all Senior and Junior Lien Bonds.

Restricted assets in the Water and Sewerage Fund primarily represent amounts which are required to be maintained pursuant to ordinances relating to bonded indebtedness (construction, debt service, and bond principal and interest sinking funds). A summary of restricted assets at December 31, 2022, follows:

Fund	
Debt Service Reserve Funds	\$ 4,906,770
2014B Bond Project Fund	3,745
2014C Bond Project Fund	1,888
2015 Bond Project Fund	3,567,635
2016B Bond Project Fund	9,165,065
2017A Bond Project Fund	56,016
2017B Bond Project Fund	2,196,761
2018C Bond Project Fund	27,906,667
2008 LCDA COI	1,500,000
2019B Bond Project Fund	98,507,987
Escrow Funds	2,566,568
Miscellaneous Bond Funds	93,024
Total restricted assets	\$ 150,472,126

Solid Waste Long-term Debt

In September 2021, the City obtained capital lease financing in the amount of \$3,200,000 for the purpose of reimbursing the City for the purchase of capital equipment for the Solid Waste department. The lease has an interest rate of 1.545% with payments semi-annually through the end of 2026. The lease is secured by the equipment purchased. The amount outstanding at December 31, 2022 was \$2,605,982.

Convention Center Hotel

In May 2018, the City remarketed the \$35,985,000 remaining principal balance of the \$40,980,000 Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Refunding Bonds (Shreveport Convention Center Hotel Project) Series 2008. The bonds were placed with Regions Bank and Deutsche Bank for a period of seventeen years through April 1, 2035 and shall bear interest at a variable rate of between 3.390% and 5%. The balance owed as of December 31, 2022 was \$31,000,851.

Northwest Louisiana Finance Authority Bonds

On February 1, 2004, the Authority issued \$4,360,000 in bonds, the 2004 Multi-Family Housing Revenue Refunding Bonds, to advance refund the \$4,360,000 1995 Multi-Family Issue. Bond costs of \$130,569 were paid by the Authority. At December 31, 2022, the principal outstanding on the 2004 bonds was \$774,337.

There are a number of limitations and restrictions contained in the various bond indentures. The Authority is in compliance with all significant limitations and restrictions.

NOTES TO THE FINANCIAL STATEMENTS
III. Detailed Notes on All Funds (continued)

The annual requirements to amortize all debt outstanding as of December 31, 2022 including interest requirements are as follows:

<u>Year Ending December 31,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 120,907	\$ 71,781	\$ 49,126
2024	121,123	75,732	45,391
2025	119,808	78,358	41,450
2026	100,532	63,240	37,292
2027	99,753	66,721	33,032
Thereafter	539,435	418,505	120,930
Total	<u>\$ 1,101,558</u>	<u>\$ 774,337</u>	<u>\$ 327,221</u>

Note of Future Advance Refundings

In accordance with the Tax Reform and Jobs Act of 2017, advance refundings of debt are no longer an available option for governmental entities.

Arbitrage Rebate

In accordance with the Tax Reform Act of 1986 any interest earnings on borrowed funds since August 31, 1986 in excess of the interest costs are required to be rebated to the federal government. The City has determined that there was no material liability at December 31, 2022. Additional rebate calculations are scheduled to be performed in 2023.

I. Landfill and Sludge Facility Closure and Post-Closure Care Cost

State and federal laws and regulations require the City to place a final cover on its Woolworth Road landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. The City has entered into a sanitary landfill services contract with a contractor. The contractor is responsible for the operation and closure of that portion of the landfill on which it conducted operations. The City is responsible for the maintenance and construction of all monitoring facilities and the conduct of all monitoring programs. If the contractor defaults on the contract, the City would be liable for all costs. We have reviewed the financial capability and stability of the contractor to ensure that the contractor will be able to meet the closure obligations when they are due. We believe that the contractor will be able to meet the obligations. A liability of \$10,436,157, has been reported at December 31, 2022, for closure and post-closure care cost and represents the cumulative costs reported based on 52.43% of the capacity of the landfill having been used to date. The landfill has an estimated remaining life of approximately 28.6 years. This amount has been accrued in the government-wide financial statements within the enterprise activities and has been reported as a liability in the Solid Waste Enterprise Fund. The estimated total current cost of closure and post-closure care remaining to be recognized is \$14,972,161 and \$19,906,512, respectively. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City is the permit holder for the landfill and the sludge facility, and Louisiana Solid Waste Rules and Regulations require all permit holders to demonstrate financial responsibility by one of a group of financial tests contained within the regulations. The City has demonstrated its financial responsibility by the fact that the tangible net worth of the City is at least \$10 million, the net worth is at least six times the estimate of the closure and post-closure costs, at least 90% of the assets are located in the United States and the City has a bond rating which exempted it from certain required financial ratios.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information

A. Retirement Commitments – Defined Benefit Pension Plans and Other Postemployment Benefits

The City of Shreveport administers three defined benefit pension plans: the Firemen's Pension and Relief Fund (FPRF), the Policemen's Pension and Relief Fund (PPRF) and the Employees' Retirement System (ERS), a cost-sharing multiple employer plan. These plans do not issue stand-alone financial reports and are not included in the report of a public employee retirement system or another entity and are therefore included in this report as combining statements under the section entitled "Combining and Individual Fund Statements and Schedules". The City also provides medical, dental and life insurance coverage through a cost-sharing multiple-employer defined benefit plan. The City also participates in two state-administered cost-sharing multiple-employer defined benefit pension plans. They are the Municipal Police Employees' Retirement Systems (MPERS) and the Firefighters' Retirement System (FRS).

Aggregating schedules for the three City-administered plans and the two state-administered plans are as follows:

Net Pension Liability	Primary Government	Component Units
Proportionate share of the net pension liability:		
Employees' Retirement System (ERS)	\$ 256,785,719	\$ 28,634,629
Net Pension Liability:		
Firemen's Pension and Relief Fund (FPRF)	13,331,396	-
Policemen's Pension and Relief Fund (PPRF)	3,855,569	-
Firefighter's Retirement System (FRS)	86,179,511	-
Municipal Police Employees' Retirement System (MPERS)	99,104,793	-
Total net pension liability	<u>\$ 459,256,988</u>	<u>\$ 28,634,629</u>

For the year ended December 31, 2022, the City recognized pension expense for each of the plans as follows:

Pension Expense (Benefit)	Primary Government	Component Units
Firemen's Pension and Relief Fund (FPRF)	\$ (253,201)	\$ -
Policemen's Pension and Relief Fund (PPRF)	1,439,634	-
Employees' Retirement System (ERS)	22,628,906	2,523,389
Firefighter's Retirement System (FRS)	12,129,766	-
Municipal Police Employees' Retirement System (MPERS)	15,714,376	-
Total pension expense	<u>\$ 51,659,481</u>	<u>\$ 2,523,389</u>

Pension expense is comprised of various elements including service cost, interest, changes in benefit terms, investment experience, and the amortization of deferred outflows and inflows of resources, which are all factors used by the actuaries in the calculation of net pension liability.

Deferred Outflows and Inflows of Resources for the five plans are as follows:

Deferred Outflows of Resources	FPRF	PPRF	ERS	FRS	MPERS	Total Primary Government	Component Unit	Total
Experience	\$ -	\$ -	\$ 8,068,234	\$ 515,081	\$ 488,783	\$ 9,072,098	\$ 899,703	\$ 9,971,801
Investment Earnings	1,899,840	1,889,505	19,987,976	19,521,918	17,693,324	60,992,563	2,228,894	63,221,457
Assumptions	-	-	129,299	7,106,126	3,418,562	10,653,987	14,418	10,668,405
Change in Prop. And Difference in Contributions	-	-	-	1,062,904	478,872	1,541,776	-	1,541,776
Employer Contributions	-	-	-	5,579,737	4,807,066	10,386,803	-	10,386,803
Total	<u>\$ 1,899,840</u>	<u>\$ 1,889,505</u>	<u>\$ 28,185,509</u>	<u>\$ 33,785,766</u>	<u>\$ 26,886,607</u>	<u>\$ 92,647,227</u>	<u>\$ 3,143,015</u>	<u>\$ 95,790,242</u>

Deferred Inflows of Resources	FPRF	PPRF	ERS	FRS	MPERS	Total Primary Government	Component Unit	Total
Experience	\$ -	\$ -	\$ 225,973	\$ 4,062,034	\$ 807,737	\$ 5,095,744	\$ 25,199	\$ 5,120,943
Assumptions	-	-	28,468	-	737,136	765,604	3,175	768,779
Change in Prop. And Difference in Contributions	-	-	-	5,959,364	1,583,560	7,542,924	-	7,542,924
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 254,441</u>	<u>\$ 10,021,398</u>	<u>\$ 3,128,433</u>	<u>\$ 13,404,272</u>	<u>\$ 28,374</u>	<u>\$ 13,432,646</u>

NOTES TO THE FINANCIAL STATEMENTS
IV. Other Information (continued)

For the year ending December 31,	Primary Government	Component Units
2023	\$ 14,685,687	\$ 648,611
2024	16,746,462	934,168
2025	9,972,447	701,345
2026	27,906,623	830,518
2027	(302,797)	-
Thereafter	(152,271)	-
Total	<u>\$ 68,856,151</u>	<u>\$ 3,114,642</u>

Summary of Significant Accounting Policies – City Administered Plans

Basis of Accounting - The three City administered pension plans' financial statements are prepared using the accrual basis of accounting. Plan members' contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. The cash surrender value of life insurance policies is recorded as other assets for the FPRF and PPRF. The policies are valued at their cash value as of the date of the financial statements. The policies provide assets to fund benefits of the plan. The pension investment policies are described in Note I.D.1. Cash, Cash Equivalents and Investments.

Concentration of Investments - The FPRF, PPRF and ERS had no investments in any one organization representing 5% or more of the fiduciary net position except for obligations of the federal government. There are no investments in loans to or leases with parties related to the pension plans.

Membership - Each pension plan administered by the City consisted of the following participants at December 31, 2022:

	FPRF	PPRF	ERS
Retirees and beneficiaries receiving benefits	278	159	1,147
Active plan members:			
Vested	3	-	470
Nonvested	-	-	714
Total	<u>281</u>	<u>159</u>	<u>2,331</u>
Number of participating employers	1	1	3

Administrative costs of the ERS are financed through contributions from the employers, members and investment income. Administrative costs of the FPRF and PPRF are financed through contributions from the employer and investment income.

Plan Descriptions

The FPRF is a single-employer defined benefit pension plan that temporarily covers firefighters who retire after January 1, 1983 and meet the eligibility requirements of the local retirement plans but not the State plan. The pension plan is closed to new members.

The PPRF is a single-employer defined benefit pension plan that temporarily covers policemen who retire after January 1, 1983 and meet the eligibility requirements of the local retirement plans but not the state plan. The pension plan is closed to new members.

The ERS is a cost-sharing multiple-employer defined benefit pension plan that covers all full-time classified employees of the City other than policemen and firemen and is administered by the City.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

Pension Liability:

The Net Pension Liability was measured as of December 31, 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 is 100%. The total pension liability was determined by an actuarial valuation as of the valuation date, calculated on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. There have been no significant changes between the valuation date and the fiscal year end.

The following table presents the changes in net pension liability measured as of the year ended December 31, 2022:

	2022		
	FPRF	PPRF	ERS
Total pension liability			
Service cost	\$ -	\$ -	\$ 3,711,192
Interest	1,727,933	1,246,884	29,503,149
Effect of economic/demographic gains or losses	(1,730,032)	1,022,005	11,198,842
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(1,548,553)	(1,465,217)	(33,118,742)
Net change in total pension liability	(1,550,652)	803,672	11,294,441
Total pension liability - beginning	25,445,944	18,532,837	434,041,669
Total pension liability - ending (a)	<u>\$ 23,895,292</u>	<u>\$ 19,336,509</u>	<u>\$ 445,336,110</u>
Plan fiduciary net position			
Contributions - employer	\$ -	\$ -	\$ 15,251,035
Contributions - member	-	-	6,134,172
Net investment income (loss)	(2,118,643)	(2,757,368)	(27,828,968)
Benefit payments, including refunds of member contributions	(1,548,553)	(1,465,217)	(33,118,742)
Administrative expense	(23,110)	(23,111)	(81,768)
Other	-	-	-
Net change in plan fiduciary net position	(3,690,306)	(4,245,696)	(39,644,271)
Plan fiduciary net position - beginning	14,254,202	19,726,636	199,560,033
Plan fiduciary net position - ending (b)	<u>10,563,896</u>	<u>15,480,940</u>	<u>159,915,762</u>
Net pension liability - ending (a) - (b)	<u>\$ 13,331,396</u>	<u>\$ 3,855,569</u>	<u>\$ 285,420,348</u>

Eligibility Requirements and Retirement BenefitsFPRF plan:

Until January 1, 1983, the Firemen's Pension and Relief Fund (FPRF) provided the primary retirement benefits for two groups of employees. Firefighters hired before July 12, 1977, were covered under an "Old Plan". Firefighters hired on or after July 12, 1977, were covered by a "New Plan". Under the Old Plan, a firefighter was eligible to retire at any age with 20 years of service. Benefits are payable monthly for life equal to 50% of the fireman's monthly salary, plus 3 1/3% for each year of service between 20 and 25 years, plus 1 2/3% for each year of service between 25 and 30 years. Under the New Plan, a firefighter is eligible to retire at age 50 with 20 years of service or age 55 with 12 years of service. Benefits are 2 1/2% of three-year average pay times years of service up to 10, plus 3% of each year of service over 10. The benefit cannot exceed 85% of final salary. The City guarantees that it will pay the benefits under the Old and New Plans until the member is eligible for a benefit from the Statewide Firefighters Retirement System. It also guarantees to pay the excess benefit of these plans over the Statewide Firefighters Retirement System.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

Disability benefits are payable under the Old Plan on the basis of: (1) temporary total disability in the line of duty, (2) total disability in the line of duty, (3) occupational disability in the line of duty, or (4) total disability not in the line of duty. Disability benefits payable are (1) 66 2/3% of the monthly salary, payable for no more than one year; (2) 66 2/3% of the salary of active members holding the position corresponding to that held by the disabled member at the time he became disabled is payable for the duration of the disability or until the member reaches eligibility for retirement on service basis, except the benefit will end as of the time when the member would have completed 30 years of service; (3) 50% of salary of active members holding the position corresponding to that held by the disabled, not to exceed 66 2/3% of first class hoseman's salary, payable for duration if disability or until eligible for service retirement; and (4) 25% of salary of active members holding the position corresponding to that held by the disabled member at the time he became disabled, plus an additional 2% of such salary for each year of service over 5 years, but not to exceed 50% of a first class hoseman's salary payable for the duration of the disability. Under the New Plan, the disability benefit is (1) 60% of the fireman's monthly salary or (2) 75% of the accrued benefit. The City guarantees it will pay any excess of the benefits of this plan over the Statewide Firefighters Retirement System.

Under the Old Plan, death benefits equal to 50% of a beginning fireman's salary are payable to a surviving spouse. The City guarantees that it will pay this benefit for each fireman holding a guarantee of benefits contract. Under the New Plan, there is not an automatic benefit provided. Death benefits are based on the option chosen by the member at retirement.

There was not a vesting provision under the Old Plan. Members were eligible for benefits only after serving the time requirement for normal retirement. Under the New Plan, members vest after twelve years of service and may receive a benefit at age 50 with twenty years of service or at age 55 with a minimum of twelve years of service. Benefits are established and may be amended by State statutes, R.S.11:3713 and 3714.

The guaranteed benefits are paid to a closed group of firefighters. A significant part of the guaranteed benefits are the temporary benefits payable until age 50. The value of these temporary benefits can fluctuate widely, since it directly depends upon how many people retire before age 50.

PPRF plan:

Until July 12, 1977, all police officers hired became participants in the Policemen's Pension and Relief Fund (PPRF) as a condition of employment. After July 12, 1977, all new policemen were placed directly into the State's Municipal Police Employees' Retirement System (MPERS). Currently only policemen who retire after January 1, 1983, and who meet the eligibility requirements for a retirement benefit from the local plan but not the state plan, are being paid from this fund. Under this plan, a policeman hired before 1969 can retire at any age with 20 years of service; policemen hired after 1968 can retire at any age with 25 years of service. Benefits are payable monthly at 66 2/3% of monthly salary, plus an additional 0.833% for each year of service over 20 served after July 12, 1977. An additional 1.66% is paid for each year of service over 25 if the employee was hired after 1968. The benefit cannot exceed 75% of the policeman's monthly salary. The City guarantees that it will pay the benefit under this plan until the member is eligible for the Municipal Police Employees' Retirement System. It guarantees to pay the excess benefits, if any, of this plan over the Municipal Police Employees' Retirement System for the life of the member.

Disability benefits are payable on the basis of: (1) temporary total disability in the line of duty; (2) total and permanent disability in the line of duty; and (3) occupational disability that is total and permanent and received in the line of duty which renders the member unable to function in his police duties. Benefits payable are: (1) 66 2/3% of monthly salary of active member holding a position corresponding to that which had been held by a disabled member at the time he became disabled. Payments will be made for no more than one year or benefits will continue until member becomes eligible for service retirement; or (2) 50% of monthly salary of active member holding a position corresponding to that which had been held by a disabled member at the time he became disabled. Benefits will continue until member becomes eligible for service retirement. The City guarantees that it will pay any excess of the benefits of this plan over the MPERS.

A death benefit is payable to a surviving spouse equal to 50% of a beginning policeman's salary. The City guarantees that it will pay this benefit for each policeman holding a guarantee-of-benefits only after serving the time requirement for normal retirement. Benefits are established and may be amended by State statutes, R.S.11:3433, 3434, 3436 and 3437.

The guaranteed benefits are paid to a closed group of policemen. A significant part of the guaranteed benefits are the temporary benefits payable until age 50.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

ERS plan:

Non-City employees employed by the following organizations may become members in the Employees' Retirement System (ERS): Shreve Memorial Library, Caddo-Shreveport Sales and Use Tax Commission and other non-City employees recommended by the Board of Trustees and approved by the City Council. Appointed officials of the City and the Mayor have the option to join by filing an application within 90 days after taking office. However, by joining the retirement system, they may not participate in the deferred compensation program for appointed employees.

Prior to October 1, 1999, to be eligible for regular retirement benefits, members must have 30 years of service regardless of age or be age 65 with 10 years of service, and if hired before January 1, 1979 be 55 years of age with 20 years of service. If hired on or after January 1, 1979, members must be 55 years of age with 25 years of service or age 60 with 20 years of service. As of October 1, 1999, eligibility for regular retirement has been extended to any member who has 20 years of service at age 55. The difference, before and after a hire of January 1, 1979, has been eliminated. Members become vested in the system after 15 years of creditable service. Benefit provisions are established and may be amended by City ordinance #2 of 1954, #163 of 1990 and #112 of 1991.

Benefits available to members hired before January 1, 1996, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus an annual pension, which together with the annuity, provides a total retirement allowance equal to 3% of average compensation times years of creditable service. Beginning January 1, 1996, the retirement allowance was increased to 3 1/3% of average compensation times years of creditable service for 1996 and future years of service. Effective January 1, 2015, the retirement allowance was reduced to 2.75% of average compensation times years of creditable service for 2015 and future years. An early retirement provision has been implemented for any member who has at least 10 years, prior to January 1, 2015, of service and is within 10 years of a member's normal retirement age. The benefit is reduced by 3% per year for each year within five years of the normal retirement date, by 5% for the next earlier year, and by 8% for each additional earlier year. The plan allows members who have met eligibility requirements to defer receipt of benefits for a period of two years with one percent interest.

ContributionsFPRF plan:

Only the employer makes contributions on a pay-as-you-go basis. The employer contribution obligations are established and may be amended by State statutes. Contributions are made from the General Fund. The City's contribution rate of annual covered payroll is not applicable. There are three active employees.

Management of the FPRF is vested in the board which consists of nine members – five elected employees or retirees eligible for the plan, the Mayor, the Chief Administrative Officer, the Finance Director and the Fire Chief.

For the year ended December 31, 2022, the annual money-weighted rate of returns on pensions plan investments, net of pension plan investment expense, was (15.83%). External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PPRF plan:

Only the employer makes contributions. The employer contribution obligations are established and may be amended by State statutes. The funding approach is to amortize all benefits over 25 years. However, the contribution cannot be less than the expected benefit payments for the year. Contributions are made from the General Fund. The City's contribution rate of covered payroll is not applicable. There are no active employees.

Management of the PPRF is vested in the board which consists of nine members – five elected employees or retirees eligible for the plan, the Mayor, the Chief Administrative Officer, the Finance Director and the Police Chief.

For the year ended December 31, 2022, the annual money-weighted rate of returns on pension plan investments, net of pension plan investment expense, was (14.81%). External cash flows are determined on a monthly basis and are assumed to occur at the beginning of each month. External cash inflows are netted with external cash outflows, resulting in a net external cash flow each month. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

ERS plan:

Prior to January 1, 2007, plan members were required by City ordinance to contribute 7% of compensation to the Plan. The City or other employers were required by the same ordinance to contribute 11.15% of compensation. Contribution amounts from plan members, the City and other employers may be amended by City ordinance. Effective January 1, 2007, the employees' contributions to the plan were increased to 9% from 7% and the employers' contributions were increased to 13.15% from 11.15%. Effective January 1, 2015, the employees' contribution to the plan was increased from 9% to 10% and the employer contribution increased from 13.15% to 16.5%. Effective January 1, 2018, the employees' contribution to the plan was increased to 12%. Effective January 1, 2021 the employer contribution increased to 30%. Contributions are made from the fund that the employee is paid from, or from the organizations noted above.

In February 2004, an ordinance was passed which changed the method of computation for cost-of-living increases. The new computation states that effective January 1 of each year, there will be a cost-of-living increase based on the Consumer Price Index (CPI) if certain conditions exist: 1) the CPI has increased a minimum of one percent 2) the funded percentage for the retirement system for the prior year is not under 90% 3) the retirement systems overall rate of return on investments for the prior year was equal to or exceeded the actuarial interest rate for funding. The maximum increase is limited to 5%.

Management of the ERS is vested in the board which consists of seven members – two elected employees who are members of the plan, one elected retiree and one retiree alternate, the Mayor, the Chief Administrative Officer, the Finance Director and one Council Member.

For the year ended December 31, 2022, the annual money-weighted rate of returns on pension plan investments, net of pension plan investment expense, was (14.42%). The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

FPRF plan:

For the year ended December 31, 2022, the City recognized pension expense (benefit) of (\$253,201).

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual earnings	\$ 1,899,840	\$ -
Total	<u>\$ 1,899,840</u>	<u>\$ -</u>

There were no deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date. 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 December 31:

2023	\$ 274,915
2024	495,474
2025	516,980
2026	612,471
Total	<u>\$ 1,899,840</u>

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

PPRF plan:

For the year ended December 31, 2022, the City recognized pension expense of \$1,439,634.

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings	\$ 1,889,505	\$ -
Total	<u>\$ 1,889,505</u>	<u>\$ -</u>

There were no deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date. 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 December 31:

2023	\$ 37,107
2024	403,920
2025	631,072
2026	817,406
Total	<u>\$ 1,889,505</u>

ERS plan:

For the year ended December 31, 2022, net pension liability of \$285,420,348 and pension expense of \$25,152,295 were allocated as follows:

	Proportionate Share %	Net Pension Liability	Pension Expense
Primary Government			
Governmental activities	58.42%	\$ 166,737,858	\$ 14,693,556
Business-type activities	31.55%	90,047,861	7,935,350
Total primary government	89.97%	256,785,719	22,628,906
Component Units			
Shreve Memorial Library	10.03%	28,634,629	2,523,389
Total component units	10.03%	28,634,629	2,523,389
Jointly Governed Entity			
Sales and Use Tax Commission	0.00%	-	-
Total	100.00%	<u>\$ 285,420,348</u>	<u>\$ 25,152,295</u>

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and were allocated as follows:

	Deferred Outflows of Resources			Total Deferred Outflows of Resources
	Change in Investment Earnings	Change in Experience	Change in Assumptions	
Primary Government				
Governmental activities	\$ 12,978,729	\$ 5,238,921	\$ 83,957	\$ 18,301,607
Business-type activities	7,009,247	2,829,313	45,342	9,883,902
Total primary government	19,987,976	8,068,234	129,299	28,185,509
Component Units				
Shreve Memorial Library	2,228,894	899,703	14,418	3,143,015
Total component units	2,228,894	899,703	14,418	3,143,015
Jointly Governed Entity				
Sales and Use Tax Commission	-	-	-	-
Total	<u>\$ 22,216,870</u>	<u>\$ 8,967,937</u>	<u>\$ 143,717</u>	<u>\$ 31,328,524</u>

NOTES TO THE FINANCIAL STATEMENTS
IV. Other Information (continued)

	Deferred Inflows of Resources		
	Change in Investment Earnings	Change in Experience	Total Deferred Inflows of Resources
Primary Government			
Governmental activities	\$ -	\$ 146,731	\$ 18,485
Business-type activities	-	79,243	9,983
Total primary government	-	225,974	28,468
Component Units			
Shreve Memorial Library	-	25,199	3,175
Total component units	-	25,199	3,175
Jointly Governed Entity			
Sales and Use Tax Commission	-	-	-
Total	\$ -	\$ 251,173	\$ 31,643

There were no deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense for the primary government as follows:

Year ended December 31:

2023	\$ 5,816,530
2024	8,377,303
2025	6,289,427
2026	7,447,807
2027	-
Total	\$ 27,931,067

These amounts were allocated as follows:

Year ended December 31,	2023	2024	2025	2026	Total
Primary Government					
Governmental activities	\$ 3,776,829	\$ 5,439,608	\$ 4,083,894	\$ 4,836,061	\$ 18,136,392
Business-type activities	2,039,701	2,937,695	2,205,533	2,611,746	9,794,675
Total primary government	5,816,530	8,377,303	6,289,427	7,447,807	27,931,067
Component Units					
Shreve Memorial Library	648,611	934,168	701,345	830,518	3,114,642
Total component units	648,611	934,168	701,345	830,518	3,114,642
Jointly Governed Entity					
Sales and Use Tax Commission	-	-	-	-	-
Total	\$ 6,465,141	\$ 9,311,471	\$ 6,990,772	\$ 8,278,325	\$ 31,045,709

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

Actuarial Assumptions:

A summary of the FPRF, PPRF, and ERS actuarial methods and assumptions used in determining the total pension liability as of December 31, 2022, are as follows:

	FPRF	PPRF	ERS
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level dollar, closed	Level dollar, closed	N/A
Remaining amortization period	10 years	10 years	N/A
Asset valuation period	N/A	N/A	N/A
Inflation	2.50%	2.50%	2.50%
Salary increases	5.00%	N/A	Based on classification
Investment rate of return	7.00%	7.00%	7.00%
Cost of Living Adjustment	3.00%	3.00%	None
Retirement Age	Plan specific	n/a	Plan specific
Turnover	Plan specific	n/a	Plan specific
Mortality	Pri-2010 Public Safety and MP-2020 Improvement converging to long-term rate of 0.5% in 2037	Pri-2010 Public Safety and MP-2020 Improvement converging to long-term rate of 0.5% in 2036	Pub-2010 General and MP-2020 Improvement converging to long-term rate of 0.5% in 2036
Disability	Plan specific	Plan specific	Plan specific

No changes to mortality assumptions in 2022 for FPRF

During 2021, mortality assumptions for PPRF were changed from Pri-2010 General and MP-2020 Improvement converging to long-term rate of 0.5% in 2036 to Pri-2010 Public Safety and MP-2021 Improvement converging to long-term rate of 0.5% in 2037.

During 2022, mortality assumptions for ERS were changed from Pub-2010 General and MP-2020 Improvement converging to long-term rate of 0.5% in 2036 to Pub-2010 Public Safety and MP-2021 Improvement converging to long-term rate of 0.5% in 2037.

NOTES TO THE FINANCIAL STATEMENTS
IV. Other Information (continued)

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions as of December 31, 2022, are summarized in the following table:

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BAML 3-Month T-Bills	0.00%	2.99%	2.99%
Stable Value	Custom	0.00%	3.96%	3.95%
US Core Fixed Income (Aggregat	Bloomberg Barclays Aggregate	40.00%	4.59%	4.50%
US Treasury Bonds	Bloomberg US Treasury TR USD	0.00%	3.80%	3.66%
US Government Bonds	Bloomberg US Government TR U	0.00%	3.79%	3.67%
US Credit Bonds	Bloomberg US Credit TR USD	0.00%	5.23%	5.06%
US Corporate Bonds	Bloomberg US Corp Bond TR US	0.00%	5.32%	5.14%
US AA Corporate Bonds	Bloomberg US Corp Aa TR USD	0.00%	4.76%	4.60%
US A Corporate Bonds	Bloomberg US Corp A TR USD	0.00%	5.08%	4.89%
US BBB Corporate Bonds	Bloomberg US Corp Baa TR USD	0.00%	5.67%	5.46%
US Government/Credit Bonds	Bloomberg US Govt/Credit TR U	0.00%	4.34%	4.23%
US Long STRIPS (20+ Yrs)	Bloomberg US Strips 20+ Yr TR	0.00%	6.96%	3.92%
US Municipal Bonds	Bloomberg Municipal TR USD	0.00%	4.04%	3.95%
US High Yield Bonds	ICE BofA US High Yield TR USD	0.00%	6.67%	6.19%
Emerging Markets Bonds	JPM EMBI Plus TR USD	0.00%	7.28%	6.37%
US Large Cap Equity	S&P 500 TR USD	60.00%	7.79%	6.33%
US Large & Mid Cap Equity	Russell 1000 TR USD	0.00%	7.81%	6.28%
US Mid Cap Equity	Russell Mid Cap TR USD	0.00%	8.18%	6.22%
US Small Cap Equity	Russell 2000 TR USD	0.00%	9.40%	6.92%
Non-US Equity	MSCI ACWI Ex USA NR USD	0.00%	9.79%	8.07%
Foreign Developed Equity	MSCI EAFE NR USD	0.00%	9.04%	7.40%
Assumed Inflation - Mean			2.35%	2.35%
Assumed Inflation - Standard Deviation			1.41%	1.41%
Portfolio Real Mean Return			4.24%	3.58%
Portfolio Nominal Mean Return			6.59%	6.05%
Portfolio Standard Deviation				10.98%
Long-Term Expected Rate of Return (selected by City of Shreveport)				7.00%

Sensitivity of the net pension liability to changes in the discount rate:

The following presents, for the primary government, the FPRS, PPRS, and ERS net pension liability calculated using the discount rate of 7%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Net pension liability	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
FPRS	\$ 15,767,323	\$ 13,331,396	\$ 11,254,999
PPRS	5,521,815	3,855,569	2,407,531
ERS	298,846,158	256,785,719	221,285,820

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

Payables to the FPRF, PPRF, and ERS Pension Plans – At December 31, 2022, the City recorded no payables to the pension plans for employee and employer legally required contributions for FPRS and PPRS and ERS.

The financial statements for individual pension plans are as follows:

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

	Firemen's Pension and Relief	Policemen's Pension and Relief	Employees' Retirement System	Total Employee Retirement Funds
ASSETS				
Cash and cash equivalents	\$ (1,638,598)	\$ 53,452	\$ 5,081,601	\$ 3,496,455
Receivables:				
Interest and dividends receivable	26,019	38,563	5,123	69,705
Accounts receivable	-	-	-	-
Prepaid items	-	-	-	-
Investments, at fair value	11,450,181	14,936,951	156,184,747	182,571,879
Other assets:				
Cash surrender value of life insurance policies	489,478	201,162	-	690,640
Total assets	<u>10,327,080</u>	<u>15,230,128</u>	<u>161,271,471</u>	<u>186,828,679</u>
LIABILITIES				
Due to other funds	-	-	-	-
Accrued liabilities	-	-	289	289
Employees' deposits held in escrow	-	-	1,407,464	1,407,464
Total liabilities	<u>-</u>	<u>-</u>	<u>1,407,753</u>	<u>1,407,753</u>
NET POSITION				
Net position restricted for pensions	<u>\$ 10,327,080</u>	<u>\$ 15,230,128</u>	<u>\$ 159,863,718</u>	<u>\$ 185,420,926</u>

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

NOTES TO THE FINANCIAL STATEMENTS
IV. Other Information (continued)
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

	Firemen's Pension and Relief	Policemen's Pension and Relief	Employees' Retirement System	Total Employee Retirement Funds
ADDITIONS				
Contributions:				
Employer	\$ -	\$ -	\$ 15,251,034	\$ 15,251,034
Plan members	-	-	6,134,197	6,134,197
Total contributions	-	-	21,385,231	21,385,231
Investment earnings:				
Net appreciation in fair value of investments	(2,330,365)	(3,360,277)	(27,028,155)	(32,718,797)
Interest	40,855	68,077	15,417	124,349
Dividends	187,869	254,077	-	441,946
Total investment earnings (loss)	(2,101,641)	(3,038,123)	(27,012,738)	(32,152,502)
Less investment expense	37,255	44,541	1,062,146	1,143,942
Net investment earnings (loss)	(2,138,896)	(3,082,664)	(28,074,884)	(33,296,444)
Life insurance proceeds	660,000	331,729	-	991,729
Miscellaneous	225	350	-	575
Total additions (reductions)	(1,478,671)	(2,750,585)	(6,689,653)	(10,918,909)
DEDUCTIONS				
Benefits	1,548,554	1,465,217	31,559,298	34,573,069
Refund of member contribution	-	-	1,611,488	1,611,488
Administrative expenses	23,109	23,111	81,768	127,988
Life insurance premiums	876,788	257,595	-	1,134,383
Total deductions	2,448,451	1,745,923	33,252,554	37,446,928
Change in net position	(3,927,122)	(4,496,508)	(39,942,207)	(48,365,837)
Net position restricted for pensions				
Beginning of year	14,254,202	19,726,636	199,805,925	233,786,763
End of year	<u>\$ 10,327,080</u>	<u>\$ 15,230,128</u>	<u>\$ 159,863,718</u>	<u>\$ 185,420,926</u>

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

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

State Administered Cost-Sharing Multiple-Employer Defined Benefit Pension Plans**Municipal Police Employees' Retirement Systems (MPERS)**

Plan Description - The City contributes to Municipal Police Employees' Retirement Systems (MPERS), a cost sharing multiple-employer defined benefit pension plan established by Act 189 of 1973 to provide retirement, disability and survivor benefits to municipal police officers in Louisiana, administered by the MPERS Board of Trustees. MPERS covers any full-time public safety officer employed by a participating municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing said officer does not have to pay social security. The paragraph above describes the transfer of public safety officers from Policemen's Pension and Relief Fund (PPRF) to MPERS, effective July 12, 1977. All new public safety officers hired by the City after July 12, 1977, are required to join MPERS as a condition of employment. MPERS benefits are established by state statutes and may be amended at the discretion of the State Legislature. MPERS issues a publicly available financial report that includes financial information and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Municipal Police Employees' Retirement System, 7722 Office Park Blvd., Suite 200, Baton Rouge, Louisiana 70809-7601 or downloading from www.lampers.org.

The fiduciary net position is a significant component of the MPERS's collective net pension liability. The MPERS's plan fiduciary net position was determined using the accrual basis of accounting which was the same basis used by the pension plan. MPERS's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of MPERS's investments. Accordingly, actual results may differ from estimated amounts.

Eligibility Requirements and Retirement Benefits – Members of MPERS prior to January 1, 2013, are 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 after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. Benefit rates are three and one-third percent of average monthly earnings during the highest 36 consecutive months of creditable service not to exceed 100% of final salary. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain condition outlined in the statutes, an amount is payable to the surviving spouses and minor children.

Members of MPERS hired on or after January 1, 2013, are eligible for regular 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 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. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain condition outlined in the statutes, an amount is payable to the surviving spouses and minor children. If a deceased member had less than ten years of service, beneficiary will receive a refund of employee contributions only.

The Board of Trustees is authorized to provide annual cost of living adjustments computed on the amount of the current benefit, not to exceed 3% in any given year.

NOTES TO THE FINANCIAL STATEMENTS
IV. Other Information (continued)

Contributions - Contributions for all members and employers are established by state statute and may be amended by state statute when necessary. MPERS employee members hired prior to January 1, 2013, contributed 10.0% of earned compensation of the year ended December 31, 2022. For the same members, employer contributions were 29.75%. All employees hired on or after January 1, 2013, become members of either the Hazardous Duty Sub-plan, or the Nonhazardous Duty Sub-plan. Employee and employer contribution rates for the Hazardous Duty Sub-plan are the same as for those hired prior to January 1, 2013. For employees belonging to the Nonhazardous Duty Sub-plan, the contribution rate was 8.0%, and the employer rate was 29.75%. Earned compensation in the MPERS system excludes certain overtime, but includes state supplemental pay. The City's contribution to MPERS for the year ended December 31, 2022, was \$8,916,946. Non-employer contributions are recognized as revenue during the year ended December 31, 2022, and were excluded from pension expense. Non-employer contributions received by the System for the City during the plan year ended June 30, 2022, were \$2,156,772.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Net pension liability at December 31, 2022, is comprised of the City's proportional share of the net pension liability relating to MPERS. The total pension liability, used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The City's proportion of the net pension liability for MPERS was based on the City's required contributions in proportion to total required contributions for all participating employers, actuarially determined. As of the most recent measurement date, the City's proportion for MPERS and the change in proportion from the prior measurement date are as follows:

Proportion (amount) of net pension liability	\$	99,104,793
Proportion (%) of net pension liability		9.695458%
Increase/(decrease) from prior measurement date		0.084373%
Proportionate Share		
Total Pension Liability	\$	339,389,044
Plan Fiduciary Net Position		240,284,251
Total Collective Net Pension Liability	\$	<u>99,104,793</u>

For the year ended December 31, 2022, the City recognized pension expense of \$15,714,376. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in Investment Earnings	\$ 17,693,324	\$ -
Changes of Assumptions	3,418,562	737,136
Change in Prop. And Difference in Contributions	478,872	1,583,560
Change in Experience	488,783	807,737
Employer Contributions	4,807,066	-
Total	<u>\$ 26,886,607</u>	<u>\$ 3,128,433</u>

City contributions subsequent to the measurement date of \$4,807,066 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Amount
2023	\$ 4,178,701
2024	4,213,168
2025	1,278,369
2026	9,280,870
2027	-
Total	<u>\$ 18,951,108</u>

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

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.

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 the results of an actuarial experience study for the period July 1, 2014 - 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 as of June 30, 2022 are as follows:

Valuation Date	6/30/2022
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	2022 - 4 years 2021 - 4 years 2020 - 4 years 2019 - 4 years
Investment Rate of Return	6.75%, net of investment expense
Inflation Rate	2.50%
Salary Increases	Vary from 12.30% in the first two years of service to 4.70% after 2 years
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.
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 MP 2019 scale was used For disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 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.

The best estimates of the arithmetic nominal rates of return for each major asset class included in the System's target allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Rates of Return
		Long Term Expected Portfolio Real Rate of Return
Equity	55.50%	3.60%
Fixed Income	30.50%	0.85%
Alternatives	14.00%	0.95%
Other	0.00%	0.00%
System total	100.00%	5.40%
Inflation		2.66%
Expected Nominal Return		8.06%

The discount rate used to measure the total pension liability was 6.75%, unchanged from 2021. 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 Discount Rate - The following presents the net pension liability the City calculated using the discount rate, 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 as of June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

	1% Decrease 5.750%	Current Discount Rate 6.750%	1% Increase 7.750%
Net pension liability	\$ 138,727,731	\$ 99,104,793	\$ 66,006,521

Payables to the Pension Plan – At December 31, 2022, the City recorded a payable to the pension plan for employee and employer legally required contributions of \$1,028,526

Firefighters' Retirement System (FRS)

The measurement date for the net pension liability was June 30, 2022 and is included in the City's financial statements for the year ended December 31, 2022. Detailed information about the plan's stand-alone report can be obtained at <http://ffret.com>.

The fiduciary net position is a significant component of the FRS's collective net pension liability. The FRS's plan fiduciary net position was determined using the accrual basis of accounting which was the same basis used by the pension plan. FRS's assets, liabilities, revenues and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates are primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of FRS's investments. Accordingly, actual results may differ from estimated amounts.

Plan Description - The Firefighters' Retirement 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 who earn at least \$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.

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 information 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 reason 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 therefrom may become a member of this 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.

Eligibility Requirements and Retirement Benefits - Members of the FRS are eligible to retire at the age of 50 with at least 20 years of service, at the age of 55 with at least 12 years of service, or at any age with at least 25 years of service. Members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third percent (3.33%) of the member's final compensation (employee's average salary over the 36 consecutive or joined months that produce the highest average) multiplied by the member's years of creditable service.

In 1999, the State Legislature authorized FRS to establish an Initial Benefit Option Plan program. This is available to FRS members who are eligible for regular retirement but have not participated in DROP. This program provides both a one-time single sum payment of up to 36 months of the regular monthly retirement benefit, plus a reduced retirement benefit for life.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

Deferred Retirement Options - A member of FRS may elect to participate in the deferred retirement option plan (DROP) for up to 36 months, after completing 20 years of creditable service and age 50 or 25 years at any age. 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 deferred retirement option plan account. Upon termination of employment, a participant in the program shall receive, at his option, a lump-sum payment from the account or an annuity based on the deferred retirement option plan account balance 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 payments may be made from the deferred retirement option plan account until the participant retires.

Survivor's Benefit - Survivor benefits for FRS are payable to survivors of a deceased member who dies and is not eligible for retirement as follows. If any member is killed in the line of duty and leaves a surviving eligible spouse, the spouse is entitled to an annual benefit equal to two-thirds of the deceased member's final compensation. If any member dies from a cause not in the line of duty, the surviving spouse is entitled to an annual benefit equal to 3% of the deceased member's average final compensation multiplied by his total years of creditable service; however, in no event is the annual benefit less than 40% nor more than 60% of the deceased member's average final compensation. Children of the deceased member who are under the age of eighteen years are entitled to the greater of \$200 per month or 10% of average final compensation (not to exceed 100% of average final compensation) until reaching the age of eighteen or until the age of twenty-two if enrolled full-time in an institution of higher learning, unless the surviving child is physically handicapped or mentally retarded in which case the benefit is payable regardless of age. If a member who is eligible to retire dies before retiring, the designated beneficiary will be paid under the 2nd option above, survivor benefit equal to member's benefit.

The present value of future FRS retirement benefits are based on benefits currently being paid by the System and include 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 as they were deemed not to be substantively automatic.

Contributions - Employer contributions are actuarially determined each year. For the year ended June 30, 2022, employer and employee contributions for members were as follows:

Contributor	Above Poverty Line	Below Poverty Line
Employer	33.75%	35.75%
Employee	10%	8%

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 are recognized as revenue during the year ended December 31, 2022, and were excluded from pension expense. Non-employer contributions received by the System for the City during the plan year ended June 30, 2022, were \$3,479,015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Net pension liability at December 31, 2022, is comprised of the City's proportional share of the net pension liability relating to FRS. The total pension liability, used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The City's proportion of the net pension liability for FRS was based on the City's required contributions in proportion to total required contributions for all participating employers, actuarially determined. As of the most recent measurement date, the City's proportion for FRS and the change in proportion from the prior measurement date are as follows:

Proportion (amount) of net pension liability	\$ 86,179,511
Proportion (%) of net pension liability	12.221804%
Increase/(decrease) from prior measurement date	0.110982%

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.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

The components of the net pension liability of the City as of December 31, 2022:

	<u>Proportionate Share</u>
Total Pension Liability	\$ 340,325,338
Plan Fiduciary Net Position	254,145,826
Total Collective Net Pension Liability	<u>\$ 86,179,511</u>

For the year ended December 31, 2022, the City recognized pension expense of \$12,129,766. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Changes of Assumptions	\$ 7,106,126	\$ -
Changes in Investment Earnings	19,521,918	-
Change in Prop. and Difference in Contr.	1,062,904	5,959,364
Change in Experience	515,081	4,062,034
Employer Contributions	5,579,737	-
Total	<u>\$ 33,785,766</u>	<u>\$ 10,021,398</u>

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

<u>Year ended</u> <u>December 31:</u>	<u>Amount</u>
2023	\$ 4,378,434
2024	3,256,597
2025	1,256,599
2026	9,748,069
2027	(302,797)
After	(152,271)
Total	<u>\$ 18,184,631</u>

City contributions subsequent to the measurement date of \$5,579,737 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the subsequent fiscal period.

Actuarial Methods and Assumptions - 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 the results of an actuarial experience study for the period July 1, 2014 - 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 as of June 30, 2022, are as follows:

Valuation Date	6/30/2022
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	7 years, closed period
Investment Rate of Return	6.90% per annum, net of investment expenses, include inflation)
Inflation Rate	2.50% per annum
Salary Increases	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases
Cost of Living Adjustments	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.
Mortality Rates	For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

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. 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	Target Allocation	Rates of Return
		Long Term Expected Portfolio Real Rate of Return
Fixed Income	26.00%	1.22%
Equity	56.00%	6.02%
Alternatives	18.00%	6.83%
Other	0.00%	3.14%
System total	100.00%	

The discount rate used to measure the total pension liability was 6.90%. 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 Discount Rate -The following presents the net pension liability of the participating employers calculated using the discount rate of 6.90%, as well as what the employers' 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 as of June 30, 2022.

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net pension liability	\$ 127,493,021	\$ 86,179,511	\$ 51,721,123

Payables to the Pension Plan – At December 31, 2022, the City recorded a payable of \$2,327,454 to the pension plan for employee and employer legally required contributions.

Deferred Compensation (457(b)) Plans

The City established the City of Shreveport 457(b) Plan (the Plan) effective in 2014, restated in 2022, in accordance with IRC Section 457. The Plan is a defined contribution plan allowing employee salary deferrals and rollover contributions. The A 457 plan is a type of non-qualified, tax advantaged deferred-compensation retirement plan that is available for governmental and certain non-governmental employers in the United States. In general, an employer provides the plan and the employee defers compensation into it on a pre-tax or after-tax basis.

Employees can contribute up to \$19,000 annually plus additional catch-up contributions for employees age 50 or older. The City does not contribute to the Plan,

The City offers four deferred compensation investment options: Nationwide, VALIC, Mass Mutual, and AXA, which permanent employees have the option to participate in.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

Other Postemployment Benefits (OPEB)

Plan Description – In addition to providing pension benefits, the City provides medical, dental and life insurance coverage through a cost-sharing single-employer defined benefit plan that can include non-City employees as described under the Employees' Retirement System for any retiree who receives a monthly retirement check from one of the City's retirement plans and their legal dependents. The benefits, employee contributions, and employer contributions are governed by the Health Care Board and can be amended annually. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a separate report. The activity of the plan is reported in the City's Employees Health Care Fund, an internal service fund.

Benefits Provided – Retirees are eligible to keep city insurance benefits (medical, life, dental, and vision) if they draw a pension. The City contributions are medical at 60% paid, dental at 52% paid, and life insurance at 50% paid. Life insurance is 1 times salary with cost at \$2.28 per thousand as of 2021 and a reduction of benefit at age 70.

Funding Policy – The City contributes 59% and retirees 41% of the required contribution rate as determined annually by the Health Care Board of the self-insured pay-as-you go plan.

Number of participants coded as eligible for post-employment medical, dental and life insurance at December 31, 2022, consisted of:

Active participants	2,088
Participants receiving benefits	1,585
	<u>3,673</u>

Total OPEB Liability -The total OPEB liability of \$431,650,874 was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2021.

The total OPEB Liability as of December 31, 2022, was allocated based on participant count as follows:

	Primary Government			Shreve Memorial Library (Component Unit)	Total (Including Component Unit)
	Governmental Activities	Business-type Activities	Total Primary Government		
Total OPEB liability beginning of year	\$ 594,219,084	\$ 50,646,835	\$ 644,865,919	\$ 19,479,552	\$ 664,345,471
Service cost	22,211,919	2,191,738	24,403,656	753,456	25,157,112
Interest	13,974,974	1,378,966	15,353,940	474,048	15,827,988
Differences between expected and actual experience	2,799,092	276,197	3,075,289	94,949	3,170,238
Changes in assumptions and other inputs	(197,092,324)	(11,460,723)	(208,553,047)	(6,009,294)	(214,562,341)
Changes in benefit terms	(40,730,252)	(4,019,015)	(44,749,267)	(1,381,620)	(46,130,887)
Estimated Benefit payments	(14,265,209)	(1,407,605)	(15,672,814)	(483,893)	(16,156,707)
Net change in total OPEB Liability	(213,101,800)	(13,040,442)	(226,142,242)	(6,552,355)	(232,694,597)
Total OPEB liability end of year	<u>\$ 381,117,284</u>	<u>\$ 37,606,393</u>	<u>\$ 418,723,677</u>	<u>\$ 12,927,197</u>	<u>\$ 431,650,874</u>

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

Actuarial Methods and Assumptions - The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	12/31/2021
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	2022 - 4.9 years 2021 - 3.7 years 2020 - 3.2 years 2019 - 4 years
Investment Rate of Return	4.31%, net of investment expense, a change from 2.25% at December 31, 2019
Inflation Rate	2.40%
Salary Increases	Vary from 10.75% in the first two years of service to 3.75% after 30 years
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.
Mortality	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for females for disabled annuitants. RP-2000 Employee Table set back 4 years for males and 3 years for females for active members.

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 or 1-percentage-point higher than the current discount rate:

	1% Decrease 3.31%	Discount Rate 4.31%	1% Increase 5.31%
Primary Government	\$ 486,079,661	\$ 418,723,677	\$ 364,525,206
Shreve Memorial Library (Component Unit)	15,006,669	12,927,197	11,253,936
Total OPEB Liability	<u>\$ 501,086,330</u>	<u>\$ 431,650,874</u>	<u>\$ 375,779,142</u>

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 OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (6.50% decreasing to 3.00%)	Healthcare Cost Trend Rates (7.50% decreasing to 4.00%)	1% Increase (8.50% increasing to 5.00%)
Primary Government	\$ 358,799,590	\$ 418,723,677	\$ 494,634,966
Shreve Memorial Library (Component Unit)	11,077,169	12,927,197	15,270,796
Total OPEB Liability	<u>\$ 369,876,759</u>	<u>\$ 431,650,874</u>	<u>\$ 509,905,762</u>

OPEB Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB — For the year ended December 31, 2022, the City recognized OPEB expense (benefit) of (\$44,116,096). At December 31, 2022, the City reported deferred inflows and deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 50,562,626	\$ 191,429,433
Differences between expected and actual experience	2,472,296	16,971,039
Total	<u>\$ 53,034,922</u>	<u>\$ 208,400,472</u>

NOTES TO THE FINANCIAL STATEMENTS
IV. Other Information (continued)

These amounts were allocated as follows:

	Governmental Activities	Business-type Activities	Total Primary Government	Shreve Memorial Library (Component Unit)	Total (Including Component Unit)
Deferred Outflows:					
Changes of assumptions	\$ 46,021,498	\$ 4,541,128	\$ 50,562,626	\$ 1,561,013	\$ 52,123,639
Differences between expected and actual experience	2,250,254	222,042	2,472,296	76,327	2,548,623
Total	<u>\$ 48,271,752</u>	<u>\$ 4,763,170</u>	<u>\$ 53,034,922</u>	<u>\$ 1,637,340</u>	<u>\$ 54,672,262</u>

	Governmental Activities	Business-type Activities	Total Primary Government	Shreve Memorial Library (Component Unit)	Total (Including Component Unit)
Deferred Inflows:					
Changes of assumptions	\$ 174,236,781	\$ 17,192,652	\$ 191,429,433	\$ 5,909,974	\$ 197,339,407
Differences between expected and actual experience	15,446,837	1,524,202	16,971,039	523,945	17,494,984
Total	<u>\$ 189,683,618</u>	<u>\$ 18,716,854</u>	<u>\$ 208,400,472</u>	<u>\$ 6,433,919</u>	<u>\$ 214,834,391</u>

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

Year ended December 31:

2023	\$ (31,921,096)
2024	(33,072,884)
2025	(46,142,669)
2026	(40,208,093)
2027	(4,020,809)
Total	<u>\$ (155,365,551)</u>

B. Transit System

The Shreveport Area Transit System (Transit System) is managed and operated for the City by a management company pursuant to an agreement which expires September 30, 2026. Based on terms of the agreement, management fees included in operating expenses were \$357,635. The City is required to reimburse the management company for the excess of expenses over revenues derived from the operation of the Transit System. Pursuant to an agreement between the City of Shreveport and the City of Bossier City, Bossier City will pay the Transit System for the excess of expenses incurred over revenues derived from operations of transit services in Bossier City. The City reimbursed the Transit System \$6,632,141. Bossier City reimbursed the Transit System \$1,029,029.

C. Contingencies

Litigation

The City is a defendant in various lawsuits in addition to those accrued in the Retained Risk Fund. These lawsuits have not been accrued because the amount of the loss cannot be reasonably estimated at this time. It is the City's opinion that resolution of these matters will not have a material adverse effect on the financial condition of the City.

Grant Disallowances

The City participates in a number of federally assisted grant programs, principal of which are the Workforce Investment Act, Community Development Block Grant, and various construction grants. These programs are subject to program compliance audits under the Single Audit Act. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. City management believes that the amount of disallowances, if any, which may arise from future audits will not be material.

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

D. Risk Management

The City is exposed to various risks of loss related to crimes and torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. All self-insurance programs are accounted for within internal service funds. The City has included incurred but not reported claims in determining its claims liability in both self-insurance programs.

The Retained Risk Fund is used to account for self-insurance activities involving property damage, workers' compensation, and general and auto liability. The City is afforded a \$1,000,000 self-insurance retention for general liability and law enforcement liability, a \$1,250,000 self-insurance retention for workers' compensation for police and fire, \$1,500,000 self-insurance retention for presumptive claims for workers' compensation for fire and police, \$1,250,000 for other employees and a \$500,000 self-insurance retention for auto liability, except for exposures related to Fire Department vehicles which have a \$1,000 deductible for collision and comprehensive, \$250,000 self-insurance retention auto liability for Sportran, General liability aviation is insured with limits of \$200,000,000. The City's property coverage has a limit of \$500,000,000 and a deductible of \$25,000. There are no coinsurance provisions in the property coverage provisions. Lexington Insurance, an AIG company, previously ceased to renew our property insurance limits of \$896,054,327 due to hard insurance markets as it relates to property insurance coverage. Large property insurers are reducing their exposure in property insurance coverage due to climate change all over the world. The City has felt the impact of these changes, yet we believe we are adequately covered with a Replacement Cost Policy of \$500 million and no coinsurance provisions.

There were no reductions in insurance coverage from coverage in the prior year. No property damage claim has exceeded the City's insurance coverage during the past three years.

Payments to the Retained Risk Fund are accounted for as revenues by the receiving fund and expenditures/expenses by the paying funds. Payments into the fund are available to pay claims and administrative costs of the program. Payments in excess of actual expenses are recorded as transfers.

Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors, including the effects of specific, incremental claim adjustment expenses, salvage and subrogation. No other allocated or unallocated claim adjustment expenses are included. The claims liability of \$44,865,000 reported in the fund at December 31, 2022, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Actual results could vary materially in the future. Changes in the fund's claims liability amount in 2021 and 2022 were:

Retained Risk Fund					
Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates		Claim Payments	Balance at Year End
2021	\$ 40,850,000	\$ 9,250,975	\$ 3,221,975	\$ 46,879,000	
2022	\$ 46,879,000	\$ 658,399	\$ 2,672,399	\$ 44,865,000	

The City also maintains a self-insurance program to cover medical and dental care claims of City employees, retirees, and dependents. This program is accounted for in the Employees' Health Care Fund, an Internal Service Fund. Changes in the fund's claims liability amount in fiscal years 2021 and 2022 were:

Employees' HealthCare Fund					
Year	Beginning of Year Liability	Current Year Claims and Changes in Estimates		Claim Payments	Balance at Year End
2021	\$ 7,307,796	\$ 39,301,257	\$ 39,794,606	\$ 6,814,447	
2022	\$ 6,814,447	\$ 41,135,918	\$ 39,973,871	\$ 7,976,494	

NOTES TO THE FINANCIAL STATEMENTS

IV. Other Information (continued)

E. Compensation Paid to Council Members

<u>Council Member</u>	<u>District</u>	<u>Compensation</u>
Tabatha Taylor	A	\$ 15,225
LeVette Fuller	B	15,225
John Nickleson	C	15,225
Grayson Boucher	D	15,225
Alan Jackson	E	15,459
James Green	F	17,525
Jerry Bowman	G	15,225
Total		<u>\$ 109,109</u>

F. Subsequent Events

Management evaluated all events or transactions that occurred after December 31, 2022 through June 30, 2023, the date the current year's financial statements were available to be issued. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

G. Change in Accounting Principle and Restatement

In 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. These changes were incorporated in the City's 2022 financial statements and had an effect on the beginning net position of the General Fund and the Riverfront Development Fund. In January 2022, the City recognized lease receivables of \$4,113,197 and deferred inflows of \$4,044,790 with the remaining \$68,407 affecting fund balance for the general fund and Riverfront Development Fund. The General Fund's fund balance was increased by \$35,587, the Riverfront Development Fund's fund balance increased by \$32,820, and the Airport Fund's net position was increased by \$59,988, from the previous year.

<u>Fund</u>	<u>Lease Receivable</u>	<u>Deferred Inflows of Resources</u>	<u>Change in Fund Balance / Net Position</u>
General Fund	\$ 406,189	\$ 370,602	\$ 35,587
Riverfront Development Fund	\$ 3,707,008	\$ 3,674,188	\$ 32,820
Airport	\$ 1,422,596	\$ 1,362,608	\$ 59,988



**Required
Supplementary
Information**

**CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 163,362,500	\$ 193,362,500	\$ 197,156,115	\$ 3,793,615
Licenses and Permits	9,599,300	9,599,300	10,816,746	1,217,446
Intergovernmental	2,554,000	2,554,000	11,489,532	8,935,532
Charges for services	21,007,200	21,007,200	26,504,936	5,497,736
Fines and forfeitures	1,627,200	1,627,200	1,490,478	(136,722)
Investment earnings	-	-	(35,092)	(35,092)
Miscellaneous	310,600	310,600	5,385,272	5,074,672
Total revenues	<u>198,460,800</u>	<u>228,460,800</u>	<u>252,807,988</u>	<u>24,347,188</u>
EXPENDITURES				
General government:				
Office of the Mayor:				
Salaries, wages and employee benefits	1,069,800	1,164,200	1,191,131	(26,931)
Materials and supplies	13,500	13,500	14,574	(1,074)
Contractual services	45,400	45,400	79,212	(33,812)
Other charges	600	600	20,359	(19,759)
Improvements and equipment	13,000	13,000	38,725	(25,725)
Total Office of the Mayor	<u>1,142,300</u>	<u>1,236,700</u>	<u>1,344,001</u>	<u>(107,301)</u>
City Attorney:				
Salaries, wages and employee benefits	1,100,200	1,204,000	1,225,341	(21,341)
Materials and supplies	17,000	17,000	7,934	9,066
Contractual services	158,500	158,500	115,785	42,715
Other charges	1,000	1,000	-	1,000
Improvements and equipment	7,000	7,000	14,850	(7,850)
Total City Attorney	<u>1,283,700</u>	<u>1,387,500</u>	<u>1,363,910</u>	<u>23,590</u>
Property Standards:				
Salaries, wages and employee benefits	2,870,300	3,052,500	2,836,688	215,812
Materials and supplies	142,700	142,700	276,168	(133,468)
Contractual services	1,005,600	1,005,600	951,724	53,876
Other charges	550,000	550,000	2,205,672	(1,655,672)
Improvements and equipment	465,000	465,000	394,368	70,632
Total Property Standards	<u>5,033,600</u>	<u>5,215,800</u>	<u>6,664,620</u>	<u>(1,448,820)</u>
Personnel:				
Salaries, wages and employee benefits	988,300	1,040,300	874,704	165,596
Materials and supplies	6,800	6,800	11,887	(5,087)
Contractual services	73,200	78,200	77,796	404
Other charges	2,000	2,000	2,512	(512)
Improvements and equipment	4,000	4,000	5,669	(1,669)
Total Personnel	<u>1,074,300</u>	<u>1,131,300</u>	<u>972,568</u>	<u>158,732</u>
Information Technology:				
Salaries, wages and employee benefits	3,045,000	3,299,200	3,469,948	(170,748)
Materials and supplies	80,300	80,300	52,431	27,869
Contractual services	3,657,500	3,657,500	1,883,496	1,774,004
Improvements and equipment	415,900	415,900	329,208	86,692
Total Information technology	<u>7,198,700</u>	<u>7,452,900</u>	<u>5,735,083</u>	<u>1,717,817</u>
City Council:				
Salaries, wages and employee benefits	1,443,800	1,568,400	1,459,616	108,784
Materials and supplies	17,100	17,100	6,428	10,672
Contractual services	243,200	243,200	189,601	53,599
Improvements and equipment	49,000	49,000	2,825	46,175
Total City Council	<u>1,753,100</u>	<u>1,877,700</u>	<u>1,658,470</u>	<u>219,230</u>
Finance:				
Salaries, wages and employee benefits	3,357,600	3,354,900	2,731,449	623,451
Materials and supplies	110,300	110,300	101,973	8,327
Contractual services	383,000	563,000	513,969	49,031
Improvements and equipment	24,300	59,300	44,536	14,764
Total Finance	<u>3,875,200</u>	<u>4,087,500</u>	<u>3,391,927</u>	<u>695,573</u>

(continued)

As of and for the year ended December 31, 2022

**CITY OF SHREVEPORT, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Other - unclassified				
Salaries, wages and employee benefits	\$ 8,273,500	\$ 8,065,000	\$ 9,615,110	\$ (1,550,110)
Contractual services	825,200	3,825,200	1,838,559	1,986,641
Interest and civic appropriations	-	4,358,525	4,585,057	(226,532)
Payments to Component Units	6,548,200	7,068,000	6,832,170	235,830
Claims	7,140,200	7,140,200	10,684,457	(3,544,257)
Total other - unclassified	22,787,100	30,456,925	33,555,353	(3,098,428)
Total general government	44,148,000	52,846,325	54,685,932	(1,839,607)
Public Safety				
Police:				
Salaries, wages and employee benefits	62,039,300	70,334,300	54,131,354	16,202,946
Materials and supplies	2,154,400	2,219,400	2,152,012	67,388
Contractual services	2,726,500	3,026,500	2,299,236	727,264
Other charges	311,100	341,100	181,742	159,358
Improvements and equipment	745,500	1,795,500	2,672,796	(877,296)
Total Police	67,976,800	77,716,800	61,437,140	16,279,660
Fire:				
Salaries, wages and employee benefits	54,914,800	67,201,000	56,429,863	10,771,137
Materials and supplies	1,888,770	2,288,770	2,136,434	152,336
Contractual services	6,333,600	6,633,600	8,519,322	(1,885,722)
Improvements and equipment	482,400	1,932,400	2,921,902	(989,502)
Total Fire	63,619,570	78,055,770	70,007,521	8,048,249
Total public safety	131,596,370	155,772,570	131,444,661	24,327,909
Engineering:				
Salaries, wages and employee benefits	-	2,104,800	1,953,099	151,701
Materials and supplies	-	50,900	23,953	26,947
Contractual services	-	98,900	67,164	31,736
Improvements and equipment	-	29,000	921,010	(892,010)
Total engineering	-	2,283,600	2,965,226	(681,626)
Public Works:				
Salaries, wages and employee benefits	11,223,700	8,487,800	7,941,161	546,639
Materials and supplies	3,785,300	3,774,400	3,112,187	662,213
Contractual services	8,479,900	8,397,000	8,533,916	(136,916)
Improvements and equipment	3,515,400	3,601,400	2,550,349	1,051,051
Total public works	27,004,300	24,260,600	22,137,613	2,122,987
Total public works	27,004,300	26,544,200	25,102,839	1,441,361
Culture and recreation:				
Salaries, wages and employee benefits	12,570,200	10,724,800	10,851,703	(126,903)
Materials and supplies	792,200	792,200	820,684	(28,484)
Contractual services	6,143,300	7,343,300	8,021,203	(677,903)
Other charges	274,100	141,100	363,902	(222,802)
Improvements and equipment	818,800	1,146,800	3,927,272	(2,780,472)
Total culture and recreation	20,598,600	20,148,200	23,984,764	(3,836,564)
Total expenditures	223,347,270	255,311,295	235,218,196	20,093,099
Excess (deficiency) of revenues over (under) expenditures	(24,886,470)	(26,850,495)	17,589,792	44,440,287
OTHER FINANCING SOURCES (USES)				
Transfers in	9,279,900	9,362,900	9,362,900	-
Transfers out	(26,166,640)	(42,877,003)	(40,694,903)	2,182,100
Total other financing sources (uses)	(16,886,740)	(33,514,103)	(31,332,003)	2,182,100
Net change in fund balance	(41,773,210)	(60,364,598)	(13,742,211)	46,622,387
Fund balances -beginning	7,872,024	32,437,732	75,655,110	43,217,378
Fund balances -ending	\$ (33,901,186)	\$ (27,926,866)	\$ 61,912,899	\$ 89,839,765

(concluded)

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA
COMMUNITY DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 26,136,000	\$ 4,049,900	\$ 10,903,945	\$ 6,854,045
Investment earnings	-	-	5,074	5,074
Miscellaneous	2,009,200	829,300	753,797	(75,503)
Total revenues	28,145,200	4,879,200	11,662,816	6,783,616
EXPENDITURES				
Administration:				
Salaries, wages and employee benefits	1,434,150	658,550	891,659	(233,109)
Materials and supplies	30,500	20,200	12,102	8,098
Contractual services	524,300	251,100	390,636	(139,536)
Other charges	30,000	155,000	106,421	48,579
Improvements and equipment	79,900	73,700	9,154	64,546
Total administration	2,098,850	1,158,550	1,409,972	(251,422)
Community services:				
Salaries, wages and employee benefits	65,200	65,200	-	65,200
Contractual services	83,300	13,300	109,008	(95,708)
Other charges	3,178,500	1,870,300	2,925,822	(1,055,522)
Improvements and equipment	1,500	1,500	10,000	(8,500)
Total community development projects	3,328,500	1,950,300	3,044,830	(1,094,530)
Workforce development:				
Salaries, wages and employee benefits	1,305,200	1,719,300	1,545,146	174,154
Materials and supplies	44,400	37,900	9,724	28,176
Contractual services	1,331,200	1,653,300	1,936,299	(282,999)
Other charges	1,000	-	-	-
Improvements and equipment	28,700	28,700	7,051	21,649
Total workforce development	2,710,500	3,439,200	3,498,220	(59,020)
Housing and business development administration:				
Salaries, wages and employee benefits	555,700	101,200	509,293	(408,093)
Materials and supplies	26,500	13,500	13,647	(147)
Contractual services	596,600	205,300	674,909	(469,609)
Other charges	13,040,400	340,900	2,203,211	(1,862,311)
Improvements and equipment	18,200	6,700	6,359	341
Total housing and business development administration	14,237,400	667,600	3,407,419	(2,739,819)
Special programs				
Salaries, wages and employee benefits	363,200	363,200	1,166,425	(803,225)
Materials and supplies	5,800	5,800	1,234	4,566
Contractual services	6,630,000	21,300	2,143,521	(2,122,221)
Improvements and equipment	1,000	1,000	-	1,000
Total special programs	7,000,000	391,300	3,311,180	(2,919,880)
Total expenditures	29,375,250	7,606,950	14,671,622	(7,064,671)
Excess (deficiency) of revenues over (under) expenditures	(1,230,050)	(2,727,750)	(3,008,806)	(281,056)
OTHER FINANCING SOURCES (USES)				
Transfers in	1,230,050	2,727,750	2,727,750	-
Total other financing sources	1,230,050	2,727,750	2,727,750	-
Net change in fund balances	-	-	(281,056)	(281,056)
Fund balances - beginning	(1,836,726)	(14,672,245)	(2,158,810)	-
Fund balances - ending	\$ (1,836,726)	\$ (14,672,245)	\$ (2,439,866)	\$ (281,056)

See notes to budgetary comparison schedules

CITY OF SHREVEPORT, LOUISIANA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULES

DECEMBER 31, 2022

- Prior to October 1, the Mayor files with the Clerk of Council a proposed operating budget for the fiscal year commencing the following January. The operating budget includes proposed expenditures and related financing sources. The City Council conducts public hearings and proposes adoption of the various budget ordinances. Prior to December 15, the City Council adopts the final budgets controlling the financial operations of the City for the ensuing fiscal year.
- Legal budgetary control for operating budgets is exercised at the department/object or division/object class. The ordinances provide lump sum appropriation at the object level. The City Charter allows the Mayor to authorize the transfer of budgeted amounts from one activity to another within the same lump sum appropriation, within the same department with the exception of the Community Development Department where funds must be spent within the same division. Budgetary transfers across department lines or between classes of lump sum appropriations must be approved by the City Council. During the year, the City Council approves several amendments to the budget. The City Charter provides that expenditures may not legally exceed appropriations. Formal budgetary integration and encumbrance accounting are employed as management control devices during the year for the General, Debt Service, Special Revenue Funds (except for the Enrichment Fund), Capital Projects and Proprietary Funds. The capital project funds adopt project length budgets. The budgets for governmental funds are adopted on a basis of accounting substantially consistent with generally accepted accounting principles except for state supplemental pay for fire and police, which is included but not budgeted in the General Fund.
- All appropriations which are not expended or encumbered lapse at year end. Encumbrances outstanding at year end will be re-appropriated and honored during the subsequent year.
- Budgetary comparisons presented in this report are on the budgetary basis.
- As discussed in the Notes to the Financial Statements (Note II A), certain adjustments are necessary to compare actual data on a GAAP versus budget basis. Adjustments reconciling the excess (deficit) of revenue over (under) expenditures at year end on the GAAP basis to the budgetary basis for the General Fund are as follows:

○ Revenue (budget basis)	\$252,807,988
State supplemental pay	<u>5,305,062</u>
Revenue (actual basis)	<u>\$258,113,051</u>
○ Expenditures (budget basis)	\$235,218,196
State supplemental pay	5,305,062
Debt service payments	<u>2,134,275</u>
Expenditures (actual basis)	<u>\$242,657,533</u>

**CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF CHANGES IN
TOTAL OPEB LIABILITY AND RELATED RATIOS AND NOTES
LAST 10 FISCAL YEARS (1)
(UNAUDITED)**

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 25,157,112	\$ 24,546,482	\$ 18,155,436	\$ 17,335,967	\$ 21,035,162
Interest	15,827,988	13,484,893	17,819,971	19,988,062	18,090,930
Changes of benefit terms	(46,130,887)	-	-	-	-
Changes in assumptions and other inputs	(214,562,341)	(40,227,280)	124,509,417	36,476,078	(45,209,445)
Differences between expected and actual experience	3,170,238	(849,333)	(27,938,232)	(43,845,845)	-
Estimated Benefit payments	(16,156,707)	(14,625,925)	(8,850,679)	(11,075,131)	(12,954,964)
Net change in total OPEB Liability	(232,694,597)	(17,671,163)	123,695,913	18,879,131	(19,038,317)
Total OPEB liability - beginning	664,345,471	682,016,634	539,441,590	539,441,590	558,479,907
Total OPEB liability - ending	\$ 431,650,874	\$ 664,345,471	\$ 663,137,503	\$ 558,320,721	\$ 539,441,590
 Covered-employee payroll	 \$ 109,937,357	 \$ 97,439,003	 \$ 119,587,134	 \$ 113,748,577	 \$ 103,002,778
 Total OPEB liability as a percentage of covered-employee payroll	 392.63%	 681.81%	 554.52%	 490.84%	 523.72%

Notes to Schedule:

⁽¹⁾ This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

⁽²⁾ Benefit changes: There were no changes in benefit terms for the year ended 12/31/2022.

⁽³⁾ Changes of Assumptions. No changes.

⁽⁴⁾ For financial statement presentation, OPEB amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

⁽⁵⁾ There are no assets accumulated in a trust that meets the criteria of GASB Codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS (1)
(UNAUDITED)

	2014			2015		
	FPRF	PPRF	ERS ⁽²⁾	FPRF	PPRF	ERS ⁽²⁾
Total pension liability						
Service cost	\$ 4,653	\$ -	\$ 5,494,260	\$ 4,979	\$ -	\$ 6,264,500
Interest	1,602,967	1,426,956	26,529,382	1,859,480	1,398,072	27,067,858
Effect of economic/demographic gains or losses	-	-	(8,183,785)	-	-	-
Changes of benefit terms				-	-	-
Differences between expected and actual experience	(3,791,005)	(1,271,703)	(1,782,300)	3,213,720	(648,505)	(3,180,367)
Changes of assumptions	-	-	28,311,060	-	-	3,439,187
Benefit payments, including refunds of member contributions	(1,366,507)	(1,172,492)	(24,723,019)	(1,354,158)	(1,210,296)	(26,288,175)
Net change in total pension liability	(3,549,892)	(1,017,239)	25,645,598	3,724,021	(460,729)	7,303,003
Total pension liability - beginning	27,558,272	22,233,117	367,440,360	24,008,380	21,215,878	393,085,958
Total pension liability - ending (a)	\$ 24,008,380	\$ 21,215,878	\$ 393,085,958	\$ 27,732,401	\$ 20,755,149	\$ 400,388,961
Plan fiduciary net position						
Contributions - employer	\$ 1,048,879	\$ 1,036,775	\$ 5,944,981	\$ 971,454	\$ 959,232	\$ 7,364,386
Contributions - member	-	-	5,156,403	-	-	5,305,200
Net investment income	631,130	759,582	11,665,092	(425,457)	129,297	372,079
Benefit payments, including refunds of member contributions	(1,366,507)	(1,172,492)	(24,723,019)	(1,354,158)	(1,210,296)	(26,288,175)
Administrative expense	(25,160)	(25,158)	(80,944)	(20,509)	(20,551)	(74,238)
Other	(18,006)	-	-	-	-	-
Net change in plan fiduciary net position	270,336	598,707	(2,037,487)	(828,670)	(142,318)	(13,320,748)
Plan fiduciary net position - beginning	16,676,219	16,974,531	198,891,210	16,946,555	17,573,238	196,853,723
Plan fiduciary net position - ending (b)	16,946,555	17,573,238	196,853,723	16,117,885	17,430,920	183,532,975
Net pension liability - ending (a) - (b)	\$ 7,061,825	\$ 3,642,640	\$ 196,232,235	\$ 11,614,516	\$ 3,324,229	\$ 216,855,986
Plan fiduciary net position as a percentage of the total pension liability	70.59%	82.83%	50.08%	58.12%	83.98%	45.84%
Covered payroll	\$ 1,016,908	N/A	\$ 49,120,412	\$ 955,637	N/A	\$ 43,859,241
Net pension liability as a percentage of covered payroll	694.44%	N/A	399.49%	1215.37%	N/A	494.44%

⁽¹⁾ This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

⁽²⁾ For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

(continued)

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (CONTINUED)
LAST 10 FISCAL YEARS (1)
(UNAUDITED)

	2016			2017		
	FPRF	PPRF	ERS ⁽²⁾	FPRF	PPRF	ERS ⁽²⁾
Total pension liability						
Service cost	\$ 2,788	\$ -	\$ 6,706,830	\$ 2,466	\$ -	\$ 6,388,377
Interest	1,849,607	1,366,827	27,394,227	1,818,972	1,351,708	27,864,078
Effect of economic/demographic gains or losses	-	-	-	-	-	-
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(628,336)	(630,522)	(1,597,021)	(870,520)	(251,420)	1,888,718
Changes of assumptions	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(1,392,339)	(1,217,638)	(27,332,589)	(1,446,353)	(1,449,066)	(28,176,388)
Net change in total pension liability	(168,280)	(481,333)	5,171,447	(495,435)	(348,778)	7,964,785
Total pension liability - beginning	27,732,401	20,755,149	400,388,961	27,564,121	20,273,816	405,560,408
Total pension liability - ending (a)	\$ 27,564,121	\$ 20,273,816	\$ 405,560,408	\$ 27,068,686	\$ 19,925,038	\$ 413,525,193
Plan fiduciary net position						
Contributions - employer	\$ 1,045,758	\$ 1,034,990	\$ 9,006,403	\$ -	\$ -	\$ 9,449,966
Contributions - member	-	-	4,951,230	-	-	4,987,403
Net investment income	808,462	995,992	16,413,839	1,548,013	1,851,689	24,769,925
Benefit payments, including refunds of member contributions	(1,392,339)	(1,217,638)	(27,332,589)	(1,446,353)	(1,449,066)	(28,176,388)
Administrative expense	(19,846)	(19,847)	(61,796)	(26,385)	(26,417)	(1,154,171)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	442,035	793,497	2,977,087	75,275	376,206	9,876,735
Plan fiduciary net position - beginning	16,117,885	17,430,920	183,532,975	16,559,920	18,224,417	186,510,062
Plan fiduciary net position - ending (b)	16,559,920	18,224,417	186,510,062	16,635,195	18,600,623	196,386,797
Net pension liability - ending (a) - (b)	\$ 11,004,201	\$ 2,049,399	\$ 219,050,346	\$ 10,433,491	\$ 1,324,415	\$ 217,138,396
Plan fiduciary net position as a percentage of the total pension liability	60.08%	89.89%	45.99%	61.46%	93.35%	47.49%
Covered payroll	\$ 862,288	N/A	\$ 43,752,144	\$ 905,402	N/A	\$ 45,107,805
Net pension liability as a percentage of covered payroll	1276.16%	N/A	500.66%	1152.36%	N/A	481.38%

⁽¹⁾ This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

⁽²⁾ For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

(continued)

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (CONTINUED)
LAST 10 FISCAL YEARS (1)
(UNAUDITED)

	2018			2019		
	FPRF	PPRF	ERS ⁽²⁾	FPRF	PPRF	ERS ⁽²⁾
Total pension liability						
Service cost	\$ 1,724	\$ -	\$ 7,301,607	\$ 1,721	\$ -	\$ 4,427,614
Interest	1,826,801	1,337,021	28,333,337	1,850,228	1,340,525	28,354,280
Effect of economic/demographic gains or losses	(239,007)	(186,984)	(2,693,219)	(714,993)	257,427	3,437,847
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-	-
Changes of assumptions	-	-	-	1,130,392	844,759	11,409,337
Benefit payments, including refunds of member contributions	(1,494,050)	(1,297,462)	(30,199,330)	(1,493,362)	(1,276,105)	(31,806,050)
Net change in total pension liability	<u>95,468</u>	<u>(147,425)</u>	<u>2,742,395</u>	<u>773,986</u>	<u>1,166,606</u>	<u>15,823,028</u>
Total pension liability - beginning	<u>27,068,699</u>	<u>19,925,038</u>	<u>413,525,193</u>	<u>27,164,167</u>	<u>19,777,613</u>	<u>416,267,588</u>
Total pension liability - ending (a)	<u>\$ 27,164,167</u>	<u>\$ 19,777,613</u>	<u>\$ 416,267,588</u>	<u>\$ 27,938,153</u>	<u>\$ 20,944,219</u>	<u>\$ 432,090,616</u>
Plan fiduciary net position						
Contributions - employer	\$ -	\$ -	\$ 10,510,340	\$ -	\$ -	\$ 11,604,690
Contributions - member	-	-	6,027,012	-	-	5,580,652
Net investment income	(860,679)	(944,273)	(7,080,949)	2,048,648	2,932,865	30,029,436
Benefit payments, including refunds of member contributions	(1,494,050)	(1,297,462)	(30,199,330)	(1,493,362)	(1,276,105)	(31,806,050)
Administrative expense	(22,576)	(22,554)	(1,568,752)	(24,080)	(24,281)	(74,315)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>(2,377,305)</u>	<u>(2,264,289)</u>	<u>(22,311,679)</u>	<u>531,206</u>	<u>1,632,479</u>	<u>15,334,413</u>
Plan fiduciary net position - beginning	<u>16,635,195</u>	<u>18,600,623</u>	<u>196,386,797</u>	<u>14,257,890</u>	<u>16,336,334</u>	<u>174,075,118</u>
Plan fiduciary net position - ending (b)	<u>14,257,890</u>	<u>16,336,334</u>	<u>174,075,118</u>	<u>14,789,096</u>	<u>17,968,813</u>	<u>189,409,531</u>
Net pension liability - ending (a) - (b)	<u>\$ 12,906,277</u>	<u>\$ 3,441,279</u>	<u>\$ 242,192,470</u>	<u>\$ 13,149,057</u>	<u>\$ 2,975,406</u>	<u>\$ 242,681,085</u>
Plan fiduciary net position as a percentage of the total pension liability	52.49%	82.60%	41.82%	52.94%	85.79%	43.84%
Covered payroll	\$ 950,673	N/A	\$ 43,829,652	\$ 998,206	N/A	\$ 42,569,567
Net pension liability as a percentage of covered payroll	1357.59%	N/A	552.58%	1317.27%	N/A	570.08%

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(continued)

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (CONTINUED)
LAST 10 FISCAL YEARS (1)
(UNAUDITED)

	2020			2021		
	FPRF	PPRF	ERS ⁽²⁾	FPRF	PPRF	ERS ⁽²⁾
Total pension liability						
Service cost	\$ 243	\$ -	\$ 4,228,273	\$ 238	\$ -	\$ 3,895,144
Interest	1,903,897	1,419,081	29,459,137	1,724,239	1,312,200	29,249,833
Effect of economic/demographic gains or losses	(2,908,774)	(1,536,099)	(3,527,349)	(253,026)	(893,744)	3,463,671
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	-	-	-
Changes of assumptions	(56,523)	(34,794)	(444,368)	108,290	72,412	402,665
Benefit payments, including refunds of member contributions	(1,505,202)	(1,366,361)	(31,480,587)	(1,505,591)	(1,384,077)	(33,295,366)
Net change in total pension liability	<u>(2,566,359)</u>	<u>(1,518,173)</u>	<u>(1,764,894)</u>	<u>74,150</u>	<u>(893,209)</u>	<u>3,715,947</u>
Total pension liability - beginning	<u>27,938,153</u>	<u>20,944,219</u>	<u>432,090,616</u>	<u>25,371,794</u>	<u>19,426,046</u>	<u>430,325,722</u>
Total pension liability - ending (a)	<u>\$ 25,371,794</u>	<u>\$ 19,426,046</u>	<u>\$ 430,325,722</u>	<u>\$ 25,445,944</u>	<u>\$ 18,532,837</u>	<u>\$ 434,041,669</u>
Plan fiduciary net position						
Contributions - employer	\$ -	\$ -	\$ 12,684,489	\$ -	\$ -	\$ 12,919,339
Contributions - member	-	-	5,639,116	-	-	5,298,931
Net investment income	1,090,347	2,345,877	15,232,386	1,429,688	2,208,145	23,302,591
Benefit payments, including refunds of member contributions	(1,505,202)	(1,366,361)	(31,480,587)	(1,505,591)	(1,384,077)	(33,295,366)
Administrative expense	(18,158)	(19,782)	(66,775)	(25,978)	(25,979)	(83,622)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>(433,013)</u>	<u>959,734</u>	<u>2,008,629</u>	<u>(101,881)</u>	<u>798,089</u>	<u>8,141,873</u>
Plan fiduciary net position - beginning	<u>14,789,096</u>	<u>17,968,813</u>	<u>189,409,531</u>	<u>14,356,083</u>	<u>18,928,547</u>	<u>191,418,160</u>
Plan fiduciary net position - ending (b)	<u>14,356,083</u>	<u>18,928,547</u>	<u>191,418,160</u>	<u>14,254,202</u>	<u>19,726,636</u>	<u>199,560,033</u>
Net pension liability - ending (a) - (b)	<u>\$ 11,015,711</u>	<u>\$ 497,499</u>	<u>\$ 238,907,562</u>	<u>\$ 11,191,742</u>	<u>\$ (1,193,799)</u>	<u>\$ 234,481,636</u>
Plan fiduciary net position as a percentage of the total pension liability	56.58%	97.44%	44.48%	56.02%	106.44%	45.98%
Covered payroll	N/A	N/A	\$ 41,078,229	N/A	N/A	\$ 41,763,577
Net pension liability as a percentage of covered payroll	N/A	N/A	581.59%	N/A	N/A	561.45%

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⁽²⁾ For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

(continued)

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (CONTINUED)
LAST 10 FISCAL YEARS (1)
(UNAUDITED)

	2022		
	FPRF	PPRF	ERS ⁽²⁾
Total pension liability			
Service cost	\$ -	\$ -	\$ 3,711,192
Interest	1,727,933	1,246,884	29,503,149
Effect of economic/demographic gains or losses	(1,730,032)	1,022,005	11,198,842
Changes of benefit terms	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Benefit payments, including refunds of member contributions	(1,548,553)	(1,465,217)	(33,118,742)
Net change in total pension liability	(1,550,652)	803,672	11,294,441
Total pension liability - beginning	25,445,944	18,532,837	434,041,669
Total pension liability - ending (a)	\$ 23,895,292	\$ 19,336,509	\$ 445,336,110
Plan fiduciary net position			
Contributions - employer	\$ -	\$ -	\$ 15,251,035
Contributions - member	-	-	6,134,172
Net investment income	(2,118,643)	(2,757,368)	(27,828,968)
Benefit payments, including refunds of member contributions	(1,548,553)	(1,465,217)	(33,118,742)
Administrative expense	(23,110)	(23,111)	(81,768)
Other	-	-	-
Net change in plan fiduciary net position	(3,690,306)	(4,245,696)	(39,644,271)
Plan fiduciary net position - beginning	14,254,202	19,726,636	199,560,033
Plan fiduciary net position - ending (b)	10,563,896	15,480,940	159,915,762
Net pension liability - ending (a) - (b)	\$ 13,331,396	\$ 3,855,569	\$ 285,420,348
Plan fiduciary net position as a percentage of the total pension liability	44.21%	80.06%	35.91%
Covered payroll	N/A	N/A	\$ 48,339,054
Net pension liability as a percentage of covered payroll	N/A	N/A	590.45%

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(concluded)

**CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fireman Pension and Relief Fund										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 4,477,402	\$ 4,171,194	\$ 2,696,250	\$ 1,255,047	\$ 1,232,690	\$ 1,224,761	\$ 1,571,022	\$ 1,683,870	\$ 1,489,290	\$ 1,622,383
Contributions in relation to the actuarially determined contribution	964,526	1,048,879	971,454	1,045,758	-	-	-	-	-	-
Contribution deficiency (excess)	3,512,876	3,122,315	1,724,796	209,289	1,232,690	1,224,761	1,571,022	1,683,870	1,489,290	1,622,383
Covered payroll	858,951	1,016,908	955,637	862,288	905,402	950,673	998,206	n/a	n/a	n/a
Contributions as a percentage of covered payroll	112.29%	103.14%	101.66%	121.28%	n/a	n/a	n/a	n/a	n/a	n/a
Policeman Pension and Relief Fund										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 2,437,506	\$ 1,371,743	\$ 1,854,426	\$ 1,861,297	\$ 2,214,685	\$ 1,446,228	\$ 3,706,993	\$ 3,210,434	\$ 554,152	\$ -
Contributions in relation to the actuarially determined contribution	954,585	1,036,775	959,232	1,034,990	-	-	-	-	-	-
Contribution deficiency (excess)	1,482,921	334,968	895,194	826,307	2,214,685	1,446,228	3,706,993	3,210,434	554,152	-
Covered payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Contributions as a percentage of covered payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Employee Retirement System										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$ 16,764,758	\$ 16,351,357	\$ 18,083,506	\$ 19,842,219	\$ 19,267,744	\$ 20,537,815	\$ 20,085,651	\$ 20,379,656	\$ 20,495,053	\$ 20,406,208
Contributions in relation to the actuarially determined contribution	5,951,946	5,944,981	7,364,386	9,006,403	9,449,966	10,510,340	11,604,690	12,684,489	12,919,339	15,251,035
Contribution deficiency (excess)	10,812,812	10,406,376	10,719,120	10,835,816	9,817,778	10,027,475	8,480,961	7,695,167	7,575,714	5,155,173
Covered payroll	44,749,039	49,120,412	43,859,241	43,752,144	45,107,805	43,829,652	42,569,567	41,078,229	41,763,577	48,339,054
Contributions as a percentage of covered payroll	13.30%	12.10%	16.79%	20.59%	20.95%	23.98%	27.26%	30.88%	30.93%	31.55%

⁽¹⁾ For financial statement presentation, Employee Retirement System amounts are allocated between the general fund, enterprise funds, component units, and a jointly governed entity. The amounts above are presented for the entire plan.

CITY OF SHREVEPORT, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2022

Methods and assumptions used in calculations of actuarially determined contributions. The actuarially determined contribution rates in the schedule of pension contributions were calculated as of December 31, 2022. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

	FPRF	PPRF	ERS
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level dollar, closed	Level dollar, closed	Level dollar, closed
Remaining amortization period	10 years	10 years	30 years
Asset valuation period	N/A	N/A	N/A
Inflation	2.50%	2.50%	2.50%
Salary increases	5.00%	N/A	Based on classification
Investment rate of return	7.00%	7.00%	7.00%
Cost of Living Adjustment	3.00%	3.00%	None
Retirement Age	Plan specific	N/A	Plan specific
Turnover	Plan specific	N/A	Plan specific
Mortality	Pri-2010 Public Safety and MP-2021 Improvement converging to long-term rate of 0.5% in 2037	Pri-2010 Public Safety and MP-2021 Improvement converging to long-term rate of 0.5% in 2037	Pub-2010 (Public Retirement Plans Mortality Tables) General with MP-2021 Improvement converging to a long-term improvement rate of 0.5% in 2037.
Disability	Plan specific	Plan specific	Plan specific

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF NET PENSION LIABILITY - STATE
LAST TEN FISCAL YEARS (1)
(UNAUDITED)

Plan	Year	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
MPERS	2015	10.907553%	\$ 85,449,276	\$ 18,767,394	455.31%	66.04%
FRS	2015	14.253575%	\$ 76,929,090	\$ 14,519,924	529.82%	68.16%
MPERS	2016	10.462889%	\$ 98,066,748	\$ 27,476,089	356.92%	66.04%
FRS	2016	13.660802%	\$ 89,353,995	\$ 30,849,574	289.64%	68.16%
MPERS	2017	10.029179%	\$ 87,558,975	\$ 30,198,041	289.95%	70.08%
FRS	2017	13.298266%	\$ 76,223,654	\$ 28,837,229	264.32%	73.55%
MPERS	2018	10.298837%	\$ 87,066,997	\$ 30,061,456	289.63%	71.89%
FRS	2018	13.597316%	\$ 78,212,822	\$ 31,850,262	245.56%	74.76%
MPERS	2019	9.967413%	\$ 90,520,803	\$ 30,817,747	293.73%	71.01%
FRS	2019	13.395986%	\$ 83,884,460	\$ 32,274,473	259.91%	73.96%
MPERS	2020	9.968093%	\$ 92,128,410	\$ 30,466,793	302.39%	70.95%
FRS	2020	13.040075%	\$ 90,387,925	\$ 32,392,685	279.04%	72.60%
MPERS	2021	9.611085%	\$ 51,232,337	\$ 28,694,857	178.54%	84.09%
FRS	2021	12.110822%	\$ 42,918,961	\$ 30,352,828	141.40%	86.78%
MPERS	2022	9.695458%	\$ 99,104,793	\$ 29,766,231	332.94%	84.09%
FRS	2022	12.221804%	\$ 86,179,511	\$ 31,490,170	273.67%	74.68%

⁽¹⁾ This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The amounts presented have a measurement date of June 30.

CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS TO THE PLANS - STATE
LAST TEN FISCAL YEARS (1)
(UNAUDITED)

Plan	Year	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
MPERS	2015	\$ 9,190,723	\$ 9,190,723	\$ -	\$ 18,469,499	49.76%
FRS	2015	\$ 8,860,375	\$ 8,860,375	\$ -	\$ 14,132,726	62.69%
MPERS	2016	\$ 8,646,089	\$ 9,102,573	\$ (456,484)	\$ 28,897,057	31.50%
FRS	2016	\$ 8,393,570	\$ 8,137,384	\$ 256,186	\$ 29,861,960	27.25%
MPERS	2017	\$ 9,506,039	\$ 9,299,213	\$ 206,826	\$ 29,521,311	31.50%
FRS	2017	\$ 7,843,256	\$ 7,879,819	\$ (36,563)	\$ 28,916,765	27.25%
MPERS	2018	\$ 9,355,010	\$ 9,345,919	\$ 9,091	\$ 30,806,395	30.34%
FRS	2018	\$ 8,578,848	\$ 8,599,469	\$ (20,621)	\$ 30,804,077	27.92%
MPERS	2019	\$ 10,038,516	\$ 9,975,266	\$ 63,250	\$ 30,819,929	32.37%
FRS	2019	\$ 8,579,743	\$ 8,568,720	\$ 11,023	\$ 32,492,232	26.37%
MPERS	2020	\$ 10,006,324	\$ 10,009,244	\$ (2,920)	\$ 29,116,994	34.38%
FRS	2020	\$ 9,008,950	\$ 9,005,622	\$ 3,328	\$ 31,435,989	28.65%
MPERS	2021	\$ 9,897,191	\$ 9,841,336	\$ 55,855	\$ 28,929,861	34.02%
FRS	2021	\$ 9,819,862	\$ 9,953,137	\$ (133,275)	\$ 30,168,046	32.99%
MPERS	2022	\$ 8,904,523	\$ 8,873,987	\$ 30,536	\$ 30,837,809	28.78%
FRS	2022	\$ 10,627,051	\$ 10,626,376	\$ 675	\$ 33,252,155	31.96%

⁽¹⁾ This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

The amounts presented have a measurement date of June 30.

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**Other
Supplementary
Information**

**CITY OF SHREVEPORT, LOUISIANA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Property taxes	\$ 13,767,600	\$ 13,767,600	\$ 18,673,342	\$ 4,905,742
Investment earnings	32,000	32,000	(23,898)	(55,898)
Intergovernmental	1,700,000	1,426,900	2,061,699	634,799
Miscellaneous revenue	2,905,600	2,905,600	-	(2,905,600)
Total revenues	18,405,200	18,132,100	20,711,143	2,579,043
EXPENDITURES				
Principal	12,585,600	12,585,600	9,910,000	2,675,600
Interest and other charges	6,501,600	6,501,600	6,653,759	(152,159)
Bond issue costs	16,500	16,500	639,326	(622,826)
Miscellaneous	-	-	379,366	(379,366)
Total expenditures	19,103,700	19,103,700	17,582,451	1,521,249
Excess (deficiency) of revenues over (under) expenditures	(698,500)	(971,600)	3,128,692	4,100,292
OTHER FINANCING SOURCES				
Refunding bonds issued	-	-	50,140,000	(50,140,000)
Payments to escrow agent	-19,103,700	(19,103,700)	(49,512,674)	30,408,974
Total other financing sources	-	-	627,326	(19,731,026)
Net change in fund balances	(698,500)	(971,600)	3,756,018	(15,630,734)
Fund balances - beginning	50,525,361	50,525,361	48,025,556	(4,160,910)
Fund balances - ending	\$ 49,826,861	\$ 49,553,761	\$ 51,781,574	\$ (19,791,644)

See notes to budgetary comparison schedules

CITY OF SHREVEPORT, LOUISIANA
STREETS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Investment earnings	\$ -	\$ -	\$ (4,342)	\$ (4,342)
Franchise Fees	6,800,000	6,800,000	9,140,428	2,340,428
Total revenues	6,800,000	6,800,000	9,136,086	2,336,086
EXPENDITURES				
Improvements and equipment	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenue over expenditures	6,800,000	6,800,000	9,136,086	2,336,086
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,750,000)	(7,942,700)	(7,942,700)	-
Total other financing sources (uses)	(3,750,000)	(7,942,700)	(7,942,700)	-
Net change in fund balances	3,050,000	(1,142,700)	1,193,386	2,336,086
Fund balance -beginning	8,161,987	1,509,412	2,817,281	1,457,960
Fund balances - ending	\$ 11,211,987	\$ 366,712	\$ 4,010,667	\$ 3,794,046

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA
RIVERFRONT DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Gaming	\$ 8,955,400	\$ 9,155,400	\$ 6,708,541	\$ (2,446,859)
Investment Earnings	-	-	234	234
Miscellaneous	1,062,200	1,062,200	1,311,845	249,645
Total revenues	10,017,600	10,217,600	8,020,620	(2,196,980)
EXPENDITURES				
Current:				
Economic development:				
Salaries, wages and employee benefits	642,000	670,100	576,030	94,070
Materials and supplies	6,000	6,000	3,923	2,077
Contractual services	176,500	476,500	123,196	353,304
Improvements and equipment	3,500	3,500	1,896	1,604
Other charges	1,077,100	962,100	963,537	(1,437)
Total expenditures	1,905,100	2,118,200	1,668,582	449,618
Excess (deficiency) of revenues over under expenditures	8,112,500	8,099,400	6,352,038	(1,747,362)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(6,553,600)	(6,756,400)	(7,269,600)	(513,200)
Total other financing uses	(6,553,600)	(6,756,400)	(7,269,600)	(513,200)
Net change in fund balance	1,558,900	1,343,000	(917,562)	(2,260,562)
Fund balance -beginning	(33,871)	243,129	2,005,641	2,060,612
Fund balance-ending	\$ 1,525,029	\$ 1,586,129	\$ 1,088,079	\$ (199,950)

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA
POLICE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
External Service Charges	\$ -	\$ -	\$ -	\$ -
Intergovernmental	8,069,325	7,249,725	2,925,854	(4,323,871)
Investment earnings	1,800	1,800	-	(1,800)
Miscellaneous	221,700	221,700	228,553	6,853
Total revenues	<u>8,292,825</u>	<u>7,473,225</u>	<u>3,154,407</u>	<u>(4,318,818)</u>
EXPENDITURES				
Current:				
Public Safety:				
Salaries, wages and employee benefits	6,015,925	5,348,825	2,394,488	2,954,337
Materials and supplies	428,000	460,655	129,618	331,037
Contractual services	1,108,700	1,086,177	364,994	721,183
Other charges	276,800	176,800	25,617	151,183
Improvements and equipment	574,600	617,919	210,025	407,894
Total expenditures	<u>8,404,025</u>	<u>7,690,376</u>	<u>3,124,742</u>	<u>4,565,634</u>
Excess (deficiency) of revenues over under expenditures	<u>(111,200)</u>	<u>(217,151)</u>	<u>29,665</u>	<u>246,816</u>
OTHER FINANCING SOURCES				
Transfers in	5,200	5,200	-	5,200
Total other financing sources	<u>5,200</u>	<u>5,200</u>	<u>-</u>	<u>5,200</u>
Net change in fund balance	(106,000)	(211,951)	29,665	241,616
Fund balance -beginning	<u>629,912</u>	<u>649,912</u>	<u>623,489</u>	<u>100,926</u>
Fund balance - ending	<u>\$ 523,912</u>	<u>\$ 437,961</u>	<u>\$ 653,154</u>	<u>\$ 342,542</u>

See notes to budgetary comparison schedules

CITY OF SHREVEPORT, LOUISIANA
DOWNTOWN ENTERTAINMENT ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 300	\$ 300	\$ 70	\$ (230)
Land rent	-	-	-	-
Sales tax	80,000	80,000	10,151	(69,849)
Total revenues	80,300	80,300	10,221	(70,079)
EXPENDITURES				
Current:				
Economic development:				
Salaries, wages and employee benefits	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	30,000	30,000	27,728	2,272
Other charges	28,200	28,000	25,146	2,854
Improvements and equipment	-	-	-	-
Total expenditures	58,200	58,000	52,874	5,126
Excess (deficiency) of revenues over under expenditures	22,100	22,300	(42,653)	(64,953)
OTHER FINANCING SOURCES				
Transfers in	-	-	-	-
Total other financing uses	-	-	-	-
Net change in fund balance	22,100	22,300	(42,653)	(64,953)
Fund balance -beginning	40,605	40,605	(39,725)	(80,330)
Fund balance-ending	\$ 62,705	\$ 62,905	\$ (82,378)	\$ (145,283)

See notes to budgetary comparison schedules

CITY OF SHREVEPORT, LOUISIANA
DIVERSION PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Internal service charges	\$ -	\$ -	\$ -	\$ -
Interest and dividends	-	-	-	-
Other revenues	70,000	70,000	21,550	(48,450)
Total revenues	<u>70,000</u>	<u>70,000</u>	<u>21,550</u>	<u>(48,450)</u>
EXPENDITURES				
Current:				
Salaries, Wages and Employee Benefits	-	-	-	-
Materials and supplies	-	-	-	-
Contractual services	-	-	-	-
Improvements and equipment	10,000	10,000	1,487	8,513
Other charges	-	-	-	-
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>1,487</u>	<u>8,513</u>
Excess (deficiency) of revenues over (under) expenditure	<u>60,000</u>	<u>60,000</u>	<u>20,063</u>	<u>(39,937)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>60,000</u>	<u>60,000</u>	<u>20,063</u>	<u>(39,937)</u>
Fund balances-beginning	<u>317,198</u>	<u>317,198</u>	<u>317,198</u>	<u>-</u>
Fund balances-ending	<u>\$ 377,198</u>	<u>\$ 377,198</u>	<u>\$ 337,261</u>	<u>\$ (39,937)</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA
 MISCELLANEOUS CAPITAL PROJECT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Internal service charges	\$ -	\$ (688,375)	\$ -	\$ 688,375
Miscellaneous	-	24,781,210	3,100,655	(21,680,555)
Total revenues	-	24,092,835	3,100,655	(20,992,180)
EXPENDITURES				
Capital Outlay	-	10,492,725	15,162,316	(4,669,591)
Total expenditures	-	10,492,725	15,162,316	(4,669,591)
Excess (deficiency) of revenues over (under) expenditure	-	13,600,110	(12,061,661)	(25,661,771)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	22,391,617	23,825,931	1,434,314
Transfers out	-	-	-	-
	-	22,391,617	23,825,931	1,434,314
Net change in fund balance	-	35,991,727	11,764,270	(24,227,457)
Fund balances-beginning	15,415,602	15,415,602	15,415,602	-
Fund balances-ending	<u>\$ 15,415,602</u>	<u>\$ 51,407,329</u>	<u>\$ 27,179,872</u>	<u>\$ (24,227,457)</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA
METROPOLITAN PLANNING COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ 45,000	\$ 45,000	\$ 45,885	\$ 885
External service charges	321,900	356,900	459,729	102,829
Other operating subsidies	280,000	325,000	325,000	-
Total revenues	646,900	726,900	830,614	103,714
EXPENDITURES				
Current:				
Salaries, Wages and Employee Benefits	1,515,500	1,647,400	1,549,816	97,584
Materials and supplies	32,900	37,900	31,496	6,404
Contractual services	138,900	211,900	182,233	29,667
Improvements and equipment	10,400	12,400	13,141	(741)
Other charges	-	-	-	-
Total expenditures	1,697,700	1,909,600	1,776,686	132,914
Excess (deficiency) of revenues over (under) expenditure	(1,050,800)	(1,182,700)	(946,072)	236,628
OTHER FINANCING SOURCES (USES)				
Transfers in	1,050,800	1,182,700	947,106	(235,594)
Transfers out	-	-	-	-
Total other financing sources and uses	1,050,800	1,182,700	947,106	(235,594)
Net change in fund balance	-	-	1,034	1,034
Fund balances-beginning	800,998	800,998	800,998	-
Fund balances-ending	\$ 800,998	\$ 800,998	\$ 802,032	\$ 1,034

See notes to budgetary comparison schedules

CITY OF SHREVEPORT, LOUISIANA
RETAINED RISK
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Internal service charges	\$ 10,520,900	\$ 10,520,900	\$ 12,959,914	\$ 2,439,014
Interest and dividends	10,000	10,000	4,865	(5,135)
Other revenues	-	-	1,564,623	1,564,623
Total revenues	<u>10,530,900</u>	<u>10,530,900</u>	<u>14,529,402</u>	<u>3,998,502</u>
EXPENDITURES				
Current:				
Salaries, Wages and Employee Benefits	2,064,800	2,098,200	544,308	1,553,892
Materials and supplies	11,800	11,800	4,091	7,709
Contractual services	34,300	34,300	5,289,665	(5,255,365)
Improvements and equipment	45,000	45,000	-	45,000
Other charges	8,278,800	8,278,800	7,014,603	1,264,197
Total expenditures	<u>10,434,700</u>	<u>10,468,100</u>	<u>12,852,667</u>	<u>(2,384,567)</u>
Excess (deficiency) of revenues over (under) expenditure	<u>96,200</u>	<u>62,800</u>	<u>1,676,735</u>	<u>1,613,935</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	(767,789)	(767,789)	-
Total other financing sources and uses	<u>-</u>	<u>(767,789)</u>	<u>(767,789)</u>	<u>-</u>
Net change in fund balance	<u>96,200</u>	<u>(704,989)</u>	<u>908,946</u>	<u>1,613,935</u>
Fund balances-beginning	<u>(44,619,588)</u>	<u>(44,619,588)</u>	<u>(44,619,588)</u>	<u>-</u>
Fund balances-ending	<u>\$ (44,523,388)</u>	<u>\$ (45,324,577)</u>	<u>\$ (43,710,642)</u>	<u>\$ 1,613,935</u>

See notes to budgetary comparison schedules

**CITY OF SHREVEPORT, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED DECEMBER 31, 2022**

Mayor Adrian Perkins

Salary	\$	128,559
Benefits-insurance		397
Deferred compensation		7,786
Cell phone		560
Travel		6,442
Registration Fees		2,559
Conference Travel		8,911
Benefits - Car Allowance		5,400
Total	\$	<u>160,614</u>

**CITY OF SHREVEPORT, LOUISIANA
JUSTICE SYSTEM FUNDING SCHEDULE - RECEIVING ENTITY
AS REQUIRED BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION
FOR THE YEAR ENDED DECEMBER 31, 2022**

Cash Basis Presentation	First Six Month Period Ended June 30, 2022	Second Six Month Period Ended December 31, 2022
Receipts From:		
City of Shreveport City Court - Civil Fees	\$ 376,597	\$ 322,230
City of Shreveport City Court - Criminal Fines - Other	<u>405,726</u>	<u>439,385</u>
Subtotal Receipts	<u><u>\$ 782,323</u></u>	<u><u>\$ 761,615</u></u>



**Combining and
Individual Fund
Statements and
Schedules**

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are used for specific revenues that are legally restricted to expenditures for particular purposes.

Streets Fund – This fund is used for construction and repair of streets, including sidewalk and drainage structures.

Enrichment Fund - This fund is used to account for donations held for the purpose of enrichment and improvement of City facilities and services.

Riverfront Development Fund - This fund accounts for the collection and disbursement of funds from the riverfront gaming activities.

Police Grants Fund - This fund accounts for the collection and disbursement of various state and federal grants to the City of Shreveport Police Department.

Downtown Entertainment Economic Development Fund - This fund is used to account for incremental sales tax revenues collected from the development area to promote development of the area and associated projects.

Redevelopment Fund - This fund is used to acquire and land bank vacant adjudicated property for future redevelopment projects and to acquire other property for current redevelopment projects in redevelopment areas.

Environmental Grants Fund - This fund accounts for grants received for Brownfields assessment, cleanup loan fund, job training, and economic development.

Diversion Fund - This fund was established for the purpose of allowing individuals to undergo alternative sentencing to avoid the penalties associated with a criminal conviction.

Metropolitan Planning Commission - This fund was established for the purpose of accounting for receipts and disbursements which occur in conjunction with coordinating City planning, preparing and enforcing zoning laws, and keeping City annexation policies current.

Capital Projects Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Miscellaneous General Obligation Bond Funds - These funds are used to account for bonds issued for the purpose of constructing public buildings and/or improving streets, public safety, drainage systems, waste disposal, parks, an industrial park, and a Sportran maintenance facility.

Miscellaneous Capital Projects Fund - This fund is used to account for various projects funded by miscellaneous sources other than general obligation bonds.

2003A General Obligation Bond Fund - This fund is used to account for bonds issued for the purpose of constructing, acquiring, and improving works of neighborhood public improvement, recreation facilities, and police and fire facilities.

2011 General Obligation Bonds – This fund is used to account for bonds issued for the purpose of improving the water and sewer system, various public facilities and streets and drainage systems.

**CITY OF SHREVEPORT, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	Special Revenue Funds									
	Streets	Enrichment	Riverfront Development	Police Grants	Downtown Entertainment Economic Development	Redevelopment	Environmental Grants	Diversion Program	Metropolitan Planning Commission	Total
ASSETS										
Cash and cash equivalents	\$ 2,014,250	\$ 1,347,462	\$ 420,713	\$ -	\$ -	\$ 4,049	\$ 1,000,782	\$ 337,260	\$ 162,700	\$ 5,287,216
Investments	-	-	-	-	-	-	-	-	-	-
Accounts receivable, net	1,996,417	-	673,793	-	-	-	-	-	-	2,670,210
Lease receivable	-	-	2,503,451	-	-	-	-	-	-	2,503,451
Due from other governments	-	-	-	1,209,569	-	-	-	-	-	1,209,569
Due from other funds	-	-	-	-	-	-	-	-	-	-
Notes receivable, net	-	-	-	-	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	196,066	-	-	-	196,066
Total assets	<u>\$ 4,010,667</u>	<u>\$ 1,347,462</u>	<u>\$ 3,597,957</u>	<u>\$ 1,209,569</u>	<u>\$ -</u>	<u>\$ 200,115</u>	<u>\$ 1,000,782</u>	<u>\$ 337,260</u>	<u>\$ 162,700</u>	<u>\$ 11,866,512</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)										
Liabilities:										
Accounts payable	\$ -	\$ 11,006	\$ 256	\$ 22,663	\$ 2,877	\$ -	\$ -	\$ -	\$ 87,460	\$ 124,262
Accrued liabilities	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	6,891	459,082	79,502	-	-	-	-	545,475
Unearned revenue	-	-	-	74,670	-	-	-	-	-	74,670
Due to other governments	-	-	-	-	-	-	-	-	75,240	75,240
Items held in escrow	-	-	-	-	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>11,006</u>	<u>7,147</u>	<u>556,415</u>	<u>82,379</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>162,700</u>	<u>819,647</u>
Deferred Inflows of Resources:										
Lease revenue	-	-	2,469,911	-	-	-	-	-	-	2,469,911
Fund balance:										
Restricted	4,010,667	1,336,456	1,120,899	653,154	-	200,115	1,000,782	337,260	-	8,659,333
Unassigned	-	-	-	-	(82,379)	-	-	-	-	(82,379)
Total fund balance:	<u>4,010,667</u>	<u>1,336,456</u>	<u>1,120,899</u>	<u>653,154</u>	<u>(82,379)</u>	<u>200,115</u>	<u>1,000,782</u>	<u>337,260</u>	<u>-</u>	<u>8,576,954</u>
Total liabilities, deferred inflows of resources and fund balance:	<u>\$ 4,010,667</u>	<u>\$ 1,347,462</u>	<u>\$ 3,597,957</u>	<u>\$ 1,209,569</u>	<u>\$ -</u>	<u>\$ 200,115</u>	<u>\$ 1,000,782</u>	<u>\$ 337,260</u>	<u>\$ 162,700</u>	<u>\$ 11,866,512</u>

(continued)

**CITY OF SHREVEPORT, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	Capital Project Funds					
	Miscellaneous General Obligation Bond Funds	Miscellaneous Capital Projects Fund	2003A General Obligation Bond Fund	2011 General Obligation Bond Fund	Total	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 5,036,254	\$ 27,838,022	\$ 1,106,663	\$ 2,484,789	\$ 36,465,728	\$ 41,752,944
Investments	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	2,670,210
Lease receivable	-	-	-	-	-	2,503,451
Due from other governments	-	2,213,033	-	187,715	2,400,748	3,610,317
Due from other funds	195,585	6,891	-	-	202,476	202,476
Notes receivable, net	-	-	-	-	-	-
Assets held for resale	-	-	-	-	-	196,066
Total assets	<u>\$ 5,231,839</u>	<u>\$ 30,057,946</u>	<u>\$ 1,106,663</u>	<u>\$ 2,672,504</u>	<u>\$ 39,068,952</u>	<u>\$ 50,935,464</u>
LIABILITIES AND FUND BALANCES (DEFICIT)						
Liabilities:						
Accounts payable	\$ 97,295	\$ 2,878,074	\$ -	\$ 58,715	\$ 3,034,084	\$ 3,158,346
Accrued liabilities	-	-	-	-	-	-
Due to other funds	195,585	-	-	-	195,585	741,060
Unearned revenue	-	-	-	-	-	74,670
Due to other governments	-	-	-	-	-	75,240
Items held in escrow	-	-	-	-	-	-
Notes payable	-	-	-	-	-	-
Total liabilities	<u>292,880</u>	<u>2,878,074</u>	<u>-</u>	<u>58,715</u>	<u>3,229,669</u>	<u>4,049,316</u>
Deferred Inflows of Resources:						
Lease revenue	-	-	-	-	-	2,469,911
Fund balance:						
Restricted	4,938,959	27,179,872	1,106,663	2,613,789	35,839,283	44,498,616
Unassigned	-	-	-	-	-	(82,379)
Total fund balance:	<u>4,938,959</u>	<u>27,179,872</u>	<u>1,106,663</u>	<u>2,613,789</u>	<u>35,839,283</u>	<u>44,416,237</u>
Total liabilities and fund balance:	<u>\$ 5,231,839</u>	<u>\$ 30,057,946</u>	<u>\$ 1,106,663</u>	<u>\$ 2,672,504</u>	<u>\$ 39,068,952</u>	<u>\$ 50,935,464</u>

(concluded)

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds									
	Streets	Enrichment	Riverfront Development	Police Grants	Downtown Entertainment Economic Development	Redevelopment	Environmental Grants	Diversion Program	Metropolitan Planning Commission Fund	Total
REVENUES										
Intergovernmental	\$ -	\$ -	\$ -	\$ 2,925,854	\$ -	\$ -	\$ -	\$ -	\$ 325,000	\$ 3,250,854
Gaming	-	-	6,708,541	-	-	-	-	-	-	6,708,541
Franchise	9,140,428	-	-	-	-	-	-	-	-	9,140,428
Investment earnings	(4,342)	1,918	234	-	70	-	1,726	-	-	(394)
Miscellaneous	-	312,020	1,311,845	228,553	10,150	-	-	21,550	505,614	2,389,732
Total revenues	9,136,086	313,938	8,020,620	3,154,407	10,220	-	1,726	21,550	830,614	20,658,547
EXPENDITURES										
Current:										-
General government	-	-	-	-	-	-	1,737	-	1,776,686	1,778,423
Public safety	-	94,957	-	3,051,228	-	-	-	-	-	3,146,185
Culture and recreation	-	42,699	-	-	-	-	-	-	-	42,699
Health and welfare	-	-	1,720	-	-	-	142,764	-	-	144,484
Community development	-	-	-	-	-	-	-	-	-	-
Economic opportunity	-	-	-	-	-	-	-	-	-	-
Economic development	-	-	1,666,861	-	52,874	3	-	-	-	1,719,738
Capital outlay	-	-	-	73,514	-	-	-	1,488	-	75,002
Total expenditures	-	137,656	1,668,581	3,124,742	52,874	3	144,501	1,488	1,776,686	6,906,531
Excess (deficiency) of revenues over (under) expenditures	9,136,086	176,282	6,352,039	29,665	(42,654)	(3)	(142,775)	20,062	(946,072)	14,582,630
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	-	-	-	-	-	-	947,106	947,106
Transfers out	(7,942,700)	-	(7,269,600)	-	-	-	-	-	-	(15,212,300)
Total other financing sources and uses	(7,942,700)	-	(7,269,600)	-	-	-	-	-	947,106	(14,265,194)
Net change in fund balances	1,193,386	176,282	(917,561)	29,665	(42,654)	(3)	(142,775)	20,062	1,034	317,436
Fund balances-beginning	2,817,281	1,160,174	2,005,641	623,489	(39,725)	200,118	1,143,557	317,198	(1,034)	8,226,699
Prior period adjustments	-	-	32,819	-	-	-	-	-	-	32,819
Fund balances-beginning - as restated, see Nove IV. H.	2,817,281	1,160,174	2,038,460	623,489	(39,725)	200,118	1,143,557	317,198	-	8,259,518
Fund balances-ending	\$ 4,010,667	\$ 1,336,456	\$ 1,120,899	\$ 653,154	\$ (82,379)	\$ 200,115	\$ 1,000,782	\$ 337,260	\$ -	\$ 8,576,954

(continued)

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Capital Project Funds				
	Miscellaneous General Obligation Bond Funds	Miscellaneous Capital Projects Fund	2003A General Obligation Bond Fund	2011 General Obligation Bond Fund	Total Nonmajor Governmental Funds
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 3,250,854
Gaming	-	-	-	-	6,708,541
Franchise	-	-	-	-	9,140,428
Investment earnings	(2,100)	-	(544)	(1,369)	(4,407)
Miscellaneous	-	3,100,656	-	-	5,490,388
Total revenues	<u>(2,100)</u>	<u>3,100,656</u>	<u>(544)</u>	<u>(1,369)</u>	<u>23,755,190</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	1,778,423
Public safety	-	-	-	-	3,146,185
Culture and recreation	-	-	-	-	42,699
Health and welfare	-	-	-	-	144,484
Community development	-	-	-	-	-
Economic opportunity	-	-	-	-	-
Economic development	-	-	-	-	1,719,738
Capital outlay	1,168,997	15,162,316	-	2,397,939	18,804,254
Total expenditures	<u>1,168,997</u>	<u>15,162,316</u>	<u>-</u>	<u>2,397,939</u>	<u>25,635,783</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,171,097)</u>	<u>(12,061,660)</u>	<u>(544)</u>	<u>(2,399,308)</u>	<u>(1,049,979)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	78,741	23,825,930	-	1,985,704	26,837,481
Transfers out	(7,087)	-	(78,741)	(340,122)	(15,638,250)
Total other financing sources and uses	<u>71,654</u>	<u>23,825,930</u>	<u>(78,741)</u>	<u>1,645,582</u>	<u>11,199,231</u>
Net change in fund balances	<u>(1,099,443)</u>	<u>11,764,270</u>	<u>(79,285)</u>	<u>(753,726)</u>	<u>10,149,252</u>
Fund balances-beginning	<u>6,038,402</u>	<u>15,377,738</u>	<u>1,185,948</u>	<u>3,367,515</u>	<u>34,196,302</u>
Prior period adjustments	-	37,864	-	-	70,683
Fund balances-beginning - as restated, see Nove IV. H.	<u>6,038,402</u>	<u>15,415,602</u>	<u>1,185,948</u>	<u>3,367,515</u>	<u>34,266,985</u>
Fund balances-ending	<u>\$ 4,938,959</u>	<u>\$ 27,179,872</u>	<u>\$ 1,106,663</u>	<u>\$ 2,613,789</u>	<u>\$ 44,416,237</u>

(concluded)

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

Nonmajor Enterprise Funds

Enterprise funds are used to account for the acquisition, operation, and maintenance of facilities and services which are entirely or predominantly self-supported by user charges. The operations of enterprise funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

Shreveport Area Transit System - This fund accounts for the activities necessary to provide bus service for the residents of the City. The System also provides service between Shreveport and the adjacent city of Bossier City under an agreement with Bossier City that also provides for payments from Bossier to Shreveport to underwrite costs associated with the expanded service to Bossier City residents.

Golf - This fund is used to account for the operations of the City's two golf courses. The fund's operations are financed by greens fees, golf equipment rentals, merchandise sales, memberships, and concession sales to the public.

Downtown Parking Fund - This fund is used to account for parking revenues to promote improved parking facilities in the downtown area.

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2022

	Shreveport Area Transit System	Golf	Downtown Parking	Total Nonmajor Enterprise Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ -	\$ 1,653,078	\$ 923,858	\$ 2,576,936
Investments	-	-	-	-
Receivables, net	323,377	108,470	58,695	490,542
Due from other funds	-	-	-	-
Due from other governments	12,786,997	-	-	12,786,997
Inventories	1,276,290	28,469	-	1,304,759
Prepaid items	119,751	-	-	119,751
Total current assets	14,506,415	1,790,017	982,553	17,278,985
Noncurrent Assets:				
Capital Assets:				
Land	368,877	-	-	368,877
Buildings	14,571,690	263,373	-	14,835,063
Improvements other than buildings	304,279	1,191,629	-	1,495,908
Equipment	31,506,452	559,978	-	32,066,430
Construction in progress	3,129,951	-	-	3,129,951
Less accumulated depreciation	(21,057,630)	(1,620,666)	-	(22,678,296)
Total noncurrent assets	28,823,619	394,314	-	29,217,933
Total assets	43,330,034	2,184,331	982,553	46,496,918
DEFERRED OUTFLOWS OF RESOURCES				
Deferred OPEB	-	104,195	-	104,195
Deferred pensions	-	157,086	-	157,086
Total deferred outflows of resources	-	261,281	-	261,281
LIABILITIES				
Current Liabilities:				
Accounts payable	1,066,561	8,964	74,535	1,150,060
Accrued liabilities	172,598	188,573	-	361,171
Due to other funds	8,028,355	-	-	8,028,355
Unearned revenue	-	230,303	-	230,303
Compensated absences	230,673	21,565	-	252,238
Leases payable	-	-	-	-
Total current liabilities	9,498,187	449,405	74,535	10,022,127
Noncurrent Liabilities:				
Landfill closure	-	-	-	-
Compensated absences	-	11,381	-	11,381
Leases payable	-	-	-	-
Total OPEB liability	-	822,640	-	822,640
Net Pension Liability	-	1,431,140	-	1,431,140
Total noncurrent liabilities	-	2,265,161	-	2,265,161
Total liabilities	9,498,187	2,714,566	74,535	12,287,288
DEFERRED INFLOWS OF RESOURCES				
Deferred OPEB	-	409,430	-	409,430
Deferred pensions	-	1,418	-	1,418
Total deferred inflows of resources	-	410,848	-	410,848
NET POSITION (DEFICIT)				
Net investment in capital assets	28,823,619	394,314	-	29,217,933
Unrestricted (deficit)	5,008,228	(1,074,116)	908,018	4,842,130
Total Net Position (deficit)	\$ 33,831,847	\$ (679,802)	\$ 908,018	\$ 34,060,063

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Shreveport Area Transit System	Golf	Downtown Parking	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ 6,067	\$ 2,189,048	\$ 453,504	\$ 2,648,619
Miscellaneous	666,525	39,596	-	706,121
Total operating revenues	<u>672,592</u>	<u>2,228,644</u>	<u>453,504</u>	<u>3,354,740</u>
OPERATING EXPENSES				
Personal services	10,546,834	372,846	-	10,919,680
Contractual services and other expenses	1,638,460	492,735	350,343	2,481,538
Utilities	398,441	29,801	-	428,242
Repairs and maintenance	15,279	-	-	15,279
Materials and supplies	2,674,388	288,175	-	2,962,563
Depreciation	2,916,234	49,405	-	2,965,639
Total operating expenses	<u>18,189,636</u>	<u>1,232,962</u>	<u>350,343</u>	<u>19,772,941</u>
Operating income (loss)	<u>(17,517,044)</u>	<u>995,682</u>	<u>103,161</u>	<u>(16,418,201)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	-	-	(633)	(633)
Interest expense	-	(1,140)	-	(1,140)
Intergovernmental	12,535,073	-	-	12,535,073
Loss on disposal of capital assets	-	-	-	-
Net nonoperating revenues (expenses)	<u>12,535,073</u>	<u>(1,140)</u>	<u>(633)</u>	<u>12,533,300</u>
Income (loss) before contributions and transfers	<u>(4,981,971)</u>	<u>994,542</u>	<u>102,528</u>	<u>(3,884,901)</u>
Capital contributions	3,516,719	-	-	3,516,719
Transfers in	10,059,857	87,200	-	10,147,057
Transfers out	-	-	-	-
Change in net position	<u>8,594,605</u>	<u>1,081,742</u>	<u>102,528</u>	<u>9,778,875</u>
Total net position (deficit)-beginning	<u>25,237,242</u>	<u>(1,761,544)</u>	<u>805,490</u>	<u>24,281,188</u>
Total net position (deficit)-ending	<u>\$ 33,831,847</u>	<u>\$ (679,802)</u>	<u>\$ 908,018</u>	<u>\$ 34,060,063</u>

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

**CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Shreveport Area Transit System	Golf	Downtown Parking	Total Nonmajor Enterprise Funds
Cash flows from operating activities:				
Receipts from operations	\$ 122,161	\$ 2,141,993	\$ 577,945	\$ 2,842,099
Payments to suppliers	(8,469,903)	(686,596)	(305,976)	(9,462,475)
Payments to employees	(10,537,691)	(843,077)	-	(11,380,768)
Other receipts	666,525	39,596	-	706,121
Net cash provided by (used in) operating activities	<u>(18,218,908)</u>	<u>651,916</u>	<u>271,969</u>	<u>(17,295,023)</u>
Cash flows from noncapital financing activities:				
Intergovernmental	12,588,352	-	-	12,588,352
Transfers in	10,059,858	87,200	-	10,147,058
Interest expense on operations	-	(1,140)	-	(1,140)
Net cash provided by (used in) noncapital financing activities	<u>22,648,210</u>	<u>86,060</u>	<u>-</u>	<u>22,734,270</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(12,063,247)	(1,665)	-	(12,064,912)
Capital grants	3,463,440	-	-	3,463,440
Net cash provided by (used in) capital and related financing activities	<u>(8,599,807)</u>	<u>(1,665)</u>	<u>-</u>	<u>(8,601,472)</u>
Cash flows from investing activities:				
Purchase of investments	-	-	(632)	(632)
Net cash provided by (used in) investing activities	<u>-</u>	<u>-</u>	<u>(632)</u>	<u>(632)</u>
Net increase (decrease) in cash and cash equivalents	(4,170,505)	736,311	271,337	(3,162,857)
Cash and cash equivalents - beginning of year	4,170,505	916,767	652,521	5,739,794
Cash and cash equivalents - end of year	<u>\$ -</u>	<u>\$ 1,653,078</u>	<u>\$ 923,858</u>	<u>\$ 2,576,937</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (17,517,045)	\$ 995,682	\$ 103,162	\$ (16,418,201)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	2,916,234	49,405	-	2,965,639
(Increase) Decrease in assets:				
Receivables	100,815	(75,153)	124,441	150,103
Due from other governments	(12,376,306)	-	-	(12,376,306)
Due from other funds	15,279	-	-	15,279
Inventories	(244,341)	(12,140)	-	(256,481)
Deferred outflows for pensions	-	(77,366)	-	(77,366)
Deferred outflows for OPEB	-	34,646	-	34,646
Prepaid items	109,461	-	-	109,461
Increase(Decrease) in liabilities:				
Accounts payable	824,610	(9,885)	44,366	859,091
Accrued liabilities	26,894	146,140	-	173,034
Deferred inflows for pensions	-	(83,724)	-	(83,724)
Deferred inflows for OPEB	-	242,045	-	242,045
Due to other funds	7,916,347	-	-	7,916,347
Unearned revenue	-	28,098	-	28,098
Compensated absences	9,144	13,003	-	22,147
Total OPEB liability	-	(53,017)	-	(53,017)
Net Pension liability	-	(545,818)	-	(545,818)
Total adjustments	<u>(701,863)</u>	<u>(343,766)</u>	<u>168,807</u>	<u>(876,822)</u>
Net cash provided by (used in) operating activities	<u>\$ (18,218,908)</u>	<u>\$ 651,916</u>	<u>\$ 271,969</u>	<u>\$ (17,295,023)</u>

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

Internal Service Funds

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

Employees Health Care Fund - This fund is used to account for self-insurance activities involving medical and dental care claims by the City's employees, retirees, and dependents.

Retained Risk Fund - This fund is used to account for self-insurance activities involving property damage, worker's compensation and general liability claims.

**CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2022**

	<u>Employees Health Care</u>	<u>Retained Risk</u>	<u>Total Internal Service Funds</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ -	\$ (15)	\$ (15)
Investments	11,291,930	-	11,291,930
Due from other funds	-	-	-
Receivables, net	3,635,583	-	3,635,583
Interest Receivable	54,500	-	54,500
Prepaid items	-	1,961,207	1,961,207
Total current assets	<u>14,982,013</u>	<u>1,961,192</u>	<u>16,943,205</u>
LIABILITIES			
Current liabilities:			
Accounts payable	1,000	671,197	672,197
Due to other funds	21,965,906	112,692	22,078,598
Accrued liabilities	-	-	-
Compensated absences	-	22,944	22,944
Claims and judgments	<u>7,976,494</u>	<u>44,865,001</u>	<u>52,841,495</u>
Total current liabilities	<u>29,943,400</u>	<u>45,671,834</u>	<u>75,615,234</u>
Noncurrent liabilities:			
Claims and judgments	-	-	-
Compensated absences	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>29,943,400</u>	<u>45,671,834</u>	<u>75,615,234</u>
NET POSITION (DEFICIT)			
Unrestricted (deficit)	<u>(14,961,387)</u>	<u>(43,710,642)</u>	<u>(58,672,029)</u>
Total net position (deficit)	<u>\$ (14,961,387)</u>	<u>\$ (43,710,642)</u>	<u>\$ (58,672,029)</u>

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Employees Health Care	Retained Risk	Total Internal Service Funds
OPERATING REVENUES			
Charges for services	\$ 40,780,180	\$ 12,959,913	\$ 53,740,093
Miscellaneous	100,740	1,564,623	1,665,363
Total operating revenues	<u>40,880,920</u>	<u>14,524,536</u>	<u>55,405,456</u>
OPERATING EXPENSES			
Personal services	151,057	544,307	695,364
Contractual services and other expenses	2,342,823	5,289,665	7,632,488
Materials and supplies	5,812	4,091	9,903
Claims	39,973,872	7,014,603	46,988,475
Total operating expenses	<u>42,473,564</u>	<u>12,852,666</u>	<u>55,326,230</u>
Operating income (loss)	<u>(1,592,644)</u>	<u>1,671,870</u>	<u>79,226</u>
NONOPERATING REVENUES			
Investment earnings (loss)	193,204	4,865	198,069
Net nonoperating revenues (loss)	<u>193,204</u>	<u>4,865</u>	<u>198,069</u>
Transfers out	<u>-</u>	<u>(767,789)</u>	<u>(767,789)</u>
Change in net position	(1,399,440)	908,946	(490,494)
Total net position (deficit)-beginning	<u>(13,561,947)</u>	<u>(44,619,588)</u>	<u>(58,181,535)</u>
Total net position (deficit)-ending	<u>\$ (14,961,387)</u>	<u>\$ (43,710,642)</u>	<u>\$ (58,672,029)</u>

See accompanying independent auditors' report.

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

**CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Employees Health Care</u>	<u>Retained Risk</u>	<u>Total Internal Service Funds</u>
Cash flows from operating activities:			
Receipts from operations	\$ 48,209,287	\$ 14,524,537	\$ 62,733,824
Payments to suppliers	(5,445,800)	(5,831,326)	(11,277,126)
Payments to employees	(151,057)	(542,180)	(693,237)
Claims	(38,812,809)	(9,028,603)	(47,841,412)
Net cash provided by (used in) operating activities	<u>3,799,621</u>	<u>(877,572)</u>	<u>2,922,049</u>
Cash flows from noncapital financing activities:			
Transfers in/(out)	-	(767,789)	(767,789)
Net cash provided by noncapital financing activities	<u>-</u>	<u>(767,789)</u>	<u>(767,789)</u>
Cash flows from investing activities:			
Purchase of investments	(10,105,394)	-	(10,105,394)
Proceeds from sale and maturity of investments	-	4,865	4,865
Interest on investments	-	-	-
Net cash provided by (used in) investing activities	<u>(10,105,394)</u>	<u>4,865</u>	<u>(10,100,529)</u>
Net increase (decrease) in cash and cash equivalents	<u>(6,305,773)</u>	<u>(1,640,496)</u>	<u>(7,946,269)</u>
Cash and cash equivalents - beginning of year	6,305,773	1,640,481	7,946,254
Cash and cash equivalents - end of year	<u>\$ -</u>	<u>\$ (15)</u>	<u>\$ (15)</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ (1,592,643)	\$ 1,671,870	\$ 79,227
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
(Increase)Decrease in assets:			
Receivables	7,328,366	-	7,328,366
Due from other funds			
Prepaid items	-	(1,015,142)	(1,015,142)
Increase(Decrease) in liabilities:			
Accounts payable	66	380,159	380,225
Accrued liabilities	-	-	-
Due to other funds	(3,097,165)	97,413	(2,999,752)
Claims and judgments	1,160,997	(2,014,000)	(853,003)
Compensated absences		2,128	2,128
Other increases (decreases)	-	-	-
Total adjustments	<u>5,392,264</u>	<u>(2,549,442)</u>	<u>2,842,822</u>
Net cash provided by (used in) operating activities	<u>\$ 3,799,621</u>	<u>\$ (877,572)</u>	<u>\$ 2,922,049</u>

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

CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2022

	Northwest Louisiana Finance Authority	City Court	City Marshal	Downtown Development Authority	Shreve Memorial Library	Total
ASSETS						
Cash and cash equivalents	\$ 1,467,634	\$ 3,034,044	\$ 916,625	\$ 1,786,378	\$ 12,155,613	\$ 19,360,294
Investments	881,653	-	-	-	-	881,653
Receivables, net	27,704	1,030	-	813,036	15,454,947	16,296,717
Due from primary governments	-	-	-	-	354,119	354,119
Prepaid items	-	61,943	-	12,756	-	74,699
Notes receivable	-	-	-	-	-	-
Other assets	-	-	-	-	159,496	159,496
Capital assets:						
Land and construction in progress	-	-	-	130,237	6,603,735	6,733,972
Other capital assets, net of depreciation	-	1,207,147	1,171,928	762,375	24,356,649	27,498,099
Total assets	<u>2,376,991</u>	<u>4,304,164</u>	<u>2,088,553</u>	<u>3,504,782</u>	<u>59,084,559</u>	<u>71,359,049</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred inflows related to pensions	-	-	-	-	3,143,016	3,143,016
Deferred inflows related OPEB	-	-	-	-	1,637,340	1,637,340
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,780,356</u>	<u>4,780,356</u>
LIABILITIES						
Accounts payable	-	5,855	48,291	25,694	115,690	195,530
Accrued liabilities	6,100	-	-	18,256	248,311	272,667
Due to other governments	-	-	-	58,595	-	58,595
Unearned income	-	-	-	-	-	-
Noncurrent liabilities:						
Due within one year	75,732	17,905	-	79,120	386,298	559,055
Due in more than one year	698,605	40,860	-	132,716	-	872,181
Net pension liability	-	-	-	-	28,634,629	28,634,629
Total other postemployment benefit liability	-	-	-	-	12,927,197	12,927,197
Total liabilities	<u>780,437</u>	<u>64,620</u>	<u>48,291</u>	<u>314,381</u>	<u>42,312,125</u>	<u>43,519,854</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to property taxes	-	-	-	733,867	-	733,867
Deferred inflows related to pensions	-	-	-	-	28,373	28,373
Deferred inflows related OPEB	-	-	-	-	6,433,919	6,433,919
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>733,867</u>	<u>6,462,292</u>	<u>7,196,159</u>
NET POSITION						
Net investments in capital assets	-	1,148,382	1,171,928	725,570	30,960,384	34,006,264
Restricted for:						
Debt service	18,494	-	-	-	-	18,494
Other purposes	-	275,682	-	142,662	-	418,344
Unrestricted	1,578,060	2,815,480	868,334	1,588,302	(15,869,886)	(9,019,710)
Total net position (deficit)	<u>\$ 1,596,554</u>	<u>\$ 4,239,544</u>	<u>\$ 2,040,262</u>	<u>\$ 2,456,534</u>	<u>\$ 15,090,498</u>	<u>\$ 25,423,392</u>

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

**CITY OF SHREVEPORT, LOUISIANA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position					
	Expenses	Charges for Services	Grants and Contributions	Northwest Louisiana Finance Authority	City Court	City Marshal	Downtown Development Authority	Shreve Memorial Library	Total
Northwest Louisiana Finance Authority									
Mortgage Operations	\$ 63,996	\$ -	\$ -	\$ (63,996)	\$ -	\$ -	\$ -	\$ -	\$ (63,996)
City Court									
Judicial	576,554	433,517	12,805	-	(130,232)	-	-	-	(130,232)
City Marshal									
Judicial	3,481,703	897,943	2,542,416	-	-	(41,344)	-	-	(41,344)
Downtown Development Authority									
Downtown development	703,715	-	175,000	-	-	-	(528,715)	-	(528,715)
Streetscape program	303,073	650,530	-	-	-	-	347,457	-	347,457
Parking program	343,315	-	-	-	-	-	(343,315)	-	(343,315)
Interest on long-term debt	15,559	-	-	-	-	-	(15,559)	-	(15,559)
Total Downtown Development Authority	1,365,662	650,530	175,000	-	-	-	(540,132)	-	(540,132)
Metropolitan Planning Commission									
Shreve Memorial Library									
Culture and recreation	13,665,904	321,609	-	-	-	-	-	(13,344,295)	(13,344,295)
	<u>\$ 19,153,819</u>	<u>\$ 2,303,599</u>	<u>\$ 2,730,221</u>	(63,996)	(130,232)	(41,344)	(540,132)	(13,344,295)	(14,119,999)
General Revenues:									
Property taxes levied for general purposes				-	-	-	726,080	17,296,267	18,022,347
Investment earnings (loss)				(66,172)	17,160	3,446	2,191	(388)	(43,763)
Payment from City of Shreveport				-	-	-	-	-	-
Miscellaneous				29,744	8,293	-	46,491	651,998	736,526
Total general revenues (expenses)				<u>(36,428)</u>	<u>25,453</u>	<u>3,446</u>	<u>774,762</u>	<u>17,947,877</u>	<u>18,715,110</u>
Change in Net Position				(100,424)	(104,779)	(37,898)	234,630	4,603,582	4,595,111
Net position - beginning				1,696,978	4,344,323	2,078,160	2,221,904	10,486,916	21,629,279
Prior Period									
Restatement									
- Return of tax credit				-	-	-	-	-	-
Net position - beginning				<u>1,696,978</u>	<u>4,344,323</u>	<u>2,078,160</u>	<u>2,221,904</u>	<u>10,486,916</u>	<u>208,258,281</u>
Net position (deficit) - ending				<u>\$ 1,596,554</u>	<u>\$ 4,239,544</u>	<u>\$ 2,040,262</u>	<u>\$ 2,456,534</u>	<u>\$ 15,090,498</u>	<u>\$ 212,853,392</u>

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



Statistical

SECTION

STATISTICAL SECTION (UNAUDITED)

December 31, 2022

This section which is composed of accounting and non-accounting data is presented in order to provide the reader with additional information as an aid to understanding the financial activities of the governmental unit.

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Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

**CITY OF SHREVEPORT, LOUISIANA
NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net investment in capital assets	\$ 498,281,721	\$ 447,755,978	\$ 594,396,807	\$ 604,854,487	\$ 619,093,951	\$ 606,332,272	\$ 440,976,682	\$ 435,095,111	\$ 433,131,458	\$ 437,550,559
Restricted	227,239,617	207,407,523	168,897,674	133,100,842	3,960,404	122,792,732	105,287,407	109,307,827	123,195,336	160,432,595
Unrestricted(Deficit)	(450,501,025)	(584,381,854)	(784,343,447)	(811,432,005)	(87,168,778)	(1,054,491,779)	(918,599,662)	(938,501,828)	(931,950,845)	(890,139,822)
Total governmental activities net position	<u>\$ 275,020,313</u>	<u>\$ 70,781,647</u>	<u>\$ (21,048,966)</u>	<u>\$ (73,476,676)</u>	<u>\$ 535,885,577</u>	<u>\$ (325,366,775)</u>	<u>\$ (372,335,573)</u>	<u>\$ (394,098,890)</u>	<u>\$ (375,624,051)</u>	<u>\$ (292,156,668)</u>
Business-type activities										
Net investment in capital assets	\$ 523,710,809	\$ 518,261,289	\$ 570,187,946	\$ 614,521,810	\$ 1,225,426,223	\$ 619,093,951	\$ 668,338,171	\$ 635,641,795	\$ 622,710,657	\$ 609,071,567
Restricted	3,960,404	-	3,960,404	3,960,404	126,753,136	3,960,404	3,960,404	3,960,404	-	-
Unrestricted(Deficit)	(15,504,876)	435,800,986	(74,137,780)	(58,424,472)	(1,141,660,557)	(87,168,778)	(107,707,572)	(91,064,709)	(70,286,263)	(71,094,326)
Total business-type activities net position	<u>\$ 512,166,337</u>	<u>\$ 954,062,275</u>	<u>\$ 500,010,570</u>	<u>\$ 560,057,742</u>	<u>\$ 210,518,802</u>	<u>\$ 535,885,577</u>	<u>\$ 564,591,003</u>	<u>\$ 548,537,490</u>	<u>\$ 552,424,394</u>	<u>\$ 537,977,241</u>
Primary government										
Net investment in capital assets	\$ 1,021,992,530	\$ 966,017,267	\$ 1,164,584,753	\$ 1,219,376,297	\$ 1,844,520,174	\$ 1,225,426,223	\$ 1,109,314,853	\$ 1,070,736,906	\$ 1,055,842,115	\$ 1,046,622,126
Restricted	231,200,021	207,407,523	172,858,078	137,061,246	130,713,540	126,753,136	109,247,811	113,268,231	123,195,336	160,432,595
Unrestricted(Deficit)	(466,005,901)	(148,580,868)	(858,481,227)	(869,856,477)	(1,228,829,335)	(1,141,660,557)	(1,026,307,234)	(1,029,566,537)	(1,002,237,108)	(961,234,148)
Total primary government net position	<u>\$ 787,186,650</u>	<u>\$ 1,024,843,922</u>	<u>\$ 478,961,604</u>	<u>\$ 486,581,066</u>	<u>\$ 746,404,379</u>	<u>\$ 210,518,802</u>	<u>\$ 192,255,430</u>	<u>\$ 154,438,600</u>	<u>\$ 176,800,343</u>	<u>\$ 245,820,573</u>

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 59,180,755	\$ 55,486,934	\$ 29,837,534	\$ 55,317,669	\$ 61,780,900	\$ 55,935,361	\$ 68,735,117	\$ 69,900,381	\$ 54,147,350	\$ 20,390,343
Public safety	129,986,772	130,048,046	128,387,069	140,960,844	116,156,813	121,011,556	123,095,970	123,953,185	125,173,071	136,197,294
Public works	55,054,294	54,417,093	53,377,050	55,847,544	66,261,441	50,513,932	53,785,152	39,986,537	33,623,919	19,141,669
Culture and recreation	23,634,459	23,249,858	23,951,836	25,188,570	36,076,061	29,182,679	35,576,948	23,703,551	23,100,094	14,598,712
Health and welfare	14,760	13,602	108,878	-	2,791	76,426	200,835	262,314	301,523	616,193
Community development	4,663,450	5,495,408	3,880,501	6,678,055	2,893,364	4,179,698	3,816,847	11,089,881	11,201,722	11,102,991
Economic development	4,576,357	3,657,075	3,505,893	910,774	3,235,826	2,051,968	2,612,022	1,711,659	1,322,448	1,719,739
Economic opportunity	2,558,968	2,558,816	2,143,306	5,241	2,265,807	2,260,793	2,562,861	1,503,988	2,159,289	3,087,622
Interest on long-term debt	9,509,948	9,321,094	11,030,882	9,655,942	9,029,444	6,296,780	5,882,250	5,694,731	5,137,295	4,915,780
Total governmental activities expenses	289,179,763	284,247,926	256,222,948	294,564,639	297,702,447	271,509,193	296,268,002	277,806,227	256,166,711	211,770,343
Business-type activities										
Municipal and Regional Airports	15,490,057	15,615,759	14,596,911	14,118,982	13,708,757	16,578,088	14,089,228	18,141,089	16,386,539	17,764,174
Water and Sewerage	59,722,975	63,354,907	63,817,718	76,285,816	65,808,452	83,159,229	85,211,557	102,320,838	94,602,650	101,569,462
Convention Center	6,811,134	7,102,290	7,863,035	7,336,641	7,148,971	6,654,656	6,732,643	4,711,426	5,305,561	6,762,631
Convention Center Hotel	12,510,097	12,149,036	10,716,085	11,119,464	12,278,765	13,715,123	13,245,238	9,948,281	12,264,638	16,306,789
Shreveport Area Transit System	16,439,796	16,644,288	15,628,664	15,293,243	16,756,528	15,601,479	16,274,701	15,543,289	16,203,385	18,189,637
Golf	1,029,810	1,316,897	4,292,902	4,448,415	(3,768,584)	2,542,458	1,011,812	1,501,085	747,215	1,234,102
Downtown Parking	419,280	419,280	349,566	363,000	367,630	393,959	365,199	399,760	363,352	350,342
Solid Waste	-	-	-	-	-	-	10,865,735	21,279,922	16,159,257	47,940,882
Total business-type activities expenses	112,423,149	116,602,457	117,264,881	128,965,561	112,300,519	138,644,992	147,796,113	173,845,690	162,032,597	210,118,019
Total primary government expenses	\$ 401,602,912	\$ 400,850,383	\$ 373,487,829	\$ 423,530,200	\$ 410,002,966	\$ 410,154,185	\$ 444,064,115	\$ 451,651,917	\$ 418,199,308	\$ 421,888,362

(continued)

**CITY OF SHREVEPORT, LOUISIANA
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues										
Governmental Activities										
Charges for services:										
Public safety	\$ 11,196,830	\$ 10,767,228	\$ 12,941,736	\$ 20,908,980	\$ 20,908,980	\$ 20,353,976	\$ 18,478,887	\$ 19,483,530	\$ 9,111,179	\$ 1,857,273
Public works	14,925,161	22,351,362	21,395,782	20,133,031	20,133,031	20,409,359	15,557,092	12,655,276	16,047,305	15,006,553
Other activities	281,880	1,604,519	1,673,500	2,101,051	2,101,051	2,040,376	1,763,679	1,530,819	1,525,871	2,184,012
Operating grants and contributions	15,912,520	17,478,683	20,505,899	21,527,543	21,527,543	16,631,067	13,073,257	27,313,293	17,037,407	24,660,293
Capital grants and contributions	1,993,674	49,982	-	137,421	137,421	247,810	14,769	-	-	-
Total governmental activities program revenues	44,310,065	52,251,774	56,516,917	64,808,026	64,808,026	59,682,588	48,887,684	60,982,918	43,721,762	43,708,131
Business-type activities										
Charges for services:										
Municipal and Regional Airports	10,961,308	10,102,240	10,505,926	10,942,803	10,942,803	11,031,770	12,082,983	9,632,836	11,254,560	12,208,192
Water and Sewerage	75,259,282	75,961,390	82,453,869	85,830,305	85,830,305	89,206,455	92,337,389	92,402,032	98,984,400	101,609,335
Convention Center	2,552,784	2,873,802	3,005,319	3,072,879	3,072,879	2,793,537	2,982,147	926,314	1,649,784	2,720,625
Convention Center Hotel	11,283,028	11,666,633	10,853,180	11,671,322	11,671,322	12,496,939	11,922,636	7,275,316	11,413,112	13,261,591
Shreveport Area Transit System	3,076,104	2,344,315	2,243,846	2,061,377	2,061,377	1,804,318	1,825,476	999,962	979,842	6,067
Golf	1,084,133	1,106,515	1,282,163	1,509,499	1,509,499	1,516,791	1,799,691	1,772,990	2,297,713	2,189,048
Downtown Parking	562,091	460,687	499,394	448,267	448,267	416,044	389,545	305,629	385,455	453,504
Solid Waste	-	-	-	-	-	-	7,407,359	12,705,015	11,895,837	12,059,334
Operating grants and contributions	6,362,042	5,742,865	6,606,819	4,649,172	4,649,172	5,705,623	3,511,362	2,312,086	1,391,048	12,588,352
Capital grants and contributions	8,811,969	5,769,680	5,068,766	21,590,610	21,590,610	6,430,985	20,022,839	19,106,643	14,556,619	13,065,142
Total business-type activities program revenues	119,952,741	116,028,127	122,519,282	141,776,234	141,776,234	131,402,462	154,281,427	147,438,823	154,808,370	170,161,190
Total primary government program revenues	\$ 164,262,806	\$ 168,279,901	\$ 179,036,199	\$ 206,584,260	\$ 206,584,260	\$ 191,085,050	\$ 203,169,111	\$ 208,421,741	\$ 198,530,132	\$ 213,869,321
Net(Expense) Revenue										
Governmental activities	\$ (223,665,399)	\$ (235,847,165)	\$ (240,592,031)	\$ (239,937,861)	\$ (203,971,174)	\$ (238,047,723)	\$ (228,265,470)	\$ (211,826,605)	\$ (247,380,318)	\$ (168,062,212)
Business-type activities	7,186,937	(10,098,993)	(9,870,025)	3,350,284	(1,236,754)	(6,446,279)	29,475,715	(7,242,530)	6,485,314	(39,956,829)
Total primary government net expense	\$ (216,478,462)	\$ (245,946,158)	\$ (250,462,056)	\$ (236,587,577)	\$ (205,207,928)	\$ (244,494,002)	\$ (198,789,755)	\$ (219,069,135)	\$ (240,895,004)	\$ (208,019,041)

(2) The Convention Center became a separate fund in 2011.

(continued)

**CITY OF SHREVEPORT, LOUISIANA
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 59,428,155	\$ 59,842,135	\$ 56,414,985	\$ 55,580,376	\$ 55,627,351	\$ 52,786,509	\$ 52,258,332	\$ 42,499,726	\$ 41,392,385	\$ 48,091,931
Sales taxes	114,192,366	119,809,168	117,900,678	115,450,214	118,856,149	123,869,548	124,371,857	128,120,834	149,913,898	156,697,181
Franchise taxes	7,750,603	7,661,160	7,911,173	7,981,794	8,258,569	8,926,566	15,834,969	15,194,998	18,783,200	21,044,688
Occupational licenses	7,306,835	7,289,383	7,433,349	7,355,815	7,066,000	7,229,454	7,234,162	6,672,436	6,999,837	7,657,847
Gaming	11,003,579	10,241,584	10,035,079	9,615,662	8,916,942	8,792,004	8,312,389	5,200,939	7,780,770	6,708,542
Unrestricted grants and contributions	1,886,334	2,762,622	1,233,863	1,185,383	1,152,947	1,121,363	1,215,530	1,086,902	1,216,423	1,232,114
Investment earnings	534,354	420,727	598,673	269,008	343,143	766,640	967,192	165,134	(8,912)	680,392
Miscellaneous	12,232,148	11,571,074	10,351,367	3,068,395	3,836,263	678,548	3,094,119	3,035,856	12,518,729	28,751,223
Transfers	(20,703,921)	(19,872,078)	(19,144,109)	(37,229,142)	(27,019,950)	(6,633,946)	(12,877,030)	(6,958,051)	(7,676,542)	(19,402,733)
Total governmental activities	<u>193,630,453</u>	<u>199,725,775</u>	<u>192,735,058</u>	<u>163,277,505</u>	<u>177,037,414</u>	<u>197,536,686</u>	<u>200,411,520</u>	<u>195,018,774</u>	<u>230,919,788</u>	<u>251,461,185</u>
Business-type activities:										
Investment earnings (loss)	5,846,715	(1,314,018)	1,081,568	1,359,656	1,364,644	4,040,377	5,753,434	1,387,866	(210,637)	1,681,288
Miscellaneous	-	-	(14,401,995)	2,229,312	2,186,864	3,494,519	3,589,648	3,120,960	3,645,226	4,365,667
Transfers	20,703,921	19,872,078	19,144,109	37,229,142	27,019,949	6,633,942	12,877,030	5,844,528	7,676,542	19,402,733
Total business-type activities	<u>26,550,636</u>	<u>18,558,060</u>	<u>5,823,682</u>	<u>40,818,110</u>	<u>30,571,457</u>	<u>14,168,838</u>	<u>22,220,112</u>	<u>10,353,354</u>	<u>11,111,131</u>	<u>25,449,688</u>
Total primary government	<u>\$ 220,181,089</u>	<u>\$ 218,283,835</u>	<u>\$ 198,558,740</u>	<u>\$ 204,095,615</u>	<u>\$ 207,608,871</u>	<u>\$ 211,705,524</u>	<u>\$ 222,631,632</u>	<u>\$ 205,372,128</u>	<u>\$ 242,030,919</u>	<u>\$ 276,910,873</u>
Change in Net Position										
Governmental activities	\$ (46,961,578)	\$ (40,212,086)	\$ (11,236,116)	\$ (74,770,218)	\$ (55,857,007)	\$ (14,289,919)	\$ (46,968,798)	\$ (21,804,535)	\$ 18,474,839	\$ 83,398,973
Business-type activities	16,680,611	21,908,344	4,586,928	34,371,831	60,047,172	6,926,308	28,705,426	(16,053,513)	3,886,904	(14,507,141)
Total primary government	<u>\$ (30,280,967)</u>	<u>\$ (18,303,742)</u>	<u>\$ (6,649,188)</u>	<u>\$ (40,398,387)</u>	<u>\$ 4,190,165</u>	<u>\$ (7,363,611)</u>	<u>\$ (18,263,372)</u>	<u>\$ (37,858,048)</u>	<u>\$ 22,361,743</u>	<u>\$ 68,891,832</u>

Unaudited - see accompanying independent auditors' report.

(concluded)

**CITY OF SHREVEPORT, LOUISIANA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 1,457,442	\$ 1,622,361	\$ 1,601,762	\$ 1,617,488	\$ 1,628,957	\$ 1,850,822	\$ 1,597,234	\$ 1,633,113	\$ 1,782,436	\$ 1,912,476
Restricted	43,187	122,404	206,168	283,492	354,446	411,230	473,091	-	-	-
Assigned	7,353,477	10,210,582	9,907,967	10,441,503	11,596,542	10,561,557	1,254,576	7,037,613	18,368,928	15,975,768
Unassigned	4,137,247	4,036,252	1,257,328	1,614,702	155,452	(1,206,981)	7,361,458	34,074,898	55,468,160	41,890,380
Total General Fund	<u>\$ 12,991,353</u>	<u>\$ 15,991,599</u>	<u>\$ 12,973,225</u>	<u>\$ 13,957,185</u>	<u>\$ 13,735,397</u>	<u>\$ 11,616,628</u>	<u>\$ 10,686,359</u>	<u>\$ 42,745,624</u>	<u>\$ 75,619,524</u>	<u>\$ 59,778,624</u>
All Other Governmental Funds										
Restricted	\$ 135,712,949	\$ 229,202,191	\$ 204,022,094	\$ 154,628,693	\$ 118,104,543	\$ 108,886,464	\$ 100,650,769	\$ 98,191,853	\$ 102,522,680	\$ 164,361,613
Unassigned	(918,267)	(1,578,868)	-	-	-	-	-	(1,229,926)	(2,198,535)	(8,788,500)
Total all other governmental funds	<u>\$ 134,794,682</u>	<u>\$ 227,623,323</u>	<u>\$ 204,022,094</u>	<u>\$ 154,628,693</u>	<u>\$ 118,104,543</u>	<u>\$ 108,886,464</u>	<u>\$ 100,650,769</u>	<u>\$ 96,961,927</u>	<u>\$ 100,324,145</u>	<u>\$ 155,573,113</u>

Unaudited - see accompanying independent auditors' report.

CITY OF SHREVEPORT, LOUISIANA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 180,915,510	\$ 187,814,734	\$ 183,390,846	\$ 178,722,267	\$ 182,329,963	\$ 185,662,509	\$ 192,230,491	\$ 186,525,414	\$ 211,117,154	\$ 224,969,885
Licenses and permits	9,333,071	9,554,623	9,578,009	9,128,991	9,060,734	9,113,603	9,304,101	8,675,010	9,826,980	10,816,746
Intergovernmental	19,327,161	18,754,217	17,477,915	20,502,974	21,589,131	16,907,626	17,535,114	35,371,851	24,119,783	33,011,092
Charges for services	27,764,494	24,519,238	23,381,449	25,134,234	31,948,695	31,080,783	24,810,041	23,763,786	21,606,175	26,504,936
Fines and forfeitures	3,002,987	3,210,062	2,510,504	2,528,965	2,547,015	2,264,333	2,154,694	1,157,037	1,095,072	1,490,478
Gaming	11,003,579	10,241,584	10,035,079	9,615,662	8,916,942	8,792,004	8,312,390	5,200,939	7,780,770	6,708,541
Investment earnings	444,336	351,591	539,595	237,948	317,624	682,951	755,649	154,778	(23,869)	482,335
Miscellaneous	12,232,148	11,571,074	12,752,087	11,054,440	12,228,411	11,191,309	5,259,494	2,683,508	7,212,112	11,629,459
Total revenues	264,023,286	266,017,123	259,665,484	256,925,481	268,938,515	265,695,118	260,361,974	263,532,323	282,734,177	315,613,472
Expenditures										
General government	36,770,691	36,118,397	39,708,557	38,650,918	37,653,695	41,363,349	41,261,348	43,895,616	43,917,997	56,843,722
Public safety	110,841,564	108,919,662	110,000,160	115,618,481	111,740,773	121,007,727	119,847,503	118,057,166	126,430,701	139,895,908
Public works	38,571,558	39,577,765	37,354,544	40,695,630	39,290,998	35,139,059	27,492,071	20,631,233	22,623,224	25,103,102
Culture and recreation	16,433,993	16,135,262	17,621,679	17,570,028	19,268,147	18,831,843	17,731,369	15,232,344	17,843,531	24,037,461
Health and welfare	-	-	108,878	-	2,791	76,426	200,835	262,314	295,263	752,698
Community development	4,043,129	4,844,285	3,402,083	6,459,958	2,678,717	3,964,926	3,584,582	4,611,624	11,086,002	10,965,785
Economic development	4,502,555	3,589,063	3,505,893	903,974	3,229,013	2,045,702	2,605,764	1,700,540	117,821	-
Economic opportunity	2,367,082	2,402,389	2,143,306	-	2,262,389	2,257,637	2,562,861	1,502,795	3,363,918	4,807,360
Capital outlay	17,563,135	16,550,444	16,638,321	19,178,491	28,937,461	17,390,845	12,582,894	4,600,258	15,837,485	18,807,751
Debt service										
Principal	23,738,712	20,068,059	24,671,368	24,206,740	22,195,408	21,357,629	19,925,868	11,060,719	10,336,571	11,848,272
Interest	10,059,930	9,142,698	11,595,965	11,539,939	11,367,611	8,003,821	8,059,813	7,413,663	6,990,294	6,849,763
Total expenditures	264,892,349	258,208,199	267,222,194	275,292,232	279,342,876	271,455,022	255,854,908	228,968,272	251,177,781	299,911,822
Excess(deficiency) of revenues over (under) expenditures	(869,063)	7,808,924	(7,556,710)	(18,366,751)	(10,404,361)	(5,759,904)	4,507,066	34,564,051	31,556,396	15,701,650
Other Financing Sources(Uses)										
Bonds issued	-	93,500,000	24,205,000	22,477,312	50,000,000	-	-	-	5,675,000	91,899,000
(Discount) on debt issued	-	-	-	-	-	-	-	-	(95,737)	-
Premium on debt issued	-	14,392,041	2,521,090	2,476,543	7,085,177	-	-	-	-	1,125,058
Certificate of indebtedness issued	-	-	-	8,194,901	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-	-	-	6,777,000	-
Bond issuance cost	-	860,175	471,440	468,073	715,873	16,058	-	-	167,840	-
Payments to refunded bond escrow agent	-	-	(26,644,875)	(26,369,104)	(56,369,303)	-	-	-	-	(49,512,674)
Swap termination payment	-	-	-	-	-	-	-	-	-	-
Transfers in	28,891,695	18,511,141	17,897,431	35,262,981	30,562,705	30,404,065	25,322,199	16,331,173	25,987,377	38,928,131
Transfers out	(49,707,427)	(38,383,219)	(37,041,539)	(72,085,323)	(57,582,655)	(37,038,011)	(38,199,229)	(22,524,802)	(33,663,918)	(57,562,739)
Total other financing sources(uses)	(20,815,732)	88,019,963	(19,062,893)	(30,042,690)	(26,304,076)	(6,633,946)	(12,877,030)	(6,193,629)	4,679,722	24,876,776
Net change in fund balances	\$ (21,684,795)	\$ 95,828,887	\$ (26,619,603)	\$ (48,409,441)	\$ (36,708,437)	\$ (12,393,850)	\$ (8,369,964)	\$ 28,370,422	\$ 36,236,118	\$ 39,302,832
Debt service as a percentage of noncapital expenditures	13.7%	12.4%	14.7%	14.1%	13.7%	11.6%	11.5%	8.2%	7.2%	7.1%

CITY OF SHREVEPORT, LOUISIANA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(DOLLARS IN THOUSANDS)

<u>Year Ended December 31</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Total Taxable Assessed Value ⁽¹⁾</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
2013	717,774	772,590	1,490,364	39.70	13,273,988	11.23%
2014	724,530	718,584	1,443,114	39.70	13,375,262	10.79%
2015	737,351	790,153	1,527,504	36.65	13,591,787	11.24%
2016	746,197	777,863	1,524,061	36.29	13,602,121	11.20%
2017	752,551	784,056	1,536,607	35.81	13,721,633	11.20%
2018	757,545	793,505	1,551,050	33.65	13,833,927	11.21%
2019	769,382	798,896	1,568,278	32.95	13,989,996	11.21%
2020	736,504	829,661	1,566,165	26.59	13,996,863	11.19%
2021	763,155	855,525	1,580,846	26.59	14,366,609	11.00%
2022	761,298	823,352	1,584,650	29.09	13,544,017	11.70%

Note: Assessed values are established by the Caddo Parish Tax Assessor on January 1 of each year at approximately 10-25% of assumed market value. A revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the tax roll of January 1, 2020. The next revaluation will be completed as of January 1, 2024 for the 2024 tax roll. Tax rates are per \$1,000 of assessed value.

(1) The total assessed value of property within the City that has been adjudicated to Caddo Parish is not included in these assessed values.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS**

Year Ended December 31,	City Direct Rates									Overlapping Rates		
	Debt Service (1)	General Alimony (2)	Police Three- Platoon System (2)	Police and Fire Uniforms and Equipment Equipment (3)	Salary & Wage Schedule (3)	Street Improvements (3)	Employee Benefits (3)	Parks and Recreational Facilities (3)	Total Direct Debt	School Board	Parish	Total
2013	22.05	10.30	1.47	1.12	1.12	1.12	1.69	0.83	39.70	75.66	35.14	153.04
2014	22.05	10.30	1.47	1.12	1.12	1.12	1.69	0.83	38.58	75.66	35.14	151.92
2015	19.00	10.30	1.47	1.12	1.12	1.12	1.69	0.83	35.53	75.66	34.94	145.13
2016	19.00	10.09	1.44	1.10	1.10	1.10	1.65	0.81	36.29	74.66	31.79	141.38
2017	18.16	10.30	1.47	1.12	1.12	1.12	1.69	0.83	35.81	73.30	31.80	141.43
2018	16.36	10.09	1.44	1.10	1.10	1.10	1.65	0.81	33.65	73.82	32.05	139.52
2019	15.30	10.30	1.47	1.12	1.12	1.12	1.69	0.83	32.95	73.82	54.95	161.72
2020	8.82	10.36	1.48	1.13	1.13	1.13	1.70	0.84	26.59	73.82	54.95	155.36
2021	8.82	10.36	1.48	1.13	1.13	1.13	1.70	0.84	26.59	74.77	54.95	155.36
2022	11.32	10.36	1.48	1.13	1.13	1.13	1.70	0.84	29.09	74.77	58.60	162.46

(1) Political subdivisions in Louisiana are required to levy taxes without limitation at such rates as may be necessary to service general obligation bonds.

(2) City Council is authorized by Louisiana Constitution to levy, after public hearing by a two-thirds affirmative vote, a millage rate of up to, but not in excess of:

(a) 10.49 mills for General Alimony

(b) 1.50 mills for Police Three-Platoon System

(3) Special millage approved by referendum and must be reapproved by referendum every five years. (Last submitted and approved on August 3, 2020).

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
AEP Southwestern Electric Power Company	\$ 115,325,470	1	7.28%	\$ 43,342,290	1	2.91%
Calumet Shreveport Refining	14,336,560	2	0.90%	16,898,650	2	1.13%
Centerpoint Energy	9,948,330	3	0.63%	8,109,310	8	0.54%
Bellsouth Telecommunications	5,615,570	4	0.35%	13,037,650	3	0.87%
Dr. Reddys Laboratories	4,686,340	5	0.30%	13,037,650	-	0.87%
Bally's Shreveport Casino & Hotel	4,422,281	6	0.28%	-	-	0.00%
Prolec Ge USA LLC	4,372,700	7	0.28%	-	-	0.00%
Kansas City Southern Ry CO.	4,359,270	8	0.28%	-	-	0.00%
Metro Aviation Inc.	4,036,043	9	0.25%	-	-	0.00%
Comcast of LA/MS/TX/ LLC	3,761,200	10	0.24%	-	-	0.00%
Capital One	-	-	-	12,091,430	4	0.81%
Sam's Town	-	-	-	10,639,210	5	0.71%
Wal-Mart	-	-	-	10,448,130	6	0.70%
Regions Bank	-	-	-	9,672,570	7	0.65%
Verizon Wireless	-	-	-	6,960,240	10	0.47%
	<u>\$ 170,863,764</u>		<u>10.78%</u>	<u>\$ 144,237,130</u>		<u>9.68%</u>

Unaudited - see accompanying independent auditors' report.

Source: Caddo Parish Assessor's Office

**CITY OF SHREVEPORT, LOUISIANA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Year Ended December 31,	Taxes Levied for the Year	Collections					
		Collected within the Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Percentage of Levy
		Amount	Percentage of Levy		Amount		
2013	\$ 59,167,413	\$ 44,608,285	75.39%	\$ 13,400,321	\$ 58,008,606		98.04%
2014	59,673,655	42,808,850	71.74%	15,519,037	58,327,887		97.74%
2015	55,983,017	47,419,429	84.70%	8,454,596	55,874,025		99.81%
2016	55,308,166	38,969,359	70.46%	15,599,859	54,569,218		98.66%
2017	55,025,879	45,466,930	82.63%	8,689,787	54,156,717		98.42%
2018	52,192,857	42,200,485	80.85%	8,942,932	51,143,417		97.99%
2019	52,724,734	43,616,844	82.73%	7,538,681	51,155,525		97.02%
2020	42,720,286	25,795,938	61.36%	15,067,897	40,863,835		95.65%
2021	42,276,896	33,725,661	79.77%	7,936,409	41,662,070		98.55%
2022	46,339,896	39,573,463	85.40%	6,597,966	46,171,429		99.64%

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
TAXABLE SALES BY CATEGORY
LAST TEN YEARS
(DOLLARS IN THOUSANDS)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Wholesale - professional and commercial equipment	\$ 127,280	\$ 150,374	\$ 161,885	\$ 167,471	\$ 165,329	\$ 169,800	\$ 197,218	\$ 171,057	\$ 209,339	\$ 234,146
Wholesale - machinery, equipment and supplies	131,008	146,945	120,782	174,275	194,793	122,612	119,648	199,629	146,675	190,843
Restaurant, food services and drinking places	399,637	422,097	436,275	431,620	433,079	451,930	509,588	482,076	553,237	580,244
Motor vehicle dealers	399,335	416,102	409,966	391,831	382,033	394,108	405,144	408,104	486,973	473,855
Miscellaneous general merchandise stores	157,961	155,202	142,565	139,606	139,683	144,770	539,171	560,871	572,779	578,546
Lumber and other building materials dealers	130,991	126,160	127,344	221,617	224,377	232,703	272,276	302,574	359,757	387,123
Grocery stores	358,774	359,222	364,369	343,521	369,845	369,937	395,346	436,614	424,428	439,522
Drug stores	129,714	131,297	139,293	143,149	139,021	130,960	144,006	145,009	158,410	152,527
Discount stores	320,610	313,209	317,414	434,240	419,912	426,613	55,074	60,703	67,976	74,995
Department stores	124,666	120,540	122,590	165,539	94,514	94,643	359,292	236,822	298,676	283,211
All others	1,872,615	2,012,783	1,990,503	1,613,523	1,778,718	1,979,232	1,538,618	1,622,538	2,093,381	2,304,869
Total	\$ 4,152,591	\$ 4,353,931	\$ 4,332,986	\$ 4,226,392	\$ 4,341,304	\$ 4,517,308	\$ 4,535,381	\$ 4,625,997	\$ 5,371,631	\$ 5,699,881
City sales tax rate	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%

Source: Caddo-Shreveport Sales and Use Tax Commission

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN YEARS**

<u>Year</u>	<u>City of Shreveport</u>	<u>Caddo Parish School Board</u>	<u>Caddo Law Enforcement District</u>	<u>State of Louisiana</u>	<u>Total Rate</u>
2013	2.75%	1.50%	0.35%	4.00%	8.60%
2014	2.75%	1.50%	0.35%	4.00%	8.60%
2015	2.75%	1.50%	0.35%	4.00%	8.60%
2016	2.75%	1.50%	0.35%	5.00%	9.60%
2017	2.75%	1.50%	0.35%	5.00%	9.60%
2018	2.75%	1.50%	0.35%	4.45%	9.05%
2019	2.75%	1.50%	0.35%	4.45%	9.05%
2020	2.75%	1.50%	0.35%	4.45%	9.05%
2021	2.75%	1.50%	0.35%	4.45%	9.05%
2022	2.75%	1.50%	0.35%	4.45%	9.05%

Source: Caddo-Shreveport Sales and Use Tax Commission

Note: The City's sales tax rate may be changed with voter approval.

Unaudited - see accompanying independent auditors' report.

CITY OF SHREVEPORT, LOUISIANA
SALES TAX REVENUE PAYERS BY INDUSTRY
LAST TEN YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Tax	Tax	Tax	Tax	Tax	Tax	Tax	Tax	Tax	Tax
	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability	Liability
Retail trade	\$ 74,537,809	\$ 75,233,688	\$ 75,300,541	\$ 72,683,366	\$ 73,104,925	\$ 74,992,690	\$ 76,025,834	\$ 79,988,018	\$ 91,140,577	\$ 93,470,240
Services	16,830,868	18,742,751	20,132,251	20,631,495	21,246,848	20,917,452	22,132,742	22,952,033	25,511,709	29,133,627
Wholesale Trade	16,874,399	18,833,822	17,908,432	17,506,165	18,117,127	18,644,009	18,459,852	17,045,047	17,045,047	23,648,382
Transportation, communications, electric, and gas	1,504,851	1,973,396	1,903,462	2,161,957	2,129,681	2,104,788	1,830,512	2,045,075	2,045,075	3,698,288
Manufacturing	1,125,528	925,950	807,423	1,061,578	1,017,228	1,108,829	1,016,649	2,036,584	2,036,584	1,247,522
Other	807,415	794,909	819,597	769,331	615,528	741,960	731,933	1,167,032	1,167,032	1,290,072
Construction	1,024,641	883,028	1,071,438	976,543	892,378	917,644	916,644	973,383	973,383	1,808,707
Mining	1,317,105	2,165,834	1,055,407	257,835	2,049,149	4,589,914	3,381,911	791,650	791,650	2,187,240
Finance, insurance, and real estate	117,435	109,475	94,506	102,659	127,923	137,851	150,294	139,385	139,385	152,445
Agricultural	23,713	24,720	19,944	25,059	27,902	17,759	17,217	54,514	54,514	27,406
Government	32,498	45,547	44,158	49,818	58,977	53,089	59,403	22,226	22,226	82,835
Total	\$ 114,196,262	\$ 119,733,120	\$ 119,157,159	\$ 116,225,807	\$ 119,387,666	\$ 124,225,984	\$ 124,722,991	\$ 127,214,947	\$ 140,927,182	\$ 156,746,764

Source: Caddo-Shreveport Sales and Use Tax Commission

Note: Due to confidentiality issues, the names of the 10 largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue. The amounts shown are gross collections prior to refunds and collections of amounts due from prior years. The amounts reported in the financial statements are net collections.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
 RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN YEARS
 (DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)**

Year	Governmental Activities				Business-type Activities					Total Primary Government	Percentage of Personal Income	City Per Capita
	General Obligation Bonds	Certificates of Indebtedness	Loans and Notes	Capital Leases	Municipal and Regional Airports Loan	Water and Sewerage Revenue Bonds	Water and Sewerage Loan	Convention Center Hotel Loan	Capital Leases			
2013	159,524	7,534	28,170	8,155	34,750	119,312	48,855	41,350	2,945	450,595	4.0	2,232
2014	251,448	5,718	27,072	5,747	33,370	192,117	48,185	40,696	2,324	606,677	5.5	3,028
2015	229,365	3,848	25,918	3,296	34,920	315,994	46,671	39,985	1,694	701,691	5.7	3,521
2016	208,237	1,924	23,240	9,543	34,920	467,187	-	39,038	1,055	785,144	6.6	3,981
2017	189,576	1,567	23,021	6,468	32,990	561,347	-	38,033	409	853,411	7.8	4,328
2018	169,584	1,200	21,268	4,856	30,590	656,321	-	36,814	-	920,633	7.8	4,668
2019	151,408	825	19,469	3,215	27,945	763,010	-	35,637	-	1,001,509	N/A	5,352
2020	142,610	415	17,590	1,389	25,135	790,297	-	34,297	-	1,011,733	N/A	5,393
2021	133,467	-	21,241	7,462	23,345	771,020	-	31,853	4,700	993,088	N/A	5,294
2022	169,669	-	19,039	5,519	21,385	747,620	-	30,330	3,821	997,383	N/A	5,317

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See the Schedule of Demographic and Economic Statistics for personal income and population data.

N/A Statistical information is not available.

Unaudited - see accompanying independent auditors' report.

CITY OF SHREVEPORT, LOUISIANA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS
(DOLLARS IN THOUSANDS, EXCEPT PER CAPITA)

Year		General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	City Per Capita
2013	\$	159,524	\$ 46,089	\$ 113,435	0.85	562
2014		251,448	56,080	195,368	1.46	975
2015		229,365	54,992	174,373	1.28	875
2016		208,237	51,264	156,973	1.15	796
2017		189,576	50,717	138,859	1.01	704
2018		169,584	50,366	119,218	0.86	621
2019		151,408	50,006	101,402	0.72	542
2020		142,610	49,531	93,079	0.66	496
2021		133,467	48,309	85,158	0.59	463
2022		169,669	51,782	117,887	0.87	641

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 See the Schedule of Assessed and Actual Value of Taxable Property for property value data.
 See the Schedule of Demographics and Economic Statistics for population data.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 AS OF DECEMBER 31, 2022
 (DOLLARS IN THOUSANDS)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes			
Caddo Parish Commission	\$ 26,063	70.8%	\$ 18,453
Caddo Parish School Board	\$ 99,585	70.8%	<u>70,506</u>
Subtotal, Overlapping Debt			88,959
City direct debt			<u>194,227</u>
Total direct and overlapping debt			<u>\$ 283,186</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Caddo Parish Tax Assessor.

Debt outstanding data is provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Commission and School Board's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(DOLLARS IN THOUSANDS)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 521,627	\$ 526,090	\$ 534,626	\$ 533,421	\$ 537,812	\$ 542,868	\$ 552,209	\$ 551,902	\$ 556,526	\$ 573,351
Total debt applicable to limit	149,560	228,255	207,210	188,035	167,865	150,285	133,965	126,795	119,280	155,605
Legal debt margin	<u>\$ 372,067</u>	<u>\$ 297,835</u>	<u>\$ 327,416</u>	<u>\$ 345,386</u>	<u>\$ 369,947</u>	<u>\$ 392,583</u>	<u>\$ 418,244</u>	<u>\$ 425,107</u>	<u>\$ 437,246</u>	<u>\$ 417,746</u>
Total debt applicable to the limit as a percentage of debt limit	28.67%	43.39%	38.76%	35.25%	31.21%	27.68%	24.26%	22.97%	21.43%	27.14%

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed value	\$1,638,146,432
Debt limit (35% of total assessed value)	573,351,251
Debt applicable to limit:	
General obligation bonds	<u>155,605,000</u>
Legal debt margin	<u>\$ 417,746,251</u>

State law allows a maximum of 10% of the assessed valuation for bonded debt for any purpose. However, the 10% maximum can be exceeded if the aggregate issued for all purposes does not exceed 35% of the total assessed valuations.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
 WATER AND SEWERAGE
 PLEDGED REVENUE COVERAGE
 LAST TEN YEARS**

Year	Gross Revenues ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Debt Service		Total	Coverage
				Principal ⁽³⁾	Interest ⁽³⁾		
2013	67,751,942	36,405,157	31,346,785	8,110,966	2,219,129	10,330,095	3.03
2014	74,765,989	37,702,211	37,063,778	7,822,370	2,027,947	9,850,317	3.76
2015	77,688,814	50,706,720	26,982,094	9,410,400	10,080,793	19,491,193	1.38
2016	84,380,817	43,857,841	40,522,976	17,983,427	11,618,895	29,602,322	1.37
2017	88,626,798	44,808,251	43,818,547	10,079,400	20,732,091	30,811,491	1.42
2018	94,613,394	46,834,011	47,779,383	14,789,400	25,632,115	40,421,515	1.18
2019	99,309,011	40,260,437	59,048,574	13,669,400	29,441,771	43,111,171	1.37
2020	94,734,163	47,281,747	47,452,416	4,576,301	29,191,539	33,767,840	1.41
2021	100,131,408	48,120,872	52,010,536	16,318,400	31,236,322	47,554,722	1.09
2022	105,210,493	55,259,150	49,951,343	21,365,762	30,871,902	52,237,664	0.96

(1) Includes operating revenues, interest income, changes in fair value of investments and intergovernmental revenues.

(2) Before depreciation and amortization expenses and after transfers out.

(3) Debt service principal and interest is composed of Senior Lien Bonds only for years 2012 - 2016

Debt service principal and interest is composed of Senior Lien and Junior Lien Bonds for years 2017-2022

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
MUNICIPAL AND REGIONAL AIRPORTS
PLEDGED REVENUE COVERAGE
LAST TEN YEARS**

Year	Gross Revenues ⁽¹⁾	Less: Operating Expenses ⁽²⁾	Net Available Revenue	Unrestricted Operating Reserve ⁽⁵⁾	Net Resources Available For Debt Service	Debt Service (3 & 4)		Total	Coverage
						Principal	Interest		
2013	10,854,430	7,949,169	2,905,261	5,113,545	8,018,806	405,000	1,973,174	2,378,174	3.37
2014	11,218,738	8,043,517	3,175,221	6,945,100	10,120,321	504,117	2,145,103	2,649,220	3.82
2015	10,394,962	8,325,336	2,069,626	6,401,000	8,470,626	493,360	2,294,400	2,787,760	3.04
2016	10,823,691	5,625,389	5,198,302	3,609,626	8,807,928	-	1,865,556	1,865,556	4.72
2017	11,474,774	6,836,855	4,637,919	8,455,360	13,093,279	1,970,000	1,314,765	3,284,765	3.99
2018	11,359,320	3,864,286	7,495,034	6,143,002	13,638,036	2,400,000	1,752,468	4,152,468	3.28
2019	12,518,500	9,491,631	3,026,869	6,469,186	9,496,055	2,645,000	1,219,530	3,864,530	2.46
2020	10,631,029	8,168,398	2,462,631	5,516,168	7,978,799	2,810,000	1,661,502	4,471,502	1.78
2021	11,554,886	6,858,078	4,696,808	5,164,538	9,861,346	1,790,000	685,492	2,475,492	3.98
2022	12,744,913	9,848,805	2,896,108	4,727,859	7,623,967	1,950,000	488,946	2,438,946	3.13

(1) Includes operating revenues, interest income, intergovernmental revenues, net fair value adjustment of investments, transfers in and excludes gain on disposal of capital assets, passenger facility charges and associated PFC debt up to the amount of the charges.

(2) Before depreciation and amortization expenses but including transfers out.

(3) Excludes passenger facility charges and associated PFC debt up to the amount of the charges.

(4) Reflects current year debt service expenses.

(5) Beginning in 2019, the Unrestricted Operating Reserve was used in the calculation of the Rate Covenant Requirement for the debt service coverage computation. Years prior to 2019 were recalculated to reflect this change to include current year's net revenues as well as the Unrestricted Operating Reserve at Year-Ending. Beginning in 2012, Restricted appropriation for Debt Service Coverage Operating Reserve was also used in the computation.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

<u>Year</u>	<u>City Population</u>	<u>Caddo Parish Population</u>	<u>Caddo Parish Personal Income (in thousands)</u>	<u>Caddo Parish Per Capita Personal Income</u>	<u>City Unemployment Rate</u>
2013	201,867	254,887	11,336,821	44,478	5.2
2014	200,327	252,603	11,091,583	43,909	7.1
2015	199,311	251,460	12,341,720	49,080	5.5
2016	197,204	248,851	11,941,648	47,987	5.7
2017	194,920	246,581	10,988,905	44,565	4.3
2018	192,036	241,173	11,760,644	48,413	4.7
2019	187,112	242,922	12,175,854	50,690	4.7
2020	187,593	237,848	13,072,573	55,047	7.1
2021	184,021	234,408	5,390,161	57,420	4.9
2022	187,593	229,025	N/A	NA	4.2

Sources: City population provided by the U.S. Census Bureau for census years and estimates for other years.
Population and personal income for Caddo Parish (which the City resides in) provided by the Bureau of Economic Analysis.
City unemployment rate provided by Louisiana Workforce Commission.

N/A Statistical information is not available.

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
PRINCIPAL EMPLOYERS
SHREVEPORT-BOSSIER METROPOLITAN AREA
CURRENT YEAR AND NINE YEARS AGO**

Employer	2022			2013		
	Employees	Rank	% of Area Employment	Employees	Rank	% of Area Employment
Barksdale Air Force Base	9,252	1	5.01%	10,284	1	5.76%
Willis Knighton Health System	7,414	2	4.02%	6,145	5	3.44%
Caddo Parish School Board	5,085	3	2.75%	6,815	2	3.82%
Bossier Parish School Board	2,800	4	1.80%	2,926	6	1.63%
Oschner LSU Health Shreveport *	3,000	5	1.63%	6,200	4	3.47%
City of Shreveport	2,569	6	1.39%	2,729	7	1.53%
Harrah's/Horseshoe	1,096	7	0.59%	1,800	8	1.01%
State of Louisiana	1,180	8	0.64%	6,549	3	3.67%
Christus Schumpert Health System	900	9	0.49%	1,800	9	1.01%
Teleperformance**	1,623	10	0.88%	1,585	10	0.89%
Total	<u>34,919</u>		<u>19.20%</u>	<u>46,833</u>		<u>26.23%</u>

Source: Greater Bossier Economic Development Foundation

Unaudited - see accompanying independent auditors' report.

* Previously LSU Health Sciences Center - Shreveport

**Previously US Support

**CITY OF SHREVEPORT, LOUISIANA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN YEARS**

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	275	274	281	278	276	684	480	333	333	333
Public safety	1,377	1,385	1,408	1,415	1,412	1,413	1,406	1,383	1,327	1,327
Public works	398	397	403	403	403	-	-	199	182	182
Culture and recreation	259	255	256	263	229	229	237	229	212	212
Health and welfare	2	2	2	2	1	-	-	-	-	-
Economic opportunity	26	23	23	23	23	22	25	23	18	18
Municipal and Regional Airports	75	76	81	66	77	79	87	87	75	75
Water and Sewerage	284	323	326	327	327	327	323	323	334	334
Solid Waste ⁽²⁾	-	-	-	-	-	-	135	141	141	141
Convention Center ⁽¹⁾	-	-	-	-	-	-	-	-	-	-
Convention Center Hotel ⁽¹⁾	-	-	-	-	-	-	-	-	-	-
Shreveport Area Transit System ⁽¹⁾	-	-	-	-	-	-	-	-	-	-
Golf	14	18	18	19	22	22	20	20	18	18
Community Development	9	9	9	11	11	9	10	10	11	11
Downtown Parking ⁽¹⁾	-	-	-	-	-	-	-	-	-	-
Total	<u>2,729</u>	<u>2,772</u>	<u>2,814</u>	<u>2,814</u>	<u>2,789</u>	<u>2,792</u>	<u>2,734</u>	<u>2,760</u>	<u>2,662</u>	<u>2,651</u>

(1) Managed through contracts operated by non-City employees.

(2) Enterprise Fund established by Council
in 2019

Unaudited - see accompanying independent auditors' report.

Source: City of Shreveport 2022 Annual Operating Budget

**CITY OF SHREVEPORT, LOUISIANA
OPERATING INDICATORS BY FUNCTION
LAST TEN YEARS**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function/Program										
General government										
Property standards										
inspections made	50,000	50,000	65,600	40,000	48,000	51,000	45,000	54,000	50,000	50,000
Lots cut	15,000	14,500	18,500	14,000	14,500	17,000	11,800	14,000	14,000	14,000
Public safety										
Prisoners booked in City jail	15,000	13,419	13,858	10,802	10,000	11,000	8,000	10,000	8,800	6,000
Offense reports processed	35,500	27,822	28,315	28,000	30,000	30,500	28,261	29,000	27,500	25,000
Traffic citations issued	59,044	50,926	37,087	32,652	30,708	32,500	30,954	31,500	35,000	25,000
Fires reported	1,050	1,200	1,210	1,258	1,200	1,100	1,120	1,050	1,300	1,305
Fire responses	37,000	38,500	39,000	42,000	42,000	42,500	44,500	44,750	45,000	48,000
Fire inspections	18,398	16,054	16,430	14,280	7,959	9,500	2,704	5,500	3,500	4,500
EMS responses	30,300	30,300	31,600	32,800	34,000	33,000	36,000	38,000	38,000	40,000
Public works										
Refuse collected (tons)	119,450	92,000	92,000	92,000	92,000	96,000	84,000	96,000	96,000	96,000
Building permits issued	1,950	2,796	2,140	2,548	2,548	2,732	2,984	3,500	1,296	2,931
Asphalt repairs	2,300	2,400	2,500	2,500	2,500	2,500	2,275	2,820	2,820	3,200
Street resurfacing (miles)	10	15	15	17	17	19	17	21	21	26
Culture and recreation										
Events at all facilities	531	579	967	966	986	931	925	563	543	218
Acres of City parks maintained	2,900	2,900	2,900	2,900	2,565	2,565	2,658	2,658	2,658	2,658
Participants in team sports	9,400	9,400	9,090	9,000	9,000	10,000	9,000	9,000	9,200	10,200
Program participants	40,500	40,500	44,400	42,555	45,974	47,637	48,713	49,612	51,092	32,412
Community development										
Programs funded	43	39	43	34	33	33	29	34	34	34
Economic development										
Housing units assisted	103	151	111	110	145	152	137	81	80	58
Small business loans	2	1	-	-	-	-	-	-	-	-
Economic opportunity										
Participants served	28,778	28,600	19,950	20,200	20,400	21,000	18,550	19,500	15,000	15,000
Municipal and Regional Airports										
Capital projects managed	26	11	20	18	18	21	21	31	31	25
Contracts/leases monitored	395	395	395	395	395	395	405	464	464	356
Water and Sewerage										
Water treated and pumped per day (MGD)	37	37	37	37	33	30	30	36	36	36
Wastewater treated per day (MGD)	37	37	37	36	24	37	28	27	27	26
Water mains (miles)	1,150	1,152	1,152	1,153	1,162	1,163	1,162	1,163	1,163	1,163
Sewer mains (miles)	1,105	1,106	1,106	1,107	1,113	1,114	1,113	1,114	1,114	1,114
Fire hydrants	7,084	7,100	7,111	7,115	7,885	7,890	7,885	7,890	7,890	8,800
Shreveport Area Transit System										
Passenger trips (thousands)	3,400	3,100	3,163	2,758	2,666	3,067	2,625	2,725	1,695	1,770
Golf										
Golf rounds played	28,811	47,170	37,700	28,790	29,800	32,800	32,830	34,800	32,000	34,500
Downtown Parking										
Citations issued	26,600	20,000	16,839	18,000	18,000	19,000	18,000	18,000	18,000	18,000
Convention Center Hotel										
Rooms occupied	82,449	82,645	86,530	79,220	82,918	86,238	82,308	48,567	77,738	84,001

Source: City of Shreveport Annual Budget Book and Convention Center Hotel Management

Unaudited - see accompanying independent auditors' report.

**CITY OF SHREVEPORT, LOUISIANA
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN YEARS**

	2013	2014	2015	2016	2017
Functions:					
Public Safety					
Police:					
Station	1	1	1	1	1
Patrol Units	296	297	302	309	301
Fire Stations	22	22	22	22	22
Police and fire academy facility	1	1	1	1	1
City courts facility	1	1	1	1	1
Public Works:					
Collection Trucks	68	68	67	82	82
Streets (miles)	3,326	3,326	2,700	2,730	2,732
Street lights	30,100	30,100	30,102	30,102	30,324
Traffic signals	353	353	347	347	348
Culture and recreation					
Parks acreage	1,773	1,773	1,773	1,773	1,777
Number of playgrounds	45	45	45	45	46
Number of picnic areas	44	44	44	44	46
Swimming pools	8	8	8	5	5
Tennis courts	29	29	29	29	31
Community centers	17	17	17	17	17
Baseball park	2	2	2	2	2
Multipurpose stadium	1	1	1	1	1
Auditorium	1	1	1	1	1
Theater	1	1	1	1	1
Coliseum	1	1	1	1	1
Convention center	1	1	1	1	1
Softball and soccer complex	1	1	1	1	1
Stage works movie facility	1	1	1	1	1
Planetariums	1	1	1	1	1
Hotel					
Number of Hotels	1	1	1	1	1
Municipal and Regional Airports:					
Number of airports	2	2	2	2	2
Water and Sewerage:					
Number of water accounts	69,500	69,500	65,543	65,965	65,638
Water mains (miles)	1,150	1,150	1,170	1,163	1,202
Fire Hydrants	7,084	7,100	7,120	7,885	8,228
Maximum daily capacity	90,000	90,000	90,000	90,000	90,000
(thousands of gallons)					
Number of water storage tanks	11	11	11	11	11
Capacity of water storage tanks	35,500,000	35,500,000	35,500,000	37,000,000	37,000,000
Number of sewerage accounts	65,786	66,000	64,700	64,730	64,386
Sanitary sewers (miles)	1,105	1,103	1,130	1,114	1,005
Storm sewers (miles)	233	233	233	269	270
Maximum daily treatment capacity	100,000	100,000	100,000	90,000	90,000
(thousands of gallons)					
Golf:					
Number of municipal golf courses	3	3	3	3	3
Shreveport Area Transit System:					
Number of transit buses	52	47	49	53	51
Number of transit liftline vehicles	18	21	20	20	19

Sources: Various City departments.

Note - No capital asset indicators are available for general government, health and welfare, community development, economic development, economic opportunity, convention center hotel, and downtown parking.

Unaudited - see accompanying independent auditors' report.

2018	2019	2020	2021	2022
1	1	1	1	1
304	304	291	316	328
22	22	22	22	22
1	1	1	1	1
1	1	1	1	1
61	61	61	61	50
2,734	2,518	2,275	2,820	2,820
30,324	30,324	30,324	30,324	30,324
348	348	348	350	350
1,777	1,777	1,777	1,777	1,777
46	46	46	46	46
46	46	46	46	46
5	5	5	5	5
31	31	31	31	31
17	17	17	17	17
2	2	2	2	2
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
2	2	2	2	2
65,541	66,000	66,359	66,204	66,052
1,213	1,162	1,170	1,188	1,177
8,409	7,885	7,890	7,890	8,800
90,000	90,000	90,000	90,000	90,000
11	11	11	11	11
37,000,000	37,000,000	37,000,000	37,000,000	37,000,000
64,198	64,850	65,166	65,012	64,861
1,015	1,113	1,132	1,132	1,137
371	371	514	514	554
90,000	90,000	90,000	90,000	90,000
3	3	3	3	3
51	47	64	48	66
27	20	29	28	28



SHREVEPORT

Louisiana



CITY OF SHREVEPORT

Shreveport, Louisiana

Single Audit Report

December 31, 2022

(With Independent Auditors' Reports Thereon)



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**Independent Auditors' 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 Tom Arceneaux, Mayor
Members of the City Council
City of Shreveport
Shreveport, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Shreveport, Louisiana (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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'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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001, 2022-002, 2022-003 and 2022-004 that we consider to be material weaknesses.

Report on Compliance and Other Matters

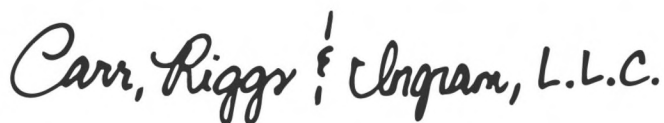
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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*.

The City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City'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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." with a stylized flourish at the end.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
June 30, 2023



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**Independent Auditors' Report on Compliance for
Each Major Program and on Internal
Control Over Compliance Required by the Uniform Guidance**

The Honorable Tom Arceneaux, Mayor
Members of the City Council
City of Shreveport
Shreveport, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Shreveport, Louisiana (the City)'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 each of the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

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 the City 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 the City'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'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'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'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'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'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'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-005 to be a material weakness.

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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 30, 2023, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana

June 30, 2023

City of Shreveport
Schedule of Expenditures of Federal Awards
For the year ended December 31, 2022

Federal Grantor/Pass-through Grantor/Program or Cluster	Assistance Listing Number	Grant or Pass-through Number	Federal Expenditures			Total
			Direct	Pass-Through (Indirect)	Passed to Subrecipients	
U. S. DEPARTMENT OF TRANSPORTATION						
Federal Transit Administration (FTA)						
Direct						
Federal Transit - Formula Grants	20.507	LA-90-X417-00	1,280	-	-	1,280
Federal Transit - Formula Grants	20.507	LA-2017-006-00	23,962	-	-	23,962
Federal Transit - Formula Grants	20.507	LA-2020-022-00	128,412	-	-	128,412
Federal Transit - Formula Grants	20.507	LA-2018-018-01	679,427	-	-	679,427
Federal Transit - Formula Grants	20.507	LA-2019-026-00	252,701	-	-	252,701
Federal Transit - Formula Grants	20.507	LA-2020-029-00	534,401	-	-	534,401
Federal Transit - Formula Grants	20.507	LA-2021-037-00	1,241,047	-	-	1,241,047
Federal Transit - Formula Grants	20.507	1994-2022-4	2,136,446	-	-	2,136,446
Federal Transit - Formula Grants	20.507	1994-2022-8	3,702,000	-	-	3,702,000
Federal Transit - Formula Grants	20.507	LA-2022-015-00	840,152	-	-	840,152
COVID 19 - Federal Transit - Formula Grants	20.507	LA-2022-011-00	1,500,000	-	-	1,500,000
BUS AND BUS FACILITIES FORMULA & DISCRETIONARY PROGRAMS (Bus Program)	20.526	LA-2020-026-00	490,041	-	-	490,041
BUS AND BUS FACILITIES FORMULA & DISCRETIONARY PROGRAMS (Bus Program)	20.526	LA-2020-027-00	287,551	-	-	287,551
BUS AND BUS FACILITIES FORMULA & DISCRETIONARY PROGRAMS (Bus Program)	20.526	LA-2022-005-00	49,409	-	-	49,409
BUS AND BUS FACILITIES FORMULA & DISCRETIONARY PROGRAMS (Bus Program)	20.526	1994-2022-6	432,823	-	-	432,823
BUS AND BUS FACILITIES FORMULA & DISCRETIONARY PROGRAMS (Bus Program)	20.526	n/a	428,211	-	-	428,211
Total Federal Transit - Formula Grants			12,727,863	-	-	12,727,863
Total Federal Transit Cluster			12,727,863	-	-	12,727,863
Total Federal Transit Administration (FTA)			12,727,863	-	-	12,727,863
Federal Aviation Administration (FAA)						
Direct						
COVID 19 - Airport Improvement Program	20.106	3-22-0047-031	69,000	-	-	69,000
COVID 19 - Airport Improvement Program	20.106	3-22-0048-071	839,331	-	-	839,331
COVID 19 - Airport Improvement Program	20.106	3-22-0048-073	365,495	-	-	365,495
COVID 19 - Airport Improvement Program	20.106	3-22-0047-033	8,171	-	-	8,171
COVID 19 - Airport Improvement Program	20.106	3-22-0047-034	48,799	-	-	48,799
COVID 19 - Airport Improvement Program	20.106	3-22-0048-076	2,254,238	-	-	2,254,238
Airport Improvement Program	20.106	03-22-0047-028	252,726	-	-	252,726
Airport Improvement Program	20.106	03-22-0047-032	401,031	-	-	401,031
Airport Improvement Program	20.106	03-22-0047-035	3,076	-	-	3,076
Airport Improvement Program	20.106	03-22-0048-065	4,429	-	-	4,429
Airport Improvement Program	20.106	03-22-0048-068	918,476	-	-	918,476
Airport Improvement Program	20.106	03-22-0048-070	15,745	-	-	15,745
Airport Improvement Program	20.106	03-22-0048-072	2,956,050	-	-	2,956,050
Airport Improvement Program	20.106	03-22-0048-079	306,448	-	-	306,448
Total Airport Improvement Program			8,443,015	-	-	8,443,015
Total Federal Aviation Administration (FAA)			8,443,015	-	-	8,443,015
National Highway Traffic Safety Administration (NHTSA)						
Pass-Through Programs						
Louisiana Highway Safety Commission						
State and Community Highway Safety Cluster						
State and Community Highway Safety	20.600	2022-30-48	-	71,101	-	71,101
State and Community Highway Safety	20.600	2023-30-48	-	3,933	-	3,933
Total State and Community Highway Safety Cluster			-	75,034	-	75,034
Total Louisiana Highway Safety Commission			-	75,034	-	75,034
Total National Highway Traffic Safety Administration (NHTSA)			-	75,034	-	75,034
Total U. S. DEPARTMENT OF TRANSPORTATION			21,170,878	75,034	-	21,245,912

See accompanying notes to the Schedule of Expenditures of Federal Awards

(continued)

City of Shreveport
Schedule of Expenditures of Federal Awards
For the year ended December 31, 2022

			Federal Expenditures			(continued)
Federal Grantor/Pass-through Grantor/Program or Cluster	Assistance Listing Number	Grant or Pass-through Number	Direct	Pass-Through (Indirect)	Passed to Subrecipients	Total
U. S. ENVIRONMENTAL PROTECTION AGENCY						
Office of Solid Waste and Emergency Response						
Louisiana Department of Environmental Quality						
Capitalization Grants for Clean Water State Revolving Funds Cluster						
Capitalization Grants for Clean Water State Revolving Funds	66.458	C221870-03	-	640,107	-	640,107
Total Capitalization Grants for Clean Water State Revolving Funds			-	640,107	-	640,107
Total Louisiana Department of Environmental Quality			-	640,107	-	640,107
Southern University at Shreveport						
Brownfields Job Training Program	66.815	JT-01F73801	-	2,933	-	2,933
Total Brownfields Job Training Program			-	2,933	-	2,933
Total Southern University at Shreveport			-	2,933	-	2,933
Total U. S. ENVIRONMENTAL PROTECTION AGENCY			-	643,040	-	643,040
COVID 19 - WIA Dislocated Workers Grant/WIA National Emergency Grants	17.277	N/A	-	218,690	-	218,690
WIA/WIOA Cluster						
WIOA Adult Program	17.258	N/A	-	1,138,177	70,607	1,208,784
WIOA Youth Activities	17.259	N/A	-	803,962	242,450	1,046,412
WIOA Dislocated Worker Formula Grant	17.278	N/A	-	343,410	78,341	421,751
Total WIA/WIOA Cluster			-	2,285,549	391,398	2,676,947
Total Louisiana Workforce Commission			-	2,504,239	391,398	2,895,637
Total U. S. DEPARTMENT OF LABOR			-	2,504,239	391,398	2,895,637
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Office of Community Planning and Development						
Direct						
COVID 19 - Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-22-0007	-	-	741,213	741,213
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC-22-0007	1,599,092	-	948,302	2,547,394
			1,599,092	-	1,689,515	3,288,607
COVID 19 - Emergency Solutions Grant Program Coronavirus	14.231	E-20-MW-22-0007	55,644	-	427,223	482,867
COVID 19 - Emergency Solutions Grant Program Coronavirus	14.231	E-20-MW-22-0007	12,240	-	-	12,240
Emergency Solutions Grant Program	14.231	E-19-MC-22-0007	-	-	3,265	3,265
Emergency Solutions Grant Program	14.231	E-21-MC-22-0007	802	-	58,153	58,955
Emergency Solutions Grant Program	14.231	E-21-MC-22-0007	-	-	87,288	87,288
Emergency Solutions Grant Program	14.231	E-21-MC-22-0007	12,481	-	-	12,481
			81,167	-	575,929	657,096
HOME Investment Partnerships American Rescue Plan Program	14.239	M-21-MP-22-0200	47,345	-	-	47,345
Home Investment Partnerships Program	14.239	M-19-MC-22-0200	253,148	-	-	253,148
			300,493	-	-	300,493
Choice Neighborhoods Implementation Grants	14.889	LA6H526CNG117	2,242,744	-	3,068,436	5,311,180
			2,242,744	-	3,068,436	5,311,180
Total Office of Community Planning and Development			4,223,496	-	5,333,880	9,557,376
Pass-Through Programs						
Louisiana Housing Corporation						
Emergency Solutions Grant Program	14.231	N/A	135,987	-	7,326	143,313
Total Louisiana Housing Corporation			135,987	-	7,326	143,313
Total U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			4,359,483	-	5,341,206	9,700,689
U. S. Department of the Interior						
Direct						
Historic Preservation Fund Grants-In-Aid	15.904	P18AP00154-04	-	-	579,352	579,352
Total U.S. DEPARTMENT OF THE INTERIOR			-	-	579,352	579,352
See accompanying notes to the Schedule of Expenditures of Federal Awards			(continued)			

See accompanying notes to the Schedule of Expenditures of Federal Awards

(continued)

City of Shreveport
Schedule of Expenditures of Federal Awards
For the year ended December 31, 2022

Federal Grantor/Pass-through Grantor/Program or Cluster	Assistance Listing Number	Grant or Pass-through Number	Federal Expenditures			Total
			Direct	Pass-Through (Indirect)	Passed to Subrecipients	
U. S. DEPARTMENT OF JUSTICE						
Direct						
COVID 19 - Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0538	70,594	-	-	70,594
Safe Streets	16.166	N/A	24,821	-	-	24,821
Safe Streets	16.166	N/A	17,095	-	-	17,095
Project Safe Neighborhoods	16.609	2018-GP-BX-0011	15,955	-	97,959	113,914
Project Safe Neighborhoods	16.609	2019-GP-BX-0092	46,581	-	93,060	139,641
Project Safe Neighborhoods	16.609	2020-GP-BX-0084	9,955	-	93,880	103,835
Public Safety Partnership and Community Policing Grants	16.710	2020-UL-WX-0063	684,217	-	-	684,217
Byrne Criminal Justice Innovation Program	16.817	2016-AJ-BX-0004	9,852	-	-	9,852
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0488	54,393	-	-	54,393
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01523-J	62,433	-	-	62,433
A.F.I.S.2021	16.Unknown	HQ-1-507	326,013	-	-	326,013
A.F.I.S.2022	16.Unknown	HQ-1-684	236,627	-	-	236,627
Federal ATF Grant	16.Unknown	MOA	29,220	-	-	29,220
Federal ATF Grant	16.Unknown	MOA	7,409	-	-	7,409
Organized Crime Enforcement Task Force	16.Unknown	SE-LAW-0187(H)	23,515	-	-	23,515
Organized Crime Enforcement Task Force	16.Unknown	SE-LAW-0186	25,360	-	-	25,360
U S Marshals	16.Unknown	N/A	12,659	-	-	12,659
U S Marshals	16.Unknown	N/A	1,716	-	-	1,716
Pass-Through Programs						
Louisiana Commission on Law Enforcement						
Violence Against Women Formula Grants	16.588	2020-WF-01-6694	-	11,838	-	11,838
Edward Bryne Memorial Justice Assistance Grant Program	16.738	2020-DJ-01-6425	-	31,150	9,924	41,074
Edward Bryne Memorial Justice Assistance Grant Program	16.738	2021-DJ-01-7022	-	38	923	961
Total Louisiana Commission on Law Enforcement			-	43,026	10,847	53,873
Total U. S. DEPARTMENT OF JUSTICE			1,658,415	43,026	295,746	1,997,187
U. S. DEPARTMENT OF THE TREASURY						
Direct						
Coronavirus State & Local Fiscal Recovery Fund						
COVID 19 - Coronavirus State & Local Fiscal Recovery Fund	21.027	N/A	9,417,297	-	-	9,417,297
Total U.S DEPARTMENT OF THE TREASURY			9,417,297	-	-	9,417,297
U. S. DEPARTMENT OF HOMELAND SECURITY						
Direct						
Federal Emergency Management Assistance (FEMA)						
Staffing for Adequate Fire and Emergency Response Grant	97.083	EMW-2019-FF-01399	751,219	-	-	751,219
Pass-Through Programs						
Louisiana Governor's Office of Homeland Security & Emergency Preparedness						
Hazmat Mitigation Grant Program	97.039	FEMA-4263-DR-LA	-	23,628	-	23,628
Total Federal Emergency Management Assistance (FEMA)			751,219	23,628	-	774,847
Transportation Security Administration (TSA)						
Law Enforcement Officer Reimbursement Agreement Program	97.090	70T02021T6114N276	123,430	-	-	123,430
Total Transportation Security Administration (TSA)			123,430	-	-	123,430
Total U. S. DEPARTMENT OF HOMELAND SECURITY			874,649	23,628	-	898,277
EXECUTIVE OFFICE OF THE PRESIDENT						
Direct						
High Intensity Drug Trafficking Areas Program	95.001	N/A	27,579	-	-	27,579
High Intensity Drug Trafficking Areas Program	95.001	N/A	1,055	-	-	1,055
Total EXECUTIVE OFFICE OF THE PRESIDENT			28,634	-	-	28,634
TOTAL EXPENDITIURES OF FEDERAL AWARDS			\$ 37,509,356	\$ 3,288,967	\$ 6,607,702	\$ 47,406,025

See accompanying notes to the Schedule of Expenditures of Federal Awards

(concluded)

City of Shreveport
Notes to the Schedule of Expenditures of Federal Awards
For the year ended December 31, 2022

NOTE 1 GENERAL

The accompanying Schedule of Expenditures of Federal Awards ("the Schedule") presents the activity of the federal awards of the City of Shreveport, Louisiana (the "City"). The City's reporting entity is defined in Note 1 to the City's financial statements for the year ended December 31, 2022. All federal awards received from federal agencies are included on the Schedule.

NOTE 2 BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the same basis of accounting, which is described in Note 1 to the City's financial statements for the year ended December 31, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The City did not elect to use the 10 percent (10%) de minimis indirect cost rate.

NOTE 3 PROGRAM COSTS

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the City's portion, exceed what is presented. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 4 MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

City of Shreveport
Notes to the Schedule of Expenditures of Federal Awards
For the year ended December 31, 2022

NOTE 5 LOANS AND LOAN GUARANTEES

The Office of Community Planning and Development has issued a compliance supplement regarding the programs for the Community Development Block Grant (ALN 14.218). For subrecipients of these loans in years after the subrecipient has expended loan proceeds and completed construction, and the subrecipient's only ongoing financial activity of the program is the payment of principal and interest on outstanding balances, the prior loan balances at the subrecipient level are not considered to have continuing compliance requirements.

The City's Water and Sewer department is the subrecipient of the State's Capitalization Grants for Clean Water State Revolving Funds (ALN 66.458). The City has drawn down \$15,006,597 as of the year ended December 31, 2022.

The outstanding balances for Loan and Loan Guarantee Programs as of December 31, 2022 is as follows;

	ALN Number	Outstanding Balance
Community Development Block Grants/Entitlement Grants	14.218	\$ 142,000
Capitalization Grants for Clean Water State Revolving Funds	66.458	13,579,696
		<u>\$ 13,721,696</u>

NOTE 6 SUBSEQUENT EVENTS

The City is required to evaluate events or transactions that may occur after the Schedule of Expenditures of Federal Awards' date for potential recognition or disclosure in the notes to the Schedule of Expenditures of Federal Awards. The City performed such an evaluation through June 30, 2023, the date which the schedule of expenditures of federal awards was available to be issued, and noted no events or transactions that occurred after the Schedule of Expenditures of Federal Awards' date requiring recognition or disclosure.

NOTE 7 NONCASH AWARDS

No noncash awards were received for the year ended December 31, 2022.

City of Shreveport
Notes to the Schedule of Expenditures of Federal Awards
For the year ended December 31, 2022

NOTE 8 PROGRAM INCOME

Expenditures reported include income received by the grantee, directly generated by grant-supported activity and includes the following programs:

Program	ALN Number	Amount
Home Investment Partnerships Program	14.239	58,700
Total Program Income		<u>\$ 58,700</u>

NOTE 9 Program Subtotal

The total expenditures under ALN 16.738 are \$158,861.

I. SUMMARY OF AUDITORS' RESULTS

A. Primary Government Financial Statement Audit

1. Type of Auditors' report issued on the basic financial statements: **Unmodified**
2. Internal control over financial reporting:
 - Material weaknesses identified? **YES**
 - Significant deficiencies identified? **None Noted**
3. Noncompliance material to the basic financial statements noted? **No**

B. Audit of Federal Awards

1. Type of Auditors' report issued on compliance for major programs: **Unmodified**
2. Internal control over major programs:
 - Material weaknesses identified? **Yes**
 - Significant deficiencies identified? **None Noted**
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200.516(a), Uniform Guidance? **Yes**
4. Identification of major programs:

<u>ALN Number</u>	<u>Name of federal program or cluster</u>
20.507, 20.526	Federal Transit Cluster - Formula Grants
20.106	Airport Improvement Program
21.027	Coronavirus State & Local Fiscal Recovery Fund
5. The dollar threshold used to distinguish between Type A and Type B programs:
\$1,422,181.
6. Auditee qualified as a low-risk auditee under Section 200.520 of Uniform Guidance: **No**

II. FINDINGS AND QUESTIONED COSTS – FINANCIAL STATEMENTS

2022-001 Material Weakness – General Fund Property Standards Accounts Receivable (repeat finding, see 2021-002)

CONDITION: The City does not have adequate procedures to support and track in the financial records the receivable amounts for the various property standards categories. The City also does not have a way to track and determine whether amounts charge are actually collectible.

CRITERIA: The City should have procedures in place to properly maintain, track, and accumulate transactions and balances in the various property standards receivable accounts to support the balances that are reported on their general ledger system.

CAUSE: The City has historically had many issues related to these accounts. In 2019, the City converted systems to My Government Online (MGO), and have not been able to adequately obtain accurate reports to support the balances that have continued to be carried in the financial records. The City has never properly addressed this issue or devoted necessary resources to address this issue. The City also does not have adequate procedures to accrue for amounts to be collected.

EFFECT: Since the City cannot provide adequate supporting documentation for these balances we will propose an adjustment to the allowance to fully reserve these balances. The City is also not pursuing collections of the balances, the total of these amounts have grown to approximately \$6,900,000 as of December 31, 2022.

RECOMMENDATION: We recommend that the City devote adequate resources to find a way to properly track and record activity and perform a detailed review that would allow them to clean up the accounts and write off uncollectible amounts. Going forward, the City should develop a way to properly monitor, track and adjust these accounts.

2022-002 Material Weakness – Material Adjustments (repeat finding see, 2021-007)

CONDITION:	In the course of our audit procedures, we proposed various material adjusting journal entries for various funds and accounts, including revenue, receivables, interfund receivables and payables, deferred revenue, transfers, and expenses.
CRITERIA:	Controls should be in place to ensure all significant balances are properly analyzed and accurately reported.
CAUSE:	Controls and procedures are not in place to ensure all significant account balances are properly analyzed and accurately reported.
EFFECT:	Various account balances were materially misstated.
RECOMMENDATION:	We recommend the City develop policies and procedures to ensure all significant account balances are properly analyzed and reported.

2022-003 Material Weakness –Compensated Absences

CONDITION:	Compensated absences reports prepared by the City's IT department contained material errors and did not properly roll forward from the prior year. Material adjustments were required to be made to the schedules.
CRITERIA:	Controls should be in place to ensure compensated absences balances for all employees are properly tracked and included as a liability in the correct reporting period. Accurate and proper documentation should be available to support balances being audited. Compensated absences balances should be monitored and adjusted to ensure they do not exceed the maximum carryover allowed per the personnel policy.
CAUSE:	Compensated absences for specific departments are manually tracked. Spreadsheets are updated at year end for activity during the year. Spreadsheets are not reviewed to ensure they properly roll forward from the prior year, and that all employees with balances are properly included. There are no policies and procedures in place to monitor compensated absences balances and adjust them as needed to ensure compliance with the personnel policy.
EFFECT:	The compensated absence liability could be materially misstated due to errors in balances and exclusion of employees from the accrual calculation. The liability could be overstated due to employees with balances exceeding the maximum carryover allowed at year end.

City of Shreveport
Schedule of Findings and Questioned Costs
For the year ended December 31, 2022

RECOMMENDATION: We recommend that the compensated absences spreadsheets be reviewed for accuracy and completeness and to ensure they properly roll forward from the prior year by an appropriate individual other than the preparer. We recommend that employee compensated absence balances at year end be reviewed at year end to ensure accuracy.

2022-004 Material Weakness – Schedule of Federal Expenditure Preparation

CONDITION: In accordance with 2 CFR 200.510(b) which requires the auditee to prepare the SEFA, the City was unable to provide an accurate Schedule of Expenditures of Federal Awards (SEFA) timely to be audited.

CRITERIA: Controls should be in place to ensure the proper preparation of the SEFA.

CAUSE: Lack of controls to ensure the SEFA is properly prepared. This includes a lack of departmental controls to properly identify, accumulate and reported federal expenditures.

EFFECT: The SEFA was materially misstated due to errors in balances or classifications of federal expenditures, or lack of reporting federal expenditures.

RECOMMENDATION: We recommend the City implement appropriate training and controls over the creation and review of the SEFA prior to being provided for the audit.

III. FEDERAL AWARD FINDINGS AND RESPONSES

Current Year Findings and Responses

2022-005 Coronavirus State and Local Fiscal Recovery Funds reporting

Program Name: Coronavirus State and Local Recovery Funds – Assistance Listing Number 21.027

Federal Award Year: 2022

Name of federal agency: Department of Treasury

CONDITION: In accordance with 2 CFR 200.303(a) which requires the non-federal entity to establish and maintain effective internal controls over compliance, the City failed to establish and maintain effective controls over reporting. No reporting was submitted during fiscal year-ending December 31, 2022.

CRITERIA: The City is responsible for submitting reports per the Coronavirus State and Local Fiscal Recovery Funds compliance requirements.

CAUSE: Management in place during fiscal year-ending December 31, 2022 failed to create and submit any reports.

EFFECT: A record of late reporting could lead to a finding of non-compliance, which could result in development of a corrective action plan, or other consequences as appropriate.

QUESTIONED COST: None.

RECOMMENDATION: We recommend the client prepares and submits all applicable reporting requirements for the Coronavirus State and Local Fiscal Recovery Funds program.

**PERSON RESPONSIBLE
FOR CORRECTIVE
ACTION PLAN:**

April Jordan, Controller

**CORRECTIVE ACTION
PLAN:**

The previous Director of Finance did not leave any documentation on how to access the City's online reporting portal or documentation of reports that had been previously submitted. Finance has registered for new accounts with the appropriate Federal agency and will update reporting and submit reports timely going forward.

**ANTICIPATED
COMPLETION DATE:**

Immediately

**Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2021**

Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

2021-001 Material Weakness – Cash Reconciliation

CONDITION: The December 31, 2021 Cash reconciliations for the operating, payroll and water & sewer accounts were not reconciled.

Status: Finding was resolved.

2021-002 Material Weakness – General Fund Property Standards Accounts Receivable

CONDITION: The City does not have adequate procedures to support and track in the financial records the receivable amounts for the various property standards categories. The City also does not have a way to track and determine whether amounts charge are actually collectible.

Status: Finding was not resolved. See finding 2022-001.

2021-003 Significant Deficiency –Personnel Information

CONDITION: We identified three people with incorrect employment dates in personnel files. One person had a hire date in LOGOS that did not match the hire date in their personnel file. Two people did not have a date for status change in LOGOS or personnel file.

Status: Finding was resolved.

2021-004 Significant Deficiency – Employee Retirement System Incorrect Contribution

CONDITION: We identified six employees who received ERS contributions which were calculated at an incorrect rate.

Status: Finding was resolved.

2021-005 - Compliance Finding – Late Filing

CONDITION: The City was not able to submit its 2021 audited financial statements to the Louisiana Legislative Auditor by the required deadline of June 30, 2022.

Status: Finding was resolved.

2021-006 Other Matter – LLA Review

CONDITION: CRI was notified by the Louisiana Legislative Auditor that they are currently performing a limited review of the financial records of the City of Shreveport.

Status: Finding was resolved.

2021-007 Material Weakness – Material Adjustments

CONDITION: In the course of our audit procedures, we proposed various material adjusting journal entries for various funds and accounts, including revenue, receivables, deferred revenue, transfers, expenses and capital assets.

Status: Finding was not resolved. See finding 2022-002.



CITY OF SHREVEPORT

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Website: www.shreveportla.gov

Corrective Action Plan **For the Year Ended December 31, 2022**

Person(s) responsible for corrective actions on all findings, unless noted otherwise in that finding:

Sherricka Fields Jones, Director of Finance
City of Shreveport
505 Travis Street, Suite 600
Shreveport, LA 71101
Telephone: 318-673-5400

April Jordan, Controller
City of Shreveport
505 Travis Street, Suite 600
Shreveport, LA 71101
Telephone: 318-673-5404

Financial Statement Findings Reported in Accordance with *Governmental Auditing Standards*

2022-001 Material Weakness – General Fund Property Standards Accounts Receivable

CONDITION: The City does not have adequate procedures to support and track in the financial records the receivable amounts for the various property standards categories. The City also does not have a way to track and determine whether amounts charge are actually collectible.

MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN: Currently the City is issuing fines for violations of the Property Standards code. If fines are not paid in the allotted time the City would then file a property tax lien against the property owner. After the City records a property tax lien against the property owner no further action is taken by the City. So, after the lien is filed against the property owner the only way to collect the fine is for the property to sell at tax sale. The City is currently developing collection efforts that go beyond the filing/recording of a tax lien. We are currently working with Legal and Environmental Court to place additional measures in place to have proper tracking and collection of fines that will lead to higher collectability.

ANTICIPATED COMPLETION DATE: Immediately

2022-002 Material Weakness – Material Adjustments

CONDITION: In the course of our audit procedures, we proposed various material adjusting journal entries for various funds and accounts, including revenue, receivables, interfund receivables and payables, deferred revenue, transfers, and expenses.

MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN: The City Controller is responsible for establishing controls to ensure all significant balances are accurately recorded. This position was vacant from December 2021 to February 2023. Internal control procedures that have been put in place to



CITY OF SHREVEPORT

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mitigate material misstatements include but are not limited to periodic trial balances, periodic reconciliations, and journal entry approvals.

ANTICIPATED COMPLETION DATE: Immediately

2022-003 Material Weakness –Compensated Absences

CONDITION: Compensated absences reports prepared by the City's IT department contained material errors and did not properly roll forward from the prior year. Material adjustments were required to be made to the schedules.

MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN: Challenges with use of and access to technology have made it difficult for to track civil service employees leave. Finance is working with HR to have all Civil Service paid annual leave entered and tracked in the HR management system used by all other city employees. Personnel assignment changes and turnover in the IT Department has created challenges in obtaining data consistent with what has provided in previous years. Finance will coordinate with IT to address this deficiency.

ANTICIPATED COMPLETION DATE: Immediately

2022-004 Material Weakness – Schedule of Federal Expenditure Preparation

CONDITION: In accordance with 2 CFR 200.510(b) which requires the auditee to prepare the SEFA, the City was unable to provide an accurate Schedule of Expenditures of Federal Awards (SEFA) timely to be audited.

MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN: The Director of Finance, City Controller and Grant/Fund Accountant will work with City Departments to implement controls over the SEFA. Steps to be implemented will include developing one SEFA master file, monthly updating to the file, and quarterly reconciling the master file to expenditure reports and invoices from the appropriate departments.

ANTICIPATED COMPLETION DATE: Immediately



CITY OF SHREVEPORT

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2022-005 Coronavirus State and Local Fiscal Recovery Funds reporting

CONDITION:

In accordance with 2 CFR 200.303(a) which requires the non-federal entity to establish and maintain effective internal controls over compliance, the City failed to establish and maintain effective controls over reporting. No reporting was submitted during fiscal year-ending December 31, 2022.

MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN: The previous Director of Finance did not leave any documentation on how to access the City's online reporting portal or documentation of reports that had been previously submitted. Finance has registered for new accounts with the appropriate Federal agency and will update reporting and submit reports timely going forward

ANTICIPATED COMPLETION DATE: Immediately



Carr, Riggs & Ingram, LLC
1000 East Preston Avenue
Suite 200
Shreveport, LA 71105

Mailing Address:
P.O. Box 4278
Shreveport, LA 71134-0278

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(318) 226-7150 (fax)
CRlcpa.com

Management Letter

The Honorable Tom Arceneaux, Mayor
Members of the City Council
City of Shreveport
Shreveport, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Shreveport, Louisiana (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2023. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the City's financial statements. The report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. 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 and the provisions of the Uniform Guidance.

As a part of our examination, we have issued our report on the financial statements, dated June 30, 2023, and our report on internal control over financial reporting and compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards and on compliance for each major program and internal control over compliance required by the Uniform Guidance dated June 30, 2023.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls:

MLC 2022-001 Ethics Training

Observation:

R.S. 42:1170A requires all public employees annually take a one hour ethics course. In 2022, The City did not have evidence of ethics training for eighteen of sixty employees selected for testing.

Recommendations:

We recommend that the City implement policies and procedures to properly ensure all employees obtain the required ethics training annually.

Views of responsible officials and corrective actions:

The City currently has a policy in place in reference to mandatory ethics training. City of Shreveport Administrative Procedure (A.P.) 2-11 addresses training and development. Pursuant to the A.P., ethics, harassment, and cybersecurity are state mandated annual trainings and department heads are responsible for ensuring the completion of their employees' mandatory training sessions within the designated time frames.

In addition, The Department of Human Resources offers in-person trainings for employees three times per month. Human Resources emails monthly reminders about these trainings. Training calendars are also available on the City's intranet. Human Resources also trains groups of employees on-site at their respective departments as requested by the department.

Employees also can complete their training independently by accessing mandatory trainings via the City's intranet or directly via the City's Learning Management System (LMS).

With support from the administration, Human Resources will continue to strive to help encourage employees to complete their annual trainings by providing various opportunities and means to train. Also, we will include completion of mandatory training as a part of employees' performance evaluations.

MLC 2022-002 Outstanding Checks

Observation:

CRI identified 74 outstanding payroll checks that should have been escheated to unclaimed property after being outstanding for over a year, totaling \$39,740.72. In addition, CRI identified 89 outstanding checks on operating account that should have been escheated to unclaimed property after being outstanding for over 5 years, totaling \$44,477.87.

Recommendations:

We recommend Issues with system update should be resolved, and stale payroll checks should be escheated to unclaimed property.

Views of responsible officials and corrective actions:

Finance agrees with the recommendation to resolve system issues so that checks' statuses will be properly reflected in the outstanding check report; and will work with IT Department to do so. Additionally, Finance will work with other departments to improve escheatment process.

MLC 2022-003 Budget Non-Compliance

Observation:

Budgets for the Downtown Entertainment Economic Development Fund, Riverfront Fund, Diversion Fund, Miscellaneous Capital Projects Fund, and Public Safety Fund were not in compliance with the requirements of the Louisiana Local Government Budget Act. Actual revenues were below budgeted revenues by an amount greater than 5% and actual expenses exceeded budgeted expenses by an amount greater than 5% for the Miscellaneous Capital Projects Fund, Community Development Fund and Public Safety Fund.

Recommendations:

We recommend that the City regularly monitor budget to actual results, notify the governing authority of variances in total revenues and expenditures of 5% or more when required, and amend budgets as necessary to ensure compliance with the Louisiana Local Government Budget Act.

Views of responsible officials and corrective actions:

The budgetary issues for 2022 occurred under a previous administration which, for reasons which are unknown, did not adequately monitor budgets and expenditures. That deficiency has been addressed and corrected. Our current Chief Administrative Officer had more than 25 years of experience in budgeting for the City of Shreveport prior to his retirement in 2008 and is committed, along with our new Director of Finance and Controller, to assuring that budgets meet the requirements of the Local Government Budget Act. Numerous amendments to the 2023 operating budgets have already been made. More will be forthcoming in the fall, when departments estimate their 2023 expenditures and revenues. A final set will be done, if required, in November and December to address any end-of-year issues.

MLC 2022-004 Improper Classification of Cash

Observation:

CRI noted the City recorded cash held at a bank institution in the City's name from its 2021 Lease Contract as a lease receivable instead of restricted cash.

Recommendations:

We recommend the City reclassify and report all cash held in the name of the City as cash or restricted cash, as appropriate.

Views of responsible officials and corrective actions:

The City Controller is responsible for ensuring that all accounting transactions are properly classified, and that the Financial Accountants are properly trained and updated on the standards. This position was vacant from December 2021 to February 2023.

Going forward, all cash held in the name of the City will be classified as reserved or restricted as appropriate for each fund in accordance with generally accepted accounting principles.

Effective July 1, 2023, all Accounting Division staff will have an individual training development plan with required minimum training hours.

MLC 2022-005 Lease Financing

Observation:

During fixed asset and debt disclosure procedures, CRI identified that the lease proceeds of \$1,500,000 for the Water & Sewerage department was not able to be utilized and will be paid back in 2023. The City earned interest of approximately \$15,000 on the lease proceeds while they were in a bank account; however, the debt service interest component for 2022 was approximately \$30,000. With the lease proceeds not being utilized for their intended purpose, essentially no benefit was received for the City or citizens for the funds expended.

Recommendations:

The City should consider revising their debt issuance methods for non-bonded debt and incur the debt only when purchases (lease-purchase financing) are made or immediately afterwards to prevent this from happening.

Views of responsible officials and corrective actions:

Supply chain disruptions and inflation made it difficult for the City of Shreveport to purchase equipment in a timely manner and at the originally negotiated cost. Going forward, the CAO and Director of Finance will review and analyze all financing options and when necessary and appropriate consult with a financial advisor to make decisions that are fiscally sound.

MLC 2022-006 State Retirement Missing Files

Observation:

We identified ten missing personnel files for our state pension testwork.

Recommendations:

We recommend the City maintain personnel files for all employees. We also recommend the City implement an electronic record keeping system for employee data to prevent files from being misplaced.

Views of responsible officials and corrective actions:

Human Resources has had significant turnover in the Pension area, and insufficient record management was one of the many challenges resulting from that turnover. Human Resources is in the process of developing standard operating procedures to review files annually for accuracy and comprehensiveness. The department will explore options for electronic monitoring.

MLC 2022-007 Crime Camera and Purchasing Policy

Observation:

CRI identified a policy flaw in the Purchasing Departments policies related to Sole Source purchases.

Recommendations:

CRI recommends the Purchasing department update the current policy to include research of sole sources. In order to verify that no other vendors are available for a specific purchase.

Views of responsible officials and corrective actions:

Purchasing agrees with the recommendation to update purchasing manual to address Sole Source Request and moving forward will research all department request for Sole Source.

We recommend management address the foregoing issues as an improvement to operations and the administration of public programs. We are available to further explain the suggestion or help implement the recommendation.

This report is intended solely for the information and use of the Mayor and members of the City Council of the City of Shreveport, management, others within the City and the Louisiana Legislative Auditor; and is not intended to be, and should not be, used by anyone other than these specified parties. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Louisiana Legislative Auditor as a public document.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Shreveport, Louisiana
June 30, 2023



INDEPENDENT INTERNAL AUDITORS' REPORT ON APPLYING AGREED-UPON PROCEDURES FOR THE YEAR ENDED DECEMBER 31, 2022

Audit No. 23-04

June 30, 2023

Report Highlights

Page(s)

- Exceptions were reported for 9 of the 31 procedures 3-8, 10-11
- No exceptions were reported for 22 of the 31 procedures 8-12
- Results of procedure for Information Technology Disaster Recovery/Business Continuity were discussed with management 11
- Management Response 13



The Council
City of Shreveport

Leanis L. Steward, CPA, CIA
City Internal Auditor
P.O. Box 31109
Shreveport, LA 71130-1109

E-Mail Address:
Leanis.Steward@shreveportla.gov
Phone: 318.673.7900
Fax: 318.673.7911

June 30, 2023

Councilman James Green
Chairman, Shreveport City Council

Dear Councilman Green:

Subject: Audit No. 23-04 – Independent Internal Auditors' Report on Applying Agreed-Upon Procedures for the Year Ended December 31, 2022

Attached please find the above-mentioned report. Management comments are included at the end of the report.

Sincerely,

Leanis L. Steward, CPA, CIA
City Internal Auditor

ts



Independent Internal Auditors' Report On Applying Agreed-Upon Procedures For the Year Ended December 31, 2022

City of Shreveport City Council Members
Shreveport, Louisiana
And the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the management of the City of Shreveport (City) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2022, through December 31, 2022. The City's management is responsible for those C/C areas identified in the SAUPs.

The City's management 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 January 1, 2022, through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. 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.

This agreed-upon procedures engagement was conducted in accordance with the United States generally accepted government auditing standards which incorporate attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, 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 management of the City of Shreveport and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of this report is 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.



The procedures and associated findings are as follows.

***PROCEDURES TO BE PERFORMED IN CONNECTION WITH
LOUISIANA LEGISLATIVE AUDITOR STATEWIDE AGREED-UPON
PROCEDURES***

1. Written Policies and Procedures

- A.** Obtain and inspect the entity's written policies and procedures and observe whether 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 rates/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 documentation 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.
- 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.

Exceptions

The ethics policy does not address a system to monitor possible ethics violations, or the requirement that documentation is maintained to demonstrate that all employees/officials were informed of any changes to the entity's ethics policy. [\(A.ix\)](#)

The Information Disaster Recovery/Business Continuity policy does not specify the use of antivirus software on all systems or address timely application of all available system and software patches/updates. Also, this policy needs to be updated. [\(A.xi\)](#)

2. Board or Finance Committee

- A.** Obtain and inspect 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.** Observe 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, observe whether 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 nonprofit 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, obtain the prior year audit report and observe 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, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned 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.

Exceptions

Board/Finance Committee did not receive 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. [\(A.iv.\)](#)

3. Bank Reconciliations

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- ii. Bank reconciliations include written evidence that a member of management or a 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 it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Exceptions

The reviewer for the June 2022 American Rescue Plan, City of Shreveport (Workman's Comp), and Shreve Memorial Library bank account reconciliations also posts to ledgers. [\(A.ii\)](#)

The City of Shreveport (Workman's Comp) bank reconciliation has no documentation reflecting research done on reconciling items outstanding for more than 12 months. [\(A.iii\)](#)

4. Collections (excluding electronic funds transfers)

A. Obtain 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 select 5 deposit sites (or all deposit sites if less than 5).

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

- i. Employees responsible for cash collections do not share cash drawers/registers;
- ii. Each employee responsible for collecting cash is not responsible for preparing/making



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June 22, 2023

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; and

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, is(are) not responsible for collecting cash, unless another employee/official verifies the reconciliation.

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

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select 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. Obtain supporting documentation for each of the 10 deposits and:

i. Observe that receipts are sequentially pre-numbered.

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

iii. Trace the deposit slip total to the actual deposit per the bank statement.

iv. Observe 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. Trace the actual deposit per the bank statement to the general ledger.

Exceptions

Three exceptions were found, the Police: Collection Only location employees share the same register. (B.i) The deposit days selected for the five bank accounts: two amounts, \$333.05 from the Operating account and \$135.21 of \$209.73 from Airport PFC Collections account, were not deposited within one business day of receipt or within one week if the depository is more than 10 miles from the collection location or the deposit is less than one hundred dollars. (D.iv)



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

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

B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe 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; and

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

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

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

i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and

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

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only 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 and/or account for testing that does include electronic disbursements.

Exceptions

One of the five electronic disbursements had no documentation that an authorized person disbursed the funds nor had the required number of signers. [\(D\)](#)

6. Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

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

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

- i. Observe whether 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. [those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality should not be reported]; and
- ii. Observe 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, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to inspection). For each transaction, observe 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 observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.



Exceptions

Two out of the four procurement cards and one fuel card did not have written evidence of review and approval. (B.i) Both previously mentioned procurement cards did not state business or public purpose for transactions reviewed. The two remaining P-cards had no exceptions. (C.2)

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

A. Obtain 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 select 5 reimbursements and obtain 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, observe that 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. Observe 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. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions noted in the procedures performed.

8. Contracts

A. Obtain 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. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- ii. Observe 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), observe 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, the documented approval).
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions noted in the procedures performed.

9. Payroll and Personnel

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

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

- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

- iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

C. Obtain 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 select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

D. Obtain 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.



Exceptions

2nd Quarter 2022 IRS payroll tax was paid late. [\(D\)](#)

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. 42:11710.

No exceptions noted in the procedures performed.

11. Debt Service

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

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree 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).

No exceptions noted in the procedures performed.

12. Fraud Notice

A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe 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. Observe 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.

No exceptions noted in the procedures performed.

13. Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."

i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, then inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

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

iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates 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 or disabled from the network.

We performed the procedure and discussed the results with management.

14. Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from procedure Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe 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:



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- 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 action; and
- v. Amount of time it took to resolve each complaint.

No exceptions noted in the procedures performed.

Prepared By:

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Associate Auditor

Approved By:

Leanis L. Steward

Leanis L. Steward, CIA, CPA
City Internal Auditor

ts

c: Mayor
CAO
City Attorney
City Council
Clerk of Council
Carr, Riggs & Ingram
Director of Finance



Audit No. 23-04
June 22, 2023



OFFICE OF THE DIRECTOR OF FINANCE

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June 27, 2023

Louisiana Legislative Auditor
1600 North 3rd Street
P.O. Box 94397
Baton Rouge, LA 70804-9397

And

City of Shreveport Internal Audit Office
505 Travis Street
Shreveport, LA 71101

RE: Management's Response to Statewide Agreed-Upon Procedures
City of Shreveport, Louisiana

To Whom it may concern:

The City of Shreveport Administration concurs with the exceptions noted in the Independent Internal Auditor's Report on Applying Agreed-Upon Procedures for the year ended December 31, 2022, and will work with the appropriate departments to address the deficiencies identified.

Sincerely,

Sherricka Jones
Director of Finance