CITY OF ALEXANDRIA, LOUISIANA

Financial Report

For the Year Ended April 30, 2022

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alexandria, Louisiana, as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Alexandria, Louisiana's basic financial statements as listed in the table of contents.

In our opinion, based on our report and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alexandria, Louisiana, as of April 30, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. We did not audit the financial statements of the City of Alexandria Employees' Retirement System, pension trust fund which represent 81.60%, 86.72% and 26.49%, respectively, of the assets, net position and revenues of the aggregate remaining fund information. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Alexandria Employees' Retirement System is based solely on the reports of other auditors. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information on pages 77 - 86, 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.

The City of Alexandria has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2022, on our consideration of the City of Alexandria, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Alexandria, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Alexandria, Louisiana's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 29, 2022

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

CITY OF ALEXANDRIA, LOUISIANA

Statement of Net Position
April 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and interest-bearing deposits	$ 79,691,590	$ 40,961,545	$ 120,653,135
Certificates of deposit	2,328,338	2,500,000	4,828,338
Receivables, net	11,194,986	14,207,745	25,402,731
Due from other governmental agencies	1,616,487	563,129	2,179,616
Internal balances	6,428,456	(6,428,456)	-
Prepaid expense	269,180	-	269,180
Inventories	344,540	5,474,758	5,819,298
Restricted assets:			
Cash and interest-bearing deposits	-	38,614,201	38,614,201
Capital assets			
Non-depreciable:			
Land and land improvements	14,586,292	3,489,049	18,075,341
Construction and infrastructure in progress	25,963,454	12,552,997	38,516,451
Depreciable, net	133,604,048	204,630,476	338,234,524
Net pension asset	7,158,570	10,737,857	17,896,427
Total assets	283,185,941	327,303,301	610,489,242
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized bond refunding charges	-	15,350,973	15,350,973
Deferred outflows of resources - pensions	14,140,556	11,077,633	25,218,189
Deferred outflows of resources - OPEB related	2,840,479	-	2,840,479
Total deferred outflows of resources	16,981,035	26,428,606	43,409,641
LIABILITIES			
Accounts payable	2,339,085	4,535,449	6,874,534
Salaries payable	1,903,081	758,039	2,661,120
Accrued interest payable	135,263	1,957,937	2,093,200
Customer guaranteed deposits	-	5,853,643	5,853,643
Long-term liabilites:			
Due within one year	7,014,262	5,653,818	12,668,080
Due in more than one year	18,292,640	174,180,415	192,473,055
Net pension liability	19,389,609	-	19,389,609
Other post employee benefits payable	18,740,590	-	18,740,590
Total liabilities	67,814,530	192,939,301	260,753,831
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - ARPA	-	5,645,001	5,645,001
Deferred inflows of resources - pensions	31,564,980	24,294,222	55,859,202
Deferred inflows of resources - OPEB related	2,800,614	-	2,800,614
Total deferred inflows	34,365,594	29,939,223	64,304,817
NET POSITION			
Net investment in capital assets	160,768,794	87,327,047	248,095,841
Restricted for:			
Debt service	2,674,059	24,734,063	27,408,122
Capital projects	35,406,030	-	35,406,030
Capital additions and contingencies	-	1,000,000	1,000,000
Unrestricted	(862,031)	17,792,273	16,930,242
Total net position	$ 197,986,852	$ 130,853,383	$ 328,840,235

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Activities
For the Year Ended April 30, 2022

		Program Revenues			Net (Expense) Revenues and Changes in Net Position		
					Primary Government		
Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	$ 20,205,007	$ 4,151,133	$ -	$ -	$ (16,053,874)	$ -	$ (16,053,874)
Public safety	27,540,135	226,273	4,987,052	-	(22,326,810)	-	(22,326,810)
Public works	17,420,422	60,190	-	2,202,999	(15,157,233)	-	(15,157,233)
Economic development	533,368	74,586	1,103,749	-	644,967	-	644,967
Interest on long-term debt	583,917	-	-	-	(583,917)	-	(583,917)
Total governmental activities	66,282,849	4,512,182	6,090,801	2,202,999	(53,476,867)	-	(53,476,867)
Business-type activities:							
Electricity	60,723,389	71,892,609	-	-	-	11,169,220	11,169,220
Natural Gas	14,508,424	12,050,201	-	-	-	(2,458,223)	(2,458,223)
Water	6,822,698	7,419,801	-	-	-	597,103	597,103
Waste Water	7,812,259	6,149,285	-	-	-	(1,662,974)	(1,662,974)
Municipal Transit	2,375,506	212,321	1,877,976	1,064,434	-	779,225	779,225
Sanitation	5,026,068	4,781,927	-	-	-	(244,141)	(244,141)
Zoological Park	2,784,460	532,901	253,549	-	-	(1,998,010)	(1,998,010)
Golf Course	1,118,722	757,972	-	-	-	(360,750)	(360,750)
Interest and fiscal charges on long term debt	5,104,163	-	-	-	-	(5,104,163)	(5,104,163)
Total business-type activities	106,275,689	103,797,017	2,131,525	1,064,434	-	717,287	717,287
Total activities	$ 172,558,538	$ 108,309,199	$ 8,222,326	$ 3,267,433	(53,476,867)	717,287	(52,759,580)

	Governmental Activities	Business-Type Activities	Total
General revenues:			
Taxes -			
Property taxes, levied for general purposes	9,138,395	1,292,437	10,430,832
Sales and use taxes, levied for general purposes	57,378,857	-	57,378,857
Hotel occupancy taxes	607,389	-	607,389
Franchise taxes	508,080	-	508,080
Grants and contributions not restricted to specific programs	58,095	-	58,095
Interest and investment earnings	193,789	145,457	339,246
Insurance proceeds	977,232	49,310	1,026,542
Miscellaneous	829,274	217,282	1,046,556
Nonemployer pension contribution	1,092,754	-	1,092,754
Gain/(loss) on disposal of capital assets	40,859	36,608	77,467
Transfers	6,893,940	(6,893,940)	-
Total general revenues and transfers	77,718,664	(5,152,846)	72,565,818
Change in net position	24,241,797	(4,435,559)	19,806,238
Net position - beginning	173,745,055	135,288,942	309,033,997
Net position - ending	$ 197,986,852	$ 130,853,383	$ 328,840,235

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

FUND FINANCIAL STATEMENTS (FFS)

CITY OF ALEXANDRIA, LOUISIANA

Balance Sheet
Governmental Funds
April 30, 2022

	General Fund	General Capital Projects Fund	Other Governmental Funds	Totals
ASSETS				
Cash and interest-bearing deposits	$ 26,331,175	$ 19,621,463	$ 18,832,192	$ 64,784,830
Certificates of deposit	-	-	2,328,338	2,328,338
Receivables, net	8,889,757	1,177,731	1,127,498	11,194,986
Due from other funds	6,331,875	100,000	319,954	6,751,829
Due from other governmental agencies	12,000	1,543,969	60,518	1,616,487
Inventories	344,540	-	-	344,540
Total assets	$ 41,909,347	$ 22,443,163	$ 22,668,500	$ 87,021,010
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 954,320	$ 1,265,227	$ 111,738	$ 2,331,285
Salaries payable	1,903,081	-	-	1,903,081
Due to other funds	315,307	-	8,066	323,373
Total liabilities	3,172,708	1,265,227	119,804	4,557,739
Deferred Inflows of Resources:				
Unavailable revenues	-	-	317,559	317,559
Fund balances:				
Nonspendable	344,540	-	-	344,540
Restricted -				
Debt service	-	-	2,809,322	2,809,322
Capital projects	-	20,077,936	15,328,094	35,406,030
Committed				
Capital projects	-	1,100,000	-	1,100,000
Economic development	-	-	3,031,938	3,031,938
Assigned	-	-	1,061,783	1,061,783
Unassigned	38,392,099	-	-	38,392,099
Total fund balances	38,736,639	21,177,936	22,231,137	82,145,712
Total liabilities and fund balances	$ 41,909,347	$ 22,443,163	$ 22,668,500	$ 87,021,010

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

CITY OF ALEXANDRIA, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
For the Year Ended April 30, 2022

Total fund balances for governmental funds		$ 82,145,712
Capital assets, net		174,153,794
Long-term liabilities:		
Bonds payable	$ (13,385,000)	
Compensated absences	(3,473,744)	
Accrued interest payable	(135,263)	(16,994,007)
Pensions:		
Net pension liability	(19,389,609)	
Net pension asset	7,158,570	
Deferred inflows of resources	(31,564,980)	
Deferred outflows of resources	14,140,556	(29,655,463)
Unearned revenue		317,559
Net position of the Internal Service Funds		(11,980,743)
Total net position of governmental activities		$ 197,986,852

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended April 30, 2022

	General Fund	General Capital Projects Fund	Other Governmental Funds	Totals
Revenues:				
Taxes:				
Property taxes	$ 3,816,167	$ -	$ 5,322,228	$ 9,138,395
Sales taxes	48,050,742	6,410,233	2,917,882	57,378,857
Franchise	508,080	-	-	508,080
Hotel occupancy taxes	-	-	607,389	607,389
Licenses and permits	3,177,138	-	-	3,177,138
Intergovernmental	5,416,038	2,724,146	732,858	8,873,042
Charges for services	630,733	-	286,710	917,443
Fines and fees	443,909	-	-	443,909
Investment income	45,286	60,871	45,667	151,824
Miscellaneous	308,127	-	-	308,127
Total revenues	62,396,220	9,195,250	9,912,734	81,504,204
Expenditures:				
Current -				
General government	18,505,619	69,118	612,755	19,187,492
Public safety	28,185,368	-	-	28,185,368
Public works	10,520,636	-	-	10,520,636
Community development	-	-	502,526	502,526
Capital outlay	1,995,484	6,831,887	4,240,313	13,067,684
Debt service -				
Principal retirement	1,265,000	-	2,220,000	3,485,000
Interest and fiscal charges	15,926	-	603,725	619,651
Total expenditures	60,488,033	6,901,005	8,179,319	75,568,357
Excess of revenues over expenditures	1,908,187	2,294,245	1,733,415	5,935,847
Other financing sources (uses):				
Proceeds from the sale of fixed assets	40,859	-	-	40,859
Insurance proceeds	977,232	-	-	977,232
Transfers in	9,668,000	100,000	-	9,768,000
Transfers out	(2,794,000)	(521,524)	(185,000)	(3,500,524)
Total other financing sources (uses)	7,892,091	(421,524)	(185,000)	7,285,567
Net changes in fund balances	9,800,278	1,872,721	1,548,415	13,221,414
Fund balances, beginning	28,936,361	19,305,215	20,682,722	68,924,298
Fund balances, ending	$ 38,736,639	$ 21,177,936	$ 22,231,137	$ 82,145,712

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

CITY OF ALEXANDRIA, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended April 30, 2022

Total net changes in fund balances per Statement of Revenues, Expenditures and Changes in Fund Balances		$ 13,221,414
Capital assets:		
Capital outlay, meeting the City's capitalization policy	$ 10,035,245	
Depreciation expense	(8,861,711)	1,173,534
Long-term debt:		
Principal payments	3,485,000	
Compensated absences	2,814	
Interest expense	35,734	3,523,548
Net revenue (expense) of the Internal Service Fund		(1,265,452)
Unavailable revenue		(26,308)
Effect of the change in net pension liability, deferred outflows/inflows of resources:		
Decrease in pension expense	6,522,307	
Nonemployer pension contribution revenue recognized	1,092,754	7,615,061
Total changes in net position per Statement of Activities		$ 24,241,797

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Net Position
Proprietary Funds
April 30, 2022

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Fund	Total Enterprise Funds	Internal Service Fund
ASSETS				
Current assets:				
Cash and interest-bearing deposits	$ 28,108,724	$ 12,852,821	$ 40,961,545	$ 14,906,760
Certificates of deposit	2,500,000	-	2,500,000	-
Receivables, net	13,735,449	472,296	14,207,745	-
Due from other governmental agencies	-	563,129	563,129	-
Due from other funds	2,883	85,398	88,281	-
Inventories	5,474,758	-	5,474,758	-
Prepaid expense	-	-	-	269,180
Total current assets	49,821,814	13,973,644	63,795,458	15,175,940
Restricted assets:				
Cash and interest bearing deposits	38,614,201	-	38,614,201	-
Noncurrent assets:				
Capital assets				
Land and land improvements	2,398,084	1,090,965	3,489,049	-
Construction and infrastructure in progress	12,552,997	-	12,552,997	-
Property, plant and equipment, net	193,518,803	11,111,673	204,630,476	-
Net pension asset	8,232,355	2,505,502	10,737,857	-
Total noncurrent assets	255,316,440	14,708,140	270,024,580	-
Total assets	305,138,254	28,681,784	333,820,038	15,175,940
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized bond refunding charges	15,350,973	-	15,350,973	-
Deferred outflows of resources - pensions	8,492,851	2,584,782	11,077,633	-
Deferred outflows of resources - OPEB	-	-	-	2,840,479
Total deferred outflows of resources	23,843,824	2,584,782	26,428,606	2,840,479

(continued)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Net Position
Proprietary Funds (continued)
April 30, 2022

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Fund	Total Enterprise Funds	Internal Service Fund
LIABILITIES				
Current liabilities:				
Accounts payable	$ 4,302,659	$ 232,790	$ 4,535,449	$ 7,800
Salaries payable	586,869	171,170	758,039	-
Due to other funds	6,514,028	2,709	6,516,737	-
Compensated absences	203,659	36,159	239,818	-
Claims payable	-	-	-	4,163,202
Bonds payable	849,000	-	849,000	-
Payable from restricted assets -				
Accrued interest	1,957,937	-	1,957,937	-
Bonds payable	4,565,000	-	4,565,000	-
Total current liabilities	18,979,152	442,828	19,421,980	4,171,002
Noncurrent liabilities:				
Compensated absences	1,154,068	204,899	1,358,967	-
Customer guaranteed deposits	5,853,643	-	5,853,643	-
Claims payable	-	-	-	4,284,956
OPEB obligation payable	-	-	-	18,740,590
Bonds payable	172,821,448	-	172,821,448	-
Total noncurrent liabilities	179,829,159	204,899	180,034,058	23,025,546
Total liabilities	198,808,311	647,727	199,456,038	27,196,548
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pensions	18,625,569	5,668,653	24,294,222	-
Deferred inflows of resources - ARPA	5,645,001	-	5,645,001	-
Deferred inflows of resources - OPEB	-	-	-	2,800,614
Total deferred inflows of resources	24,270,570	5,668,653	29,939,223	2,800,614
NET POSITION				
Net investment in capital assets	75,124,409	12,202,638	87,327,047	-
Restricted for debt service	24,734,063	-	24,734,063	-
Restricted for capital additions and contingencies	1,000,000	-	1,000,000	-
Unrestricted	5,044,725	12,747,548	17,792,273	(11,980,743)
Total net position	$ 105,903,197	$ 24,950,186	$ 130,853,383	$ (11,980,743)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended April 30, 2022

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Fund	Total Enterprise Funds	Internal Service Fund
Operating revenues:				
Charges for services	$ 97,511,896	$ 6,285,121	$ 103,797,017	$ 13,952,772
Other	169,622	47,660	217,282	1,097,149
Total operating revenues	97,681,518	6,332,781	104,014,299	15,049,921
Operating expenses:				
Salaries and wages	9,923,041	2,741,805	12,664,846	-
Payroll taxes	134,099	41,246	175,345	-
Retirement	1,551,396	534,356	2,085,752	-
Group insurance	1,903,009	531,097	2,434,106	-
General insurance	-	-	-	1,587,322
Claims	1,169,000	349,000	1,518,000	14,962,903
Telephone and utilities	2,227,557	720,194	2,947,751	-
Professional services	2,179,016	1,049,432	3,228,448	1,450,387
Equipment and tools	919,644	314,851	1,234,495	-
Depreciation	11,871,982	1,588,917	13,460,899	-
Gas and oil	386,365	371,506	757,871	-
Repairs and maintenance	7,123,717	1,100,320	8,224,037	-
Supplies	2,819,122	464,016	3,283,138	2,726
Miscellaneous	-	173,226	173,226	-
Disposal costs	-	1,816,165	1,816,165	-
Electricity and Natural Gas Purchases	49,423,378	-	49,423,378	-
Utility Rebates	99,985	-	99,985	-
Total operating expenses	91,731,311	11,796,131	103,527,442	18,003,338
Operating income (loss)	5,950,207	(5,463,350)	486,857	(2,953,417)
Nonoperating revenues (expenses):				
Property taxes	-	1,292,437	1,292,437	-
Interest income	120,561	24,896	145,457	41,965
Grants and contributions	-	2,131,525	2,131,525	-
Insurance proceeds	49,310	-	49,310	-
Provision for net pension laibility, net	2,496,025	879,427	3,375,452	-
Interest expense and other fiscal charges	(5,104,163)	-	(5,104,163)	-
Gain/(loss) on sale of assets	20,622	15,986	36,608	-
Total nonoperating revenues (expenses)	(2,417,645)	4,344,271	1,926,626	41,965
Income (loss) before capital contributions and transfers	3,532,562	(1,119,079)	2,413,483	(2,911,452)
Capital contributions	-	1,064,434	1,064,434	-
Transfers in	132,000	3,669,524	3,801,524	1,646,000
Transfers out	(9,992,000)	(1,723,000)	(11,715,000)	-
Change in net position	(6,327,438)	1,891,879	(4,435,559)	(1,265,452)
Net position, beginning	112,230,635	23,058,307	135,288,942	(10,715,291)
Net position, ending	$ 105,903,197	$ 24,950,186	$ 130,853,383	$ (11,980,743)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Cash Flows
Proprietary Funds
For the Year Ended April 30, 2022

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Funds	Total Enterprise Fund	Internal Service Fund
Cash flows from operating activities:				
Receipts from customers	$ 98,253,863	$ 6,903,207	$ 105,157,070	$ -
Receipts from insured	-	-	-	2,863,355
Receipts from interfund services provided	-	-	-	11,089,417
Payments to suppliers	(66,547,615)	(6,379,214)	(72,926,829)	(3,098,618)
Payments for claims and loss time	-	-	-	(15,210,008)
Payments to employees	(13,557,780)	(3,822,227)	(17,380,007)	-
Other receipts	169,622	47,660	217,282	1,097,149
Net cash provided (used) by operating activities	18,318,090	(3,250,574)	15,067,516	(3,258,705)
Cash flows from noncapital financing activities:				
Proceeds from taxes levied	-	1,292,437	1,292,437	-
Grants and contributions	5,645,001	2,317,255	7,962,256	-
Cash received (paid) from/to other funds	3,341,075	1,584,265	4,925,340	-
Transfers from other funds	132,000	3,669,524	3,801,524	1,646,000
Transfers to other funds	(9,992,000)	(1,723,000)	(11,715,000)	-
Net cash provided (used) by noncapital financing activities	(873,924)	7,140,481	6,266,557	1,646,000
Cash flows from capital and related financing activities:				
Principal paid on long term debt	(4,925,000)	-	(4,925,000)	-
Interest and fiscal charges paid on long term debt	(4,426,547)	-	(4,426,547)	-
Grants and other contributions	-	1,064,434	1,064,434	-
Proceeds from insurance	49,310	-	49,310	-
Proceeds from sale of assets	39,906	98,414	138,320	-
Acquisition of property, plant and equipment	(4,555,808)	(914,275)	(5,470,083)	-
Net provided (used) by capital and related financing activities	(13,818,139)	248,573	(13,569,566)	-
Cash flows from investing activities:				
Purchase of interest-bearing deposits with maturity in excess of ninety days	(2,500,000)	-	(2,500,000)	-
Proceeds of interest-bearing deposits with maturity in excess of ninety days	2,500,000	-	2,500,000	35,677
Interest on deposits	120,561	24,896	145,457	41,965
Net cash provided by investing activities	120,561	24,896	145,457	77,642
Net increase (decrease) in cash and cash equivalents	3,746,588	4,163,376	7,909,964	(1,535,063)
Cash and cash equivalents, beginning of year	62,976,337	8,689,445	71,665,782	16,441,823
Cash and cash equivalents, end of year	$ 66,722,925	$ 12,852,821	$ 79,575,746	$ 14,906,760

(continued)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended April 30, 2022

	Business-Type Activities			Governmental Activities
	Utility Systems Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 5,950,207	$ (5,463,350)	$ 486,857	$ (2,953,417)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:				
Depreciation	11,871,982	1,588,917	13,460,899	-
Provision for OPEB related activity, net	-	-	-	(395,466)
(Increase) decrease current assets:				
Accounts receivable	630,561	618,086	1,248,647	-
Inventories	(932,031)	-	(932,031)	-
Prepaid expenses	-	-	-	(25,000)
Increase (decrease) current liabilities:				
Accounts payable	732,200	(20,504)	711,696	(58,183)
Salaries payable	34,782	22,529	57,311	-
Compensated absences	(81,017)	3,748	(77,269)	-
Customer guaranteed deposits	111,406	-	111,406	-
Claims payable	-	-	-	173,361
Net cash provided (used) by operating activities	$ 18,318,090	$ (3,250,574)	$ 15,067,516	$ (3,258,705)
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:				
Cash and cash equivalents, beginning of period -				
Cash and interest-bearing deposits - unrestricted	$ 24,806,675	$ 8,689,445	$ 33,496,120	$ 16,441,823
Cash and interest-bearing deposits - restricted	38,169,662	-	38,169,662	-
Total cash and cash equivalents	62,976,337	8,689,445	71,665,782	16,441,823
Cash and cash equivalents, end of period -				
Cash and interest-bearing deposits - unrestricted	28,108,724	12,852,821	40,961,545	14,906,760
Cash and interest-bearing deposits - restricted	38,614,201	-	38,614,201	-
Total cash and cash equivalents	66,722,925	12,852,821	79,575,746	14,906,760
Net increase (decrease)	$ 3,746,588	$ 4,163,376	$ 7,909,964	$ (1,535,063)

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Fiduciary Net Position
Fiduciary Funds
For the Year Ended April 30, 2022

	Pension Trust Funds		
	City of Alexandria Employees' Retirement System (12/31/2021)	City of Alexandria Firemen's Pension and Relief Fund (4/30/2022)	Totals
ASSETS			
Cash and interest-bearing deposits	$ 4,876,178	$ 52,197	$ 4,928,375
Accrued interest and dividends receivable	692,891	-	692,891
Investments, at fair value			
Corporate bonds	76,133,385	-	76,133,385
Corporate stocks	148,059,235	-	148,059,235
Total investments	224,192,620	-	224,192,620
Capital assets			
Furnitures, fixtures and equipment, net	617	-	617
Total assets	229,762,306	52,197	229,814,503
LIABILITIES			
Liabilities:			
Payroll taxes withheld	780	-	780
NET POSITION			
Restricted	$ 229,761,526	$ 52,197	$ 229,813,723

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

CITY OF ALEXANDRIA, LOUISIANA

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended April 30, 2022

	Pension Trust Funds		
	City of Alexandria Employees' Retirement System (12/31/2021)	City of Alexandria Firemen's Pension and Relief Fund (4/30/2022)	Totals
Additions:			
Contributions			
Employer	$ 4,001,269	$ -	$ 4,001,269
Plan Members	1,836,726	-	1,836,726
Purchased service, transfer, etc.	113,153	-	113,153
Total contributions	5,951,148	-	5,951,148
Investment earnings:			
Net appreciation (depreciation) in fair value of investments	24,214,856	-	24,214,856
Interest	2,484,148	160	2,484,308
Dividends	2,842,092	-	2,842,092
Total investment earnings	29,541,096	160	29,541,256
Total additions	35,492,244	160	35,492,404
Deductions:			
Benefit payments, excluding DROP benefits	10,872,779	18,392	10,891,171
DROP benefits	1,846,466	-	1,846,466
Employee refunds	869,893	-	869,893
Transfers to other systems	571,009	-	571,009
Administrative expenses	179,591	-	179,591
Total deductions	14,339,738	18,392	14,358,130
Net Increase (Decrease)	21,152,506	(18,232)	21,134,274
Net Position Restricted for Pensions, beginning of year	208,609,020	70,429	208,679,449
Net Position Restricted for Pensions, end of year	$ 229,761,526	$ 52,197	$ 229,813,723

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

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

The City of Alexandria, Louisiana (City) is governed under the provisions of the Home Rule Charter adopted June 7, 1977. The City operates under a Mayor-City Council form of government. The City Council is comprised of seven members (two members are elected at large, and one member is elected from each of the five districts of the City for terms of four years). The City provides the following services to the residents of the City as authorized by its charter: police and fire protection, street and drainage systems, utility services including electricity, gas, water, wastewater, and waste disposal, parks and recreation, planning and zoning, and economic development programs.

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

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

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

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

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

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

Fund Financial Statements

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

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

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

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

The major funds of the City are described below:

Governmental Funds –

General Fund

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

General Capital Projects Fund

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

Enterprise Fund –

Utility Systems Fund

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

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

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the City. The City maintains the City of Alexandria Employees' Retirement System Fund and the City of Alexandria Firemen's Pension and Relief Fund to account for the City's employee pension funds. Trust funds are used to account for assets held by the government in a trustee capacity. The financial statements are prepared using the economic resources measurement focus and full accrual basis of accounting.

C. <u>Measurement Focus/Basis of Accounting</u>

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

Measurement Focus

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

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

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

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

Basis of Accounting

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

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

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

Program revenues

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

Allocation of indirect expenses

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

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

Cash and interest-bearing deposits

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

Investments

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

Interfund receivables and payables

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

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem, net of an allowance for doubtful accounts and sales and use taxes. Major receivables of the Business-type activities include customer's utility service receivables as well as estimated unbilled services at April 30, 2022. In addition, the City records other receivables for loans and intergovernmental grants. Receivables are shown net of an allowance for doubtful accounts and are based on management estimate of their collectability.

Inventories

Inventories are valued at the lower of cost (first-in, first-out) or market, with the exception of central warehouse inventory and fuel, which are valued at average cost. Inventories are accounted for in the funds using the consumption method, whereby expenditures are recognized as inventory is used.

Prepaid Expenses

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

Capital Assets

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

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

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

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

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

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

Restricted Assets

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

Unearned Revenues

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

Long-term debt

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

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

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

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

Compensated Absences

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources

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

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

Equity Classifications

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

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

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

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

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

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

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

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

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

Unassigned – all other spendable amounts.

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

Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

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

Interfund Transfers

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

E. Revenue Restrictions

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

F. Use of Estimates

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

G. Pensions

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

H. Postemployment Benefits Other than Pensions (OPEB)

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

(2) Ad Valorem Taxes

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

For the year ended April 30, 2022, taxes of 24.54 mills were levied on property with assessed valuations of $423,742,758 and were dedicated as follows:

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

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

Proceeds of the 1976 one percent (1%) City Sales and Use Tax are dedicated with one-half to be used for maintenance and operating expenses of the City. The other one-half is used in the following order of priority: On or before the 20th day of each month, they should transfer to a Sales Tax Bond Sinking Account in the Debt Service Fund, an amount equal to 1/6th of the interest falling due on the next interest payment date and 1/12th of the principal falling due on the next principal payment date of all sales tax bond issues outstanding. Any funds remaining after the above transfers will be considered surplus and may be used for constructing, acquiring, extending, and/or improving capital improvements for the City (including, but not limited to, major thoroughfares and arterial streets with related improvements, major drainage systems, a civic convention center complex, parks, and parking facilities).

Proceeds of the 2005 one-half percent (.50%) City Sales and Use Tax are dedicated to paying salaries and related benefits for police, fire, and other City employees funded through the City's General Fund.

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

(4) Cash and Interest-Bearing Deposits

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or the City will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. The City does not have a policy for custodial credit risks; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. The City does not have a policy for custodial credit risk. Deposit balances (bank balances) at April 30, 2022, are secured as follows:

Bank balances	$ 134,411,815
Federal deposit insurance	$ 500,000
Uninsured and collateral held by pledging bank not in the City's name	133,911,815
Total	$ 134,411,815

(5) Investments

The City of Alexandria Employees' Retirement System (COAERS) carrying amounts and approximate market values of investments are reported as of December 31, 2021 and summarized below:

		Investment Maturities (In Years)			
Investment Type	Fair Value	Less than 1	1 -- 5	6 -- 10	More than 10
Corporate bonds	$ 75,664,892	$ -	$ 430,819	$ 3,694,768	$ 71,539,305
GNMA notes	468,493	-	-	-	468,493
Total interest-bearing	76,133,385	$ -	$ 430,819	$ 3,694,768	$ 72,007,798
Common stocks	145,199,145				
Preferred stocks	2,860,090				
	$ 224,192,620				

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

Investment-Type	Interest Rates
Corporate bonds	1.90 - 8.75%
GNMA notes	2.00%

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

Credit Risk: The System may invest in United States bonds, treasury notes, or time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, investments as stipulated in state law, or any other federally insured investment. In addition, the System may invest in corporate stocks and bonds. The System's investment policies limit its corporate debt investments to bonds rated at least BBB by Standards and Poor's or Baa by Moody's Investor Services. Moody's Investor Services credit ratings of the System's corporate bonds are summarized below. Due to the extraordinary market conditions experienced during the past several years, management determined that it would be detrimental to the System to sell the bonds whose credit ratings dropped below Baa.

Moody's Investor Service Credit Ratings	Fair Value
A or better	$ 59,363,522
Baa	16,769,863
	$ 76,133,385

The System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The System has recurring fair value measurements of $224,192,620, as of December 31, 2021, which are categorized as level 1 inputs.

(6) Receivables

Receivables at April 30, 2022 consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Receivables			
Taxes - sales	$ 8,247,394	$ -	$ 8,247,394
Taxes - ad valorem	599,782	-	599,782
Taxes - hotel motel	40,625	-	40,625
Accounts:			
Uncollected cycle billings	-	8,996,164	8,996,164
Estimated unbilled services	-	7,335,843	7,335,843
Interest	615	338	953
Other	2,927,259	190,204	3,117,463
Gross receivables	11,815,675	16,522,549	28,338,224
Allowance for uncollectibles	620,689	2,314,804	2,935,493
Net receivables	$ 11,194,986	$ 14,207,745	$ 25,402,731

Receivables of $599,782 related to ad valorem taxes consists of taxes uncollected for current and previous years, including accumulated costs for penalties, interest, grass cuttings, etc. Management has determined that these amounts will be uncollectible and has established an allowance for doubtful accounts of $599,782. An additional allowance of $20,907 is related to other receivables.

An allowance of doubtful accounts of $2,314,804 has been established for the receivables related to Utility services incurred by customers of the City. This amount represents managements estimate of the amount uncollectible at year end April 30, 2022.

(7) Accounts Payable

Accounts payable at April 30, 2022 consist of the following:

	Governmental Activities	Business-Type Activities	Internal Service Funds	Totals
Accounts payable	$ 1,986,702	$ 4,449,354	$ 7,800	$ 6,443,856
Retainage payable	349,449	86,095	-	435,544
Other liabilities	2,934	-	-	2,934
Total	$ 2,339,085	$ 4,535,449	$ 7,800	$ 6,882,334

(8) Due from Other Governmental Agencies

Due from other governmental agencies are as follows:

	Governmental Activities	Business-Type Activities	Totals
Federal grants	$ 1,604,487	$ 547,732	$2,152,219
State grants	12,000	15,397	27,397
Total	$ 1,616,487	$ 563,129	$2,179,616

(9) Restricted Assets

Business-type activities:	
Revenue bonds current debt service	$ 6,522,937
Customer's deposits	5,853,643
MISO deposits	500,975
Cash in Escrow - 2014 Utility Revenue Bonds	24,125,000
Revenue bonds future debt service	611,646
Revenue bonds capital additions and contingencies	1,000,000
Total business-type activities	$ 38,614,201

(10) Capital Assets

Capital asset activity was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 14,586,292	$ -	$ -	$ 14,586,292
Construction and infrastructure progress	17,024,731	8,938,723	-	25,963,454
Total capital assets not being depreciated	31,611,023	8,938,723	-	40,549,746
Capital assets being depreciated:				
Buildings and improvements	110,026,211	-	2,890	110,023,321
Furniture and fixtures	931,316	-	-	931,316
Equipment	16,933,588	489,620	243,668	17,179,540
Vehicles	18,549,353	606,902	462,423	18,693,832
Infrastructure	151,253,355	-	-	151,253,355
Total capital assets being depreciated	297,693,823	1,096,522	708,981	298,081,364
Less accumulated depreciation				
Buildings and improvements	57,339,220	2,753,428	2,890	60,089,758
Furniture and fixtures	850,346	30,781	-	881,127
Equipment	15,044,991	1,138,833	243,668	15,940,156
Vehicles	12,462,828	1,112,693	462,423	13,113,098
Infrastructure	70,627,201	3,825,976	-	74,453,177
Total accumulated depreciation	156,324,586	8,861,711	708,981	164,477,316
Total capital assets being depreciated, net	141,369,237	(7,765,189)	-	133,604,048
Governmental activities, capital assets, net	$ 172,980,260	$ 1,173,534	$ -	$ 174,153,794

Depreciation expense was charged to governmental activities as follows:

General government	$ 1,886,622
Public safety	1,298,266
Public works	5,533,140
Economic development	143,683
Total depreciation expense	$ 8,861,711

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

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 3,489,049	$ -	$ -	$ 3,489,049
Construction and infrastructure progress	11,717,852	847,555	12,410	12,552,997
Total capital assets not being depreciated	15,206,901	847,555	12,410	16,042,046
Capital assets being depreciated:				
Plant and infrastructure	404,195,686	3,387,568	438,513	407,144,741
Buildings and improvements	11,436,966	-	-	11,436,966
Vehicles and buses	17,437,968	1,200,053	2,223,543	16,414,478
Furniture, fixtures and equipment	1,444,281	34,907	43,664	1,435,524
Total capital assets being depreciated	434,514,901	4,622,528	2,705,720	436,431,709
Less accumulated depreciation				
Plant and infrastructure	200,044,851	11,383,033	431,645	210,996,239
Buildings and improvements	7,133,852	569,986	-	7,703,838
Vehicles and buses	12,845,655	1,331,037	2,141,115	12,035,577
Furniture, fixtures and equipment	932,394	176,843	43,664	1,065,573
Total accumulated depreciation	220,956,752	13,460,899	2,616,424	231,801,227
Total capital assets being depreciated, net	213,558,149	(8,838,371)	89,296	204,630,482
Business-type activities, capital assets, net	$ 228,765,050	$ (7,990,816)	$ 101,706	$ 220,672,528

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

Electricity	$ 6,907,613
Natural gas	1,416,963
Water	1,801,058
Wastewater	1,746,348
Municipal bus line	351,370
Sanitation	341,907
Municipal zoo	650,860
Municipal golf course	244,780
Total depreciation expense	$ 13,460,899

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

	Project Authorization	Expended to Date	Commitment
Electric	$ 17,986,248	$ 9,199,748	$ 1,058,431
Water	13,321,853	1,522,726	3,848,704
Gas	8,772,096	2,919,962	1,065,494
Wastewater	7,599,876	208,857	887,125
General and administrative	880,400	112,994	39,392
Totals	$ 48,560,473	$ 13,964,287	$ 6,899,146

(11) Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Sales tax revenue bonds	$ 15,605,000	$ -	$ 2,220,000	$ 13,385,000	$ 2,330,000
Limited tax revenue bonds	1,265,000	-	1,265,000	-	-
Compensated absences, net	3,476,558	-	2,814	3,473,744	521,062
Claims payable	8,274,797	13,898,358	13,724,997	8,448,158	4,163,202
Total governmental activities long term liabiltities	$ 28,621,355	$ 13,898,358	$ 17,212,811	$ 25,306,902	$ 7,014,264

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

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

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

On Octobers, 2012, the City issued $9,750,000 in Taxable Limited Tax Bonds, Series 2012, with an average interest rate of 0.91 % to advance refund $8,945,000 of outstanding Certificates of Indebtedness, Series 1998C, with an average Interest rate of 6.40%. Interest on the bonds is paid semi-annually in June and December with principal payments occurring in June each fiscal year end. These bonds are secured by and payable from an irrevocable pledge and dedication of the funds to be derived from the levy and collection of ad valorem taxes. No default provision is provided for in the bond agreement.

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

Governmental Activities	Issue Date	Maturity Dates	Interest Rates	Balance Outstanding
Sales tax revenue bonds				
Series 2014- Refunding	5/28/2014	8/1/2023	2.00 - 4.50%	$ 1,825,000
Series 2015- Refunding	11/24/2015	8/1/2028	2.00 - 5.00%	11,560,000
Total governmental activities bonds outstanding				$ 13,385,000

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

Year Ending April 30,	Principal Payments	Interest Payments	Total
2023	$ 2,330,000	$ 502,001	$ 2,832,001
2024	2,445,000	403,238	2,848,238
2025	1,565,000	317,975	1,882,975
2026	1,645,000	237,725	1,882,725
2027	1,730,000	153,350	1,883,350
2028-2029	3,670,000	110,850	3,780,850
Totals	$ 13,385,000	$ 1,725,139	$ 15,110,139

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Utility revenue bonds	$ 174,535,000	$ -	$ 4,195,000	$ 170,340,000	$ 4,565,000
State revolving loans	8,625,448	-	730,000	7,895,448	849,000
Compensated absences, net	1,676,054	-	77,269	1,598,785	239,818
Total long-term liabilitites	184,836,502	-	5,002,269	179,834,233	5,653,818
Customer deposits, net	5,742,237	111,406	-	5,853,643	-
Unamortized bond refunding charges	(16,096,214)	-	745,241	(15,350,973)	-
Total business-type activities	$ 174,482,525	$ 111,406	$ 5,747,510	$ 170,336,903	$ 5,653,818

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

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

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

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

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

Business-type activities long-term liabilities are comprised of the following:

Business-Type activities	Issue Date	Maturity Dates	Interest Rates	Balance Outstanding
Utilities System revenue bonds series				
2013A refunding 2004A	10/1/2013	10/1/2024	4.00-5.00%	$ 2,835,000
2013B refunding 2004B	10/1/2013	10/1/2024	2.33-4.53%	4,145,000
2014 capital improvements	2/25/2014	5/1/2024	2.00-5.00%	25,820,000
2020 taxable utilities refunding	6/23/2020	5/1/2043	0.90-3.09%	137,540,000
State Revolving loan funds series				
2010 capital improvements	1/22/2010	5/1/2030	3.45%	1,575,000
2011 capital improvements	5/1/2011	5/1/2030	3.45%	3,954,845
2012 capital improvements	5/1/2012	5/1/2032	0.95%	2,365,603
Total debt outstanding				178,235,448
Unamortized bond refunding charges				(15,350,973)
Total business-type activities bonds outstanding				$ 162,884,475

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

Year Ending April 30,	Principal Payments	Interest Payments	Total
2023	$ 4,565,000	$ 3,896,805	$ 8,461,805
2024	4,730,000	3,742,377	8,472,377
2025	29,015,000	3,566,054	32,581,054
2026	5,030,000	3,425,769	8,455,769
2027	5,120,000	3,341,886	8,461,886
2028-2032	27,490,000	15,065,894	42,555,894
2033-2037	34,960,000	11,369,857	46,329,857
2038-2042	41,115,000	6,011,036	47,126,036
2043-2044	18,315,000	569,938	18,884,938
Totals	$ 170,340,000	$ 50,989,616	$ 221,329,616

State Revolving Loans

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

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

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

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

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

	Direct Borrowings		
Year Ending April 30,	Principal Payments	Interest Payments	Total
2023	$ 849,000	$ 168,642	$ 1,017,642
2024	846,000	149,296	995,296
2025	864,000	130,090	994,090
2026	881,000	110,402	991,402
2027	899,000	90,288	989,288
2028-2032	3,556,448	148,570	3,705,018
	$ 7,895,448	$ 797,288	$ 8,692,736

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

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

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

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

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

- The maintenance of the Sinking Funds established pursuant to the bond resolutions sufficient in amount to pay promptly and fully the principal of and the interest on the Bonds and any additional pari passu bonds issued hereafter in the manner provided by the bond ordinance, as they become due and payable, by transferring from the Utilities System Fund to the Sinking Funds established pursuant to the bond resolutions, monthly in advance on or before the 20th day of each month of each year, a sum equal to 1/6th of the interest falling due on the next interest payment date, and a sum equal to 1/12th of principal falling due on the next principal payment date, together with such additional proportionate sum as may be required to pay said principal and interest as the same respectively becomes due. The depository for the Sinking Funds shall transfer from said Sinking Funds to the paying agent bank or banks for all bonds payable from said Fund at least one day in advance of the date on which each payment of principal or interest falls due, funds fully sufficient to pay promptly the principal and interest so falling due on such date.

- The maintenance of the Reserve Funds established pursuant to the bond resolutions by transferring from the proceeds of the bonds a sum equal to the lesser of (i) ten percent (10%) of the proceeds of the bonds or (ii) an amount which, together with monies on deposit in the Reserve Funds, will equal the highest combined principal and interest requirements for any succeeding fiscal year (ending 4/30) on the bonds (the "Reserve Funds Requirement"), (iii) or one hundred twenty-five percent (125%) of the aggregate amount of principal installments and interest becoming due in any fiscal year on the bonds (ending 4/30). If such monies do not cause the balance in the Reserve Funds to equal the Reserve Funds Requirement, by transferring from said Utilities System Fund to the Reserve Funds established pursuant to the bond resolutions, monthly in advance on or before the 20th day of each month of each year, a sum at least equal to twenty percent (20%) of the amount required to be paid into the aforesaid Sinking Fund, the payments into said Reserve Funds to continue until such time as there has been accumulated therein a sum equal to the Reserve Funds Requirement. The money in the Reserve Funds shall be retained solely for the purpose of paying the principal and interest on Bonds payable from the aforesaid Sinking Fund as to which there would otherwise be default. In the event that additional pari passu bonds are issued hereafter in the manner provided by the bond ordinance, the payments into said Reserve Fund shall continue, or if the said payments have ceased because of the accumulation of the maximum amount provided above, then such payments shall be resumed, until such time as there has been accumulated in said Reserve Funds an amount of money equal to the highest combined principal and interest requirements in any succeeding fiscal year on all outstanding bonds, including such additional pari passu bonds.

- The maintenance of the Capital Additions and Contingencies Fund established pursuant to the bond resolutions to care for extensions, additions, improvements, renewals, and replacements necessary to properly operate the Utilities System by transferring from said Utilities System Fund to the Capital Additions and Contingencies Fund established by the bond resolutions, monthly on or before the 20th day of each month of each year, a sum equal to nine percent (9%) of the gross revenues of the Utilities System for the preceding month, provided that such sum is available after provision is made for the payments required under the paragraphs above. Such payments into the Capital Additions and Contingencies Fund shall continue until such time as there has been accumulated in said Fund the sum of one million dollars ($1,000,000), whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of one million dollars ($1,000,000), in which event such payments shall be resumed and continue until said maximum of one million dollars ($1,000,000) is again accumulated. In addition to caring for extensions, additions, improvements, renewals, and replacements necessary to properly operate the Utilities System, the money in the Capital Additions and Contingencies Fund shall also be used to pay the principal of and the interest on the bonds, including any additional pari passu bonds issued hereafter in the manner provided by the bond ordinance, for the payment of which there is not sufficient money in the Sinking Fund and Reserve Fund described above, but the money in said Capital Additions and Contingencies Fund shall never be used for the making of improvements and extensions to the Utilities System or for payment of principal or interest on bonds, if the use of said money will leave in said Capital Additions and Contingencies Fund for the making of emergency repairs or replacements less than the sum of twenty-five thousand dollars ($25,000).

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

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

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

(13) Utilities System Fund Power Purchase Contract Commitment

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

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

(14) Employee Retirement

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

A. Municipal Police Employees' Retirement System of Louisiana

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

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

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

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

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

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

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

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

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

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

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

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

If the member elects a money market investment return, the funds are transferred to a government money market account.

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

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

For the year ended April 30, 2022, total contributions due for employers and employees were 43.75%. The employer and employee contribution rates for all members hired prior to January 1, 2013 and Hazardous Duty members hired after January 1, 2013 were 33.75% and 10%, respectively. The employer and employee contribution rates for all Non-Hazardous Duty members hired after January 1, 2013 was 33.75% and 8%, respectively. The employer and employee contribution rates for all members whose earnable compensation is less than or equal to the poverty guidelines issued by the United States Department of Health and Human Services were 36.25% and 7.50%, respectively.

Non-employer contributions: The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions of $499,335 is recognized as revenue during the year ended April 30, 2022 and excluded from pension expense.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At April 30, 2022, the City reported a liability of $11,910,723 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the City's proportion was 2.234428%, which was an increase of .279970% from its proportion measured as of June 30, 2020.

For the year ended April 30, 2022, the City recognized a pension benefit of $324,062. At April 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to the System from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 366,814
Change of assumptions	1,319,049	339,763
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	277,086	2,125,500
Net differences between projected and actual earnings on plan investments	-	5,561,369
Contributions subsequent to the measurement date	1,777,855	-
Total	$ 3,373,990	$ 8,393,446

Deferred outflows of resources of $1,777,855 related to the System resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (benefit) as follows:

Year Ended April 30	
2023	$ (1,699,049)
2024	(1,525,399)
2025	(1,656,840)
2026	(1,916,023)
	$ (6,797,311)

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

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

A summary of the actuarial methods and assumptions used in determining MPERS total pension liability as of June 30, 2021 are as follows:

Valuation Date	June 30, 2021
`	
Actuarial Cost Method	Entry Age Normal Cost
Investment Rate of Return	6.750%, net of investment income
Projected Salary Increases	Vary from 12.30% in the first 2 years of Service, and 4.70%
Inflation Rate	2.50%
Expected Remaining Service Lives	4 years
Mortality	For annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 sale was used. For disabled lives, the Pub-2010 Public Retirement Plan Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used. For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used.

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

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

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

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Rate of Return
Equity	55%	3.47%
Fixed income	30%	59.00%
Alternative	15%	1.01%
Totals	100%	63.48%
Inflation		2.22%
Expected Artithmetic Nominal Return		65.70%

Discount Rate: The discount rate used to measure net pension liability was 6.75%, which is a decrease of .20% from the previous year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability	$ 20,758,508	$ 11,910,723	$ 4,525,808

B. Firefighters Retirement System of Louisiana

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

Firefighters' Retirement System issues a stand-alone report on its financial statements. Access to the audit report can be found on the System's website www.lafirefightersret.com or on the Office of Louisiana Legislative Auditor's official website www.lla.state.la.us.

Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a brief description of the plan and its benefits and is provided for general informational purposes only. Participants should refer to the appropriate statutes for more complete information.

Any person who becomes an employee as defined in RS 11:2252 on and after January 1, 1980 shall become a member as a condition of employment.

No person who has attained age fifty or over shall become a member of the System, unless the person becomes a member by reasons of a merger or unless the System received an application for membership before the applicant attained the age of fifty. No person who has not attained the age of eighteen years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits there from may become a member of System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

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

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions.

Benefits are payable over the employees' lives in the form of a monthly annuity. An employee may elect an unreduced benefit or any of seven options at retirement.

See R.S. 11:2256(A) for additional details on retirement benefits.

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

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

Deferred Retirement Option Plan Benefits: After completing 20 years of creditable service and attaining the age of 50 years, or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months.

Upon commencement of participation in the deferred retirement option plan, employer and employee contributions to the System cease. The monthly retirement benefit that would have been payable is paid into the member's deferred retirement option plan account. Upon termination of employment, a participant in the program has several options to receive their DROP benefit. A member may (1) elect to roll over all or a portion of their DROP balance into another eligible qualified plan, (2) receive a lump-sum payment from the account, (3) receive single withdrawals at the discretion of the member, (4) receive monthly or annual withdrawals, or (5) receive an annuity based on the DROP account balance. These withdrawals are in addition to his regular monthly benefit.

If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No withdrawals may be made from the deferred retirement option plan account until the participant retires.

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

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

Employer and Employee Contributions: According to State statute, employer contributions are actuarially determined each year. For the year ended June 30, 2021, employer and employee contribution rates for members above the poverty line were 32.25% and 10.00%, respectively. The employer and employee contribution rates for those members below the poverty line were 34.25% and 8.00%, respectively.

Non-employer Contributions: The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions of $593,419 is recognized as revenue during the year ended April 30, 2022 and excluded from pension expense.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: At April 30, 2022, the City reported a liability of $7,361,403 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the City's proportionate share was 2.0772328%, which was a decrease of .179446% from its proportionate share measured as of June 30, 2020.

For the year ended April 30, 2022, the City recognized pension expense of $302,707.

At April 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 105,053	$ 661,070
Change of assumptions	1,595,163	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	134,822	1,841,934
Net differences between projected and actual earnings on plan investments	-	4,467,330
Contributions subsequent to the measurement date	1,535,718	-
Total	$ 3,370,756	$ 6,970,334

Deferred outflows of resources of $1,535,718 related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended April 30	
2023	$ (1,108,565)
2024	(1,079,663)
2025	(1,224,725)
2026	(1,528,761)
2027	(146,505)
2028	(47,077)
	$ (5,135,296)

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

The actuarial assumptions used in the June 30, 2021 valuation were based on the assumptions used in the June 30, 2021 actuarial funding valuation and were based on results of an actuarial experience study for the period July 1, 2014 through June 30, 2019. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience.

A summary of the actuarial methods and assumptions used in determining the total pension liability of the System as of June 30, 2021 are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost
Investment Rate of Return	6.90% per annum
Salary Increases	Vary from 14.10% in the first two years of service to 5.20% with 3 or more years.
Inflation Rate	2.50% per annum
Expected Remaining Service Lives	7 years
Cost of Living Adjustments	Only those previously granted

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

The estimated long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation, 2.50%. The resulting long-term expected arithmetic nominal rate of return was 7.94% as of June 30, 2021. Best estimates of real rates of return for each major asset class included in FRS' target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Long-Term Target Asset Allocation	Long-term Expected Real Rate of Return
Fixed income		
U.S Core Fixed Income	18%	0.97%
Emerging Market Debt	5%	2.75%
U.S. Tips	3%	0.40%
Equity		
U.S. Equity	27%	5.86%
Non-U.S. Equity	12%	6.44%
Global	10%	6.40%
Emerging Market Debt	7%	8.64%
Alternatives		
Real Estate	6%	5.31%
Private Equity	9%	9.53%
Real Assets	3%	***
Totals	100%	

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

The discount rate used to measure the total pension liability was 6.90%, which is a decrease of .10% from prior year. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease 5.90%	Current Discount Rate 6.90%	1% Increase 7.90%
Net Pension Liability	$ 14,122,309	$ 7,361,403	$ 1,722,880

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

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

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

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

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

At December 31, 2021, pension plan membership consisted of:

Inactive plan members and beneficiaries currently receiving benefits	393
Inactive plan members entitled to but not yet receiving benefits	186
Active plan members	479
Total	1,058

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

Retirement Benefits - Members with ten years of creditable service may retire at age sixty-two; members with at least twenty years of creditable service may retire at age sixty; members with twenty-five years of service may retire at age fifty-five; members with thirty years of service may retire regardless of age. The retirement allowance is equal to three percent of the member's average compensation multiplied by number of years of creditable service, not to exceed one hundred percent of average compensation. Average compensation is defined as the highest three-year average annual compensation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Investments are reported at fair value. Corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Securities traded on the national securities exchange are valued at the last reported sales price on the last business day of the plan year. Investments traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the average of the last reported bid and asked prices.

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

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

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

Actuarial Assumptions: The Total Pension Liability as stated in this report is based on the Individual Entry Age Normal actuarial cost method as described in Statement 67 of the Government Accounting Standards Board (GASB 67). Calculations were made as of December 31, 2021 and were based on December 31, 2021 data. The current year actuarial assumptions utilized for this report are based on the assumptions used in the December 31, 2020 actuarial funding valuation, which were based on results of an actuarial experience study for the period January 1, 2015 – December 31, 2019, unless otherwise specified in this report.

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

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

Expected Remaining Service Lives – The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on the net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period. The Expected Remaining Service Lives (ERSL) for the plan year ending December 31, 2021 was 4 years.

Discount rate: The discount rate used to measure the total pension liability was 5.80%, which was a decrease of 0.45% from the prior year. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from the participating employers and non-employer contributing entities will be made at actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees. Based on these assumptions and the other assumptions and methods as specified in this report, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

At April 30, 2022, the City reported an asset of $17,896,427 for the Net Pension Liability (NPL) as follows:

Governmental Activities	$ 7,158,570
Business-type Activities	
Utilities System Enterprise Fund	8,232,356
Other Enterprise Funds	2,505,501
Total Enterprise Funds	10,737,857
Total net pension asset	$ 17,896,427

The NPL was measured as of December 31, 2021, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date.

Total pension liability	$ 211,865,099
Plan fiduciary net position	229,761,526
Net pension liability (asset)	$ (17,896,427)

Plan fiduciary net position as a percentage of total pension liability	108.45%

For the year ended April 30, 2022, the City recognized a pension benefit of $6,281,598 as follows:

Governmental Activities	$ (2,616,767)
Business-type Activities	
Utilities System Enterprise Fund	(2,785,406)
Other Enterprise Funds	(879,425)
Total Enterprise Funds	(3,664,831)
Total pension expense (benefit)	$ (6,281,598)

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

	Governmental Activities		Business-type Activities	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	$ 5,194,213	$ 94,111	$ 7,474,600	$ 135,428
Change of assumptions	208,683	984,903	300,299	1,417,300
Net differences between projected and actual earnings on plan investments	1,664,802	15,522,037	2,395,691	22,336,591
Contributions subsequent to the measurement date	502,018	-	722,415	-
Total	$ 7,569,716	$ 16,601,051	$ 10,893,005	$ 23,889,319

The $502,018 and $722,415 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the NPL in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Year Ended April 30	
2023	$ (4,949,613)
2024	(8,780,567)
2025	(6,169,661)
2026	(3,352,241)
	$ (23,252,082)

Sensitivity to Changes in Discount Rate

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

	1% Decrease 4.80%	Current Discount Rate 5.80%	1% Increase 6.80%
Net Pension Liability (Asset)	$ 6,907,202	$ (17,896,427)	$ (38,715,496)

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

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

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

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

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

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

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

As of April 30, 2022, five (5) retirees and survivors are currently receiving benefits under the City of Alexandria Firemen's Pension and Relief Fund. No remaining employees are vested in the Fund with twenty (20) years of service and less than fifty (50) years of age; therefore, this fund is closed to any new retirees. Once the retirees and survivors who are currently receiving benefits are deceased, this fund will cease to exist. There were no significant changes to the plan benefits, provisions, assumptions or demographics, as a result and due to the immateriality, an actuarial valuation was not planned as of April 30, 2022.

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

Contributions - There are no covered employees remaining in the Fund. The City is required to contribute an amount sufficient to meet any deficit of the Fund without regard for reserve requirements accruing or having accrued on an actuarial basis. No amounts were transferred to the plan at April 30, 2021. Benefits and contribution provisions are established by state law and may be amended only by the Louisiana Legislature.

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

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

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

At April 30, 2022, the City reported a liability of $117,483 for the Net Pension Liability (NPL). The NPL was measured as of April 30, 2018, and the total pension liability used to calculate the NPL was determined by an actuarial valuation as of that date.

Total pension liability	$ 169,680
Plan fiduciary net position	52,197
Net pension liability	$ 117,483
Plan fiduciary net position as a percentage of total pension liability	30.76%

For the year ended April 30, 2022, the City recognized a pension expense of $18,392.

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

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

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

Year Ended April 30	
2023	$ 7,932
2024	(2,394)
2025	132
	$ 5,670

Sensitivity to Changes in Discount Rate

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

	1% Decrease 2.90%	Current Discount Rate 3.90%	1% Increase 4.90%
Net Pension Liability	$ 143,838	$ 117,483	$ 99,337

(15) Defined Contribution Pension Plan

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

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the City Council. For each electing unclassified employee in the pension plan, the City is authorized to contribute to the Plan for the account of each eligible participant an amount of money equal to the "normal contribution" (as described in Louisiana Revised Statute 11:3013(B) and (C)) which the City would have been required to contribute to the statutory plan (City of Alexandria Employees Retirement System) on behalf of those employees, subject to any basic annual limitation proved by statute or regulation. The contribution rate is set at May 1st of each year at the normal contribution rate for the City of Alexandria Employees Retirement System for the prior calendar year. For the year ended April 30, 2022, the rate was set at 20.64%. Employees are permitted to make contributions to the pension plan, up to applicable Internal Revenue Code limits. The plan has two options which are administered by MassMutual and Nationwide Retirement Solutions. As of April 30, 2021, the plan assets totaled $5,627,274 with MassMutual and $7,332,261 with Nationwide. Employee contributions totaled $400,200, and the City recognized pension expense of $335,345 for the year ending April 30, 2022. All employer and employee contributions and earnings are immediately vested.

(16) Post-employment Benefits

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

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

Employees covered by benefit terms – At April 30, 2021, the following employees were covered by the benefit terms:

Inactive plan members and beneficiaries currently receiving benefits	105
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	623
Total	728

Total OPEB Liability

The City's total OPEB liability of $18,740,590 was measured as of April 30, 2022 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the April 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
	2.36% annually (Beginning of Year to Determine ADC)
	3.19%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	Flat 5.5% annually
Mortality	SOA RP-2014

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index on the applicable measurement dates. The RP-2000 combined healthy without projection. The actuarial assumptions used in the April 30, 2022 valuation were based on the results of ongoing evaluations of the assumptions from May 1, 2009 to April 30, 2022.

Changes in the Total OPEB Liability

Balance at April 30, 2021	$ 19,944,677
Changes for the year:	
Service cost	319,888
Interest	439,909
Differences between expected and actual experience	605,210
Changes in assumptions	(1,609,750)
Benefit payments and net transfers	(959,344)
Net changes	(1,204,087)
Balance at April 30, 2022	$ 18,740,590

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.19%) or 1-percentage-point higher (4.19%) than the current discount rate:

	1% Decrease 2.19%	Current Discount Rate 3.19%	1% Increase 4.19%
Total OPEB liability	$ 22,649,001	$ 18,740,590	$ 15,723,800

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

	1% Decrease 4.50%	Current Trend Rate 5.50%	1% Increase 6.50%
Total OPEB liability	$ 16,103,281	$ 18,740,590	$ 22,188,398

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

For the year ended April 30, 2021, the City recognized OPEB expense of $763,395. At April 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 925,704	$ 1,459,156
Change of assumptions	1,914,775	1,341,458
Total	$ 2,840,479	$ 2,800,614

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

Year Ended April 30	
2023	$ (195,919)
2024	(195,919)
2025	(195,919)
2026	(195,919)
2027	30,768
2028-2031	792,773
	$ 39,865

(17) Commitments and Contingencies

Litigation

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

Management has not calculated the possible rebate of arbitrage interest, as of April 30, 2022, on each of the recent tax-exempt bond issues. The contingent liability, stated simply, is the interest earned from the investment of unspent bond proceeds that is in excess of the amount of earnings that would have been obtained had the investment rate been equal to the yield on the bonds. Since the rebate calculation is a cumulative calculation performed until all proceeds have been expended, management believes that the amount of the contingent liability for arbitrage interest, if any, will be eliminated in future years. In the event that the contingent liability for arbitrage interest is not eliminated, the City will be liable for remittance of the rebate amount, as subsequently calculated, to the federal government.

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

Grant Audits

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

(18) Leases

On July 7, 2012, the City of Alexandria agreed to lease from the Community Receiving Home, Inc. 74.92 acres for the sum of $125 per acre payable on the 15th day of May annually. The rent increases by 2.75% annually for the term of the lease which commended on September 15, 2011 and will expire on September 30, 2031.

The City of Alexandria has entered into several lease agreements with multiple vendors for various equipment used in the daily operations of the City. Lease payments range from $2,211 through $10,256 and are made monthly to the applicable vendors. Most lease terms range from 48-60 months with lease terms maturing from February 2024 through April 2025.

Annual lease payments total $248,425 for the current fiscal year.

Future minimum rentals to be paid in the future under non-cancelable leases are as follows:

2023	$ 251,507
2024	249,296
2025	70,342
2026	11,955
2027	11,955
2028-2032	59,775
	$ 654,830

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

A detail of compensation, benefits, and other payments paid to Mayor Jeffrey W. Hall for the year ended April 30, 2022 are as follows:

Purpose	Jeffrey W. Hall
Salary	$ 130,504
Benefits-medicare	12,006
Benefits-health insurance	16,361
Benefits-retirement	19,170
Car allowance	7,705
	$ 185,746

(20) Compensation of City Officials

A detail of compensation paid to the Councilmen for the year ended April 30, 2022 follows:

Davidson, Catherine	$ 25,200
Fowler, Charles L Jr	25,200
Perry, Cynthia	25,200
Porter, Gerber	25,200
Rubin, Lee	25,200
Villard, James A	25,200
Washington, Reddex	25,200
	$ 176,400

(21) Risk Management

A. Risk Management Fund

The City is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City employs a Risk Management Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Risk Management Fund provides coverage up to the maximum amounts indicated in the following table. The City purchases commercial insurance for claims in excess of coverage provided by the Fund and for all other risks of loss. Settled claims did not exceed this commercial coverage for the fiscal year ended April 30, 2021. All claims are now handled by the City Attorney's office with the City primarily liable for any and all claim settlements.

	Loss Retained Each Occurrence	Limits of Insurance In Aggregate
General liability	$ 500,000	$ 4,000,000
Workers' compensation	500,000	None
Automobile liability	200,000	1,000,000

All funds of the City participate in the program and make payments to the Risk Management Fund based upon actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability of $7,920,956 as of April 30, 2022 is based on the requirements of GASB, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The City has elected to record the liability on the discounted basis. Changes in the City's claims liability amount were as follows for the fiscal years ending April 30:

	2022	2021
Unpaid claims, beginning	$7,180,628	$7,119,965
Claims incurred	5,135,112	3,886,520
Claims payments	(4,394,784)	(3,825,857)
Unpaid claims, ending	$7,920,956	$7,180,628

B. Employment Benefits Fund

The City employs an Employee Benefits Insurance Fund (an internal service fund) to account for and finance employee hospitalization/health insurance and certain employee life insurance. Under this program, the Employee Benefits Insurance Fund normally provides coverage for a maximum of $125,000 per plan year for each covered employee's (and dependent's, if applicable) qualifying health claims. Commercial insurance is purchased for health claims in excess of self-insured maximum of $125,000 for each covered employee's (and dependent's, if applicable) qualifying health claims. The Fund does not have a maximum aggregate retained loss. The Employee Benefits Insurance Fund also purchases certain employee life insurance from employee contributions.

Applicable funds of the City and covered employees participate in the program and make payments to the Employee Benefits Insurance Fund based on estimates of the amount needed to pay current year claims. The claims liability of $527,202 reported in the Fund at April 30, 2022, is based upon the requirements of GASB, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the City's claims liability amount were as follows for the fiscal years ending April 30:

	2022	2021
Unpaid claims, beginning	$ 1,094,169	$ 542,807
Claims incurred	8,763,246	9,277,307
Claims payments	(9,330,213)	(8,725,945)
Unpaid claims, ending	$ 527,202	$ 1,094,169

C. Unemployment Benefits Fund

The City employs an Unemployment Benefits Fund (an internal service fund) to pay self-insured unemployment claims under state statutes. All claims are administered by the state unemployment office. Approved claims are paid by the state, which invoices the City for reimbursement. All funds of the City participate in the program.

During the years ended April 30, 2022 and 2021, claim payments of $5,607 and $15,494 were paid by the Unemployment Benefits Fund. Management believes that sufficient investments are available in the Unemployment Benefits Fund to pay claims from investment earnings. Claims due as of April 30, 2022 and 2021, are considered immaterial and are not included in this report.

(22) Interfund Receivables/Payables and Interfund Transfers

A. A summary of interfund receivables and payables at April 30, 2022 follows:

	Interfund Receivables	Interfund Payables
General fund	$ 6,331,875	$ 315,307
General capital projects fund	100,000	-
Other governmental funds	319,954	8,066
Utilities system enterprise fund	2,883	6,514,028
Other business-type funds	85,398	2,709
Total	$ 6,840,110	$ 6,840,110

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

B. Interfund transfers consisted of the following at April 30, 2022:

	Transfers In	Transfers Out
General fund	$ 9,668,000	$ 2,794,000
General capital projects fund	100,000	521,524
Other governmental funds	-	185,000
Internal service funds	1,646,000	-
Utilities system enterprise fund	132,000	9,992,000
Other business-type funds	3,669,524	1,723,000
Total	$ 15,215,524	$ 15,215,524

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

(23) On-Behalf Payments

The City has recognized $1,274,886 as intergovernmental revenue and expenditures in the General Fund for on-behalf salary payments paid directly to certain employees meeting statutory requirements. Of the total payments, $645,936 was paid to police and $628,950 to firemen.

(24) Deficit Fund Balance

The Internal Service Funds of the City had a deficit fund balance on April 30, 2022, of $11,980,743. The deficit will be financed through future transfers to the funds for services provided.

(25) New Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases. The 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 the 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 provisions of GASB Statement No. 87 are effective for fiscal years beginning after June 15, 2021. The effect of implementation on the City's financial statements has not yet been determined.

REQUIRED
SUPPLEMENTARY INFORMATION

CITY OF ALEXANDRIA, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended April 30, 2022

	Budget Original	Budget Final	Actual	Variance Positive (Negative)
Revenues:				
Taxes				
Property taxes	$ 3,605,000	$ 3,816,000	$ 3,816,167	$ 167
Sales taxes	38,310,000	44,000,000	48,050,742	4,050,742
Franchise	650,000	510,000	508,080	(1,920)
Licenses and permits	2,885,000	2,990,000	3,177,138	187,138
Intergovernmental				
Federal	35,000	378,538	3,579,350	3,200,812
State	1,662,000	1,697,000	1,836,688	139,688
Charges for services	490,000	612,000	630,733	18,733
Fines and fees	364,000	277,000	443,909	166,909
Investment income	-	45,000	45,286	286
Miscellaneous	51,000	180,000	308,127	128,127
Total revenues	48,052,000	54,505,538	62,396,220	7,890,682
Expenditures:				
Current -				
General government	18,369,997	21,041,975	18,505,619	2,536,356
Public safety	27,414,540	30,536,345	28,185,368	2,350,977
Public works	12,385,080	10,248,580	10,520,636	(272,056)
Capital outlay	2,809,865	3,950,151	1,995,484	1,954,667
Debt service -				
Principal retirement	1,208,170	1,208,170	1,265,000	(56,830)
Interest and fiscal charges	72,756	72,756	15,926	56,830
Total expenditures	62,260,408	67,057,977	60,488,033	6,569,944
Excess (deficiency) of revenues over expenditures	(14,208,408)	(12,552,439)	1,908,187	14,460,626
Other financing sources (uses):				
Proceeds from sale of fixed assets	-	30,000	40,859	10,859
Insurance proceeds	-	-	977,232	977,232
Transfers in	9,668,000	9,668,000	9,668,000	-
Transfers out	(4,404,000)	(2,794,000)	(2,794,000)	-
Total other financing sources (uses)	5,264,000	6,904,000	7,892,091	988,091
Net change in fund balance	(8,944,408)	(5,648,439)	9,800,278	15,448,717
Fund balance, beginning	28,936,361	28,936,361	28,936,361	-
Fund balance, ending	$ 19,991,953	$ 23,287,922	$ 38,736,639	$ 15,448,717

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Changes in Total OPEB and Related Ratios
For the Year Ended April 30, 2022

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

* Equal to Net OPEB Liability.

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

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Changes in Net Pension Liability and Related Ratios
COAERS
For the Year Ended April 30, 2022

	* 2022	2021	2020	2019	2018	2017	2016
Total Pension Liability							
Service costs	$ 4,029,079	$ 3,617,187	$ 3,508,934	$ 3,444,992	$ 3,218,971	$ 2,975,969	$ 3,263,636
Interest	12,389,240	11,908,564	11,709,404	11,358,256	11,521,228	11,376,092	11,165,902
Changes of benefit terms	1,984,131	-	-	369,833	-	-	1,249,682
Difference between expected and actual experience	(3,202,937)	1,017,964	(918,159)	760,132	(3,522,240)	(857,021)	(1,157,889)
Changes of assumptions	9,596,766	10,942,477	-	-	8,726,019	3,553,024	3,124,571
Benefit payments	(12,719,245)	(11,301,682)	(10,493,619)	(9,855,151)	(9,240,582)	(9,042,968)	(9,004,033)
Refunds of member contributions	(869,893)	(518,168)	(468,497)	(300,012)	(596,958)	(352,340)	(353,939)
Other	(457,856)	80,906	-	(83,881)	47,822	(42,820)	146,848
Net Change in Total Pension Liability	$ 10,749,285	$ 15,747,248	$ 3,338,063	5,694,169	10,154,260	7,609,936	8,434,778
Total Pension Liability - Beginning	201,115,814	185,368,566	182,030,503	176,336,334	166,182,074	158,572,138	150,137,360
Total Pension Liability -Ending (a)	$ 211,865,099	$ 201,115,814	$ 185,368,566	$ 182,030,503	$ 176,336,334	$ 166,182,074	$ 158,572,138
Plan Fiduciary Net Position							
Contributions - Member	$ 1,836,726	$ 1,954,355	$ 1,935,419	$ 1,890,978	$ 1,873,690	$ 1,830,452	$ 1,790,965
Contributions - Employer	4,001,269	4,220,404	3,991,734	4,609,374	4,734,943	4,580,596	4,858,476
Net investment income	29,541,096	33,642,350	37,487,306	(9,882,707)	17,882,012	11,143,790	(4,378,349)
Benefit payments	(12,719,245)	(11,301,682)	(10,493,619)	(9,855,151)	(9,240,582)	(9,042,968)	(9,004,033)
Refunds of member contributions	(869,893)	(518,168)	(468,497)	(300,012)	(596,958)	(352,340)	(353,939)
Administrative expenses	(179,591)	(195,431)	(165,687)	(163,269)	(155,590)	(149,330)	(150,777)
Other	(457,856)	80,906	-	(83,881)	47,822	(42,820)	146,848
Net Change in Plan Fiduciary Net Position	21,152,506	27,882,734	32,286,656	(13,784,668)	14,545,337	7,967,380	(7,090,809)
Plan Fiduciary Net Position - Beginning	208,609,020	180,726,286	148,439,630	162,224,298	147,678,961	139,711,581	146,802,390
Plan Fiduciary Net Position - Ending (b)	$ 229,761,526	$ 208,609,020	$ 180,726,286	$ 148,439,630	$ 162,224,298	$ 147,678,961	$ 139,711,581
Net Pension Liability (Asset) - Ending (a) - (b)	$ (17,896,427)	$ (7,493,206)	$ 4,642,280	$ 33,590,873	$ 14,112,036	$ 18,503,113	$ 18,860,557
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	108.45%	103.73%	97.50%	81.55%	92.00%	88.87%	88.11%
Covered-employee payroll	$ 20,208,429	$ 21,379,959	$ 20,736,281	$ 20,368,422	$ 19,894,718	$ 19,384,664	$ 18,643,423
Net Pension Liability (Asset) as a percentage of covered employee payroll	-88.56%	-35.05%	22.39%	164.92%	70.93%	95.45%	101.16%

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

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

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Changes in Net Pension Liability and Related Ratios
FPARF
For the Year Ended April 30, 2022

	April 30, 2022	April 30, 2021	April 30, 2020	April 30, 2019	April 30, 2018	April 30, 2017	April 30, 2016
Total Pension Liability							
Service costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest	-	-	-	-	9,269	8,713	8,367
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	-	-	-	-	525	(10,106)	33,370
Changes of Assumptions	-	-	-	-	-	-	7,951
Benefit payments	(18,392)	(18,392)	(18,392)	(18,392)	(18,392)	(18,392)	(18,392)
Refunds of member contributions	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Net Change in Total Pension Liability	(18,392)	(18,392)	(18,392)	(18,392)	(8,598)	(19,785)	31,296
Total Pension Liability - Beginning	188,072	206,464	224,856	243,248	251,846	271,631	240,335
Total Pension Liability - Ending (a)	$ 169,680	$ 188,072	$ 206,464	$ 224,856	$ 243,248	$ 251,846	$ 271,631
Plan Fiduciary Net Position							
Contributions - Member	$ -	$ -	$ -	$ -	$ 22,000	$ 22,000	$ 22,000
Contributions - Employer	-	-	-	-	-	-	-
Net investment income	160	197	861	1,179	200	141	125
Benefit payments	(18,392)	(18,392)	(18,392)	(18,392)	(18,392)	(18,392)	(18,392)
Refunds of member contributions	-	-	-	-	-	-	-
Administrative expenses	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	(18,232)	(18,195)	(17,531)	(17,213)	3,808	3,749	3,733
Plan Fiduciary Net Position - Beginning	70,429	88,624	106,155	123,368	119,560	115,811	112,078
Plan Fiduciary Net Position - Ending (b)	$ 52,197	$ 70,429	$ 88,624	$ 106,155	$ 123,368	$ 119,560	$ 115,811
Net Pension Liability (Asset) - Ending (a) - (b)	$ 117,483	$ 117,643	$ 117,840	$ 118,701	$ 119,880	$ 132,286	$ 155,820
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	30.76%	37.45%	42.92%	47.21%	50.72%	47.47%	42.64%
Covered-employee payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Pension Liability (Asset) as a percentage of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Measurement date	April 30, 2018	April 30, 2018	April 30, 2018	April 30, 2018	April 30, 2018	April 30, 2017	April 30, 2016

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
MPERS and FRS
For the Year Ended April 30, 2022

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

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

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

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Employer Contributions
For the Year Ended April 30, 2022

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

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

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Investment Returns
COAERS
For the Year Ended April 30, 2022

	* 2022	2021	2020	2019	2018
Annual money-weighted rate of return net of investment expense	14.50%	18.90%	25.70%	-6.20%	12.20%

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

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

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

Notes to the Required Supplementary Information

(1) Budgets and Budgetary Accounting

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

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

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

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

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

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

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

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

(2) Retirement System Plans

A. Changes in Benefit Terms

There were no changes of benefit terms.

B. Changes of Assumptions

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

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

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

(3) Other Post-Employment Benefits

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

OTHER
FINANCIAL INFORMATION

CITY OF ALEXANDRIA, LOUISIANA
Utilities System Enterprise Fund
Unaudited Summary of Utility Service Customers
April 30, 2022

Type of Service	Number of Customers
Electricity	24,759
Water	21,831
Gas	15,826
Wastewater	17,346

CITY OF ALEXANDRIA, LOUISIANA

Unaudited Listing of Insurance in Force
April 30, 2022

Property
Insurer: XL Insurance America, Inc
Expiration date: May 6, 2022
Coverage:
Real property, comprising buildings, and personal property
Self- insured retention:
$100,000 per occurrence deductibles
Policy limits of liability:
$204,591,037 per occurrence with specified sublimits

Boiler and Machinery
Insurer: Ace American Insurance Company
Expiration date: May 6, 2022
Comprehensive boiler and machinery coverage including production machines
Loss retention:
Varies with a minimum of $50,000 per occurrence
Policy limits of liability:
$50,000,000 per accident with specified sublimits

General Liability/ Law Enforcement
Insurer: American Alternative Insurance Coporation
Expiration date: May 6, 2022
Coverage:
Bodily injury and property damage, personal and advertising injury, and law enforcement liability
Self- insured retention:
$500,000 each and every loss and/or claim and/or occurrence
Policy limits of liability:
$2,000,000 each and every loss and/ or occurrence Combined Single Limit
$4,000,000 in the aggregate annually as respects products/ completed operations

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

(continued)

Employee Benefits Liability

Insurer: American Alternative Insurance Corporation
Expiration date: May 6, 2022
Coverage:
Any negligent act, error or omission in the administration of the Insured's employee benefits programs.
Self- insured retention:
$500,000 each and every loss and/or claim and/or occurrence
Policy limits of liability:
$2,000,000 each and every loss and/or occurrence Combined Single Limit
$4,000,000 in the aggregate annually as respects products/ completed operations

Specific Excess Workers' Compensation and Employers Liability Indemnity

Insurer: Safety National Casualty Company
Expiration date: May 6, 2022
Coverage:
Workers' compensation- statutory
Employers' liability - any cause of action by an employee against the City for bodily injury or disease in the course of employment
Loss retention:
$750,000 per occurrence
Policy limits of liability:
Workers' compensation - statutory
Employers' liability - $1,000,000 per occurrence

Fidelity Bond

Insurer: Ohio Casualty Insurance Company
Expiration date: May 21, 2022
Coverage: Tax Collector
Policy limits of liability: $10,000

Public Employees Honesty Bond

Insurer: Fidelity and Deposit Company of Maryland
Expiration date: September 1, 2021
Loss retention: $10,000 per occurrence
Policy limits of liability: $100,000 per employee

CITY OF ALEXANDRIA, LOUISIANA

Justice System Funding Schedule - Receiving Entity
As Required by ACT 87 of the 2020 Regular Legislative Session
Cash Basis Presentation
Year Ended April 30, 2022

General Fund	First Six Month Period Ended 10/31/2021	Second Six Month Period Ended 4/30/2022
Receipts From:		
Alexandria City Court - PTI Collections	$ 26,000	$ 30,395
Alexandria City Court - Police Officer Witness	112	146
Alexandria City Court - Fees	40,242	81,014
Alexandria City Marshall - DWI Collections	1,910	2,387
Alexandria City Marshall - Fines	56,239	63,198
Total revenues	124,503	177,140
Total receipts	$ 124,503	$ 177,140

**INTERNAL CONTROL,
COMPLIANCE
AND
OTHER MATTERS**

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alexandria, Louisiana, as of and for the year ended April 30, 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 December 29, 2022.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002, that we consider to be significant deficiencies.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questions costs as items 2022-003 and 2022-004.

City of Alexandria, Louisiana'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. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 29, 2022

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Alexandria, Louisiana's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City of Alexandria, Louisiana's major federal program for the year ended April 30, 2022. The City of Alexandria, Louisiana's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Alexandria, Louisiana complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect its major federal program for the year ended April 30, 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 City of Alexandria, Louisiana and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Alexandria, Louisiana's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor’s Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Alexandria, Louisiana’s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Alexandria, Louisiana’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Alexandria, Louisiana’s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-005 to be a significant deficiency.

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 29, 2022

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended April 30, 2022

Federal Grantor/Pass-ThroughGrantor/ Program Title	Assistance Listing Number	Pass-through Identifying No.		Federal Expenditures	Amounts passed Through to Subrecipients
U.S. Department of Housing and Urban Development					
Office of Community Planning and Development					
Community Development Block Grants/Entitlement					
Grants - CDBG - Entitlement Grants Cluster	14.218			$ 560,651	$ -
Brownfields Cooperative Agreements	66.818			91,446	-
Home Investment Partnerships Program	14.239			36,534	-
Lead Hazard Reduction Demonstration Grant Program	14.905			138,795	-
Total U.S. Department of Housing and Urban Development				827,426	-
U. S. Department of Justice					
Office of Justice Programs					
FY 20 Coronavirus Emergency Supplemental Funding Program	16.034	2020-VD-BX-0679		196,963	-
FY 20 Coronavirus Emergency Supplemental Funding Program	16.738	2020-VD-BX-0261		100,244	-
Passed through Louisiana Commission on Law Enforcement and the Administration of Criminal Justice					
Crime Victim Assistance	16.575	2019-V2-GX-0059	31,645		
Crime Victim Assistance	16.575	2018-V2-GX-0042	65,390		
Subtotal Assistance Listing Number 16.575				97,035	-
Bulletproof Vest Partnership Program	16.607	N/A		5,089	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0827		27,916	-
Subtotal passed through Louisiana Commision on Law Enforcement and the Administration of Criminal Justice				130,040	-
Passed through Rapides Parish Sheriff Office					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-00827	8,857		
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-DJ-BX-0382	38,394		
Subtotal passed through Rapides Sheriff Office				47,251	-
Subtotal Assistance Listing Number 16.738				175,411	-
Total U.S. Department of Justice				474,498	-
United States Department of Homeland Security -					
Passed through the State of Louisiana Military Department of					
Homeland Security and Emergency Preparedness Disaster Grants					
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		3,829,118		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		3,477		
Subtotal Assistance Listing Number 16.738				3,832,595	-
Passed-through the Rapides Parish Police Jury					
Homeland Security Grant Program	97.067	2020-SS-00011-S01		4,687	-
Total United States Department of Homeland Security				3,837,282	-

(continued)

The accompanying notes are an integral part of this schedule.

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Expenditures of Federal Awards (continued)
For the Year Ended April 30, 2022

Federal Grantor/Pass-ThroughGrantor/ Program Title	Assistance Listing Number	Pass-through Identifying No.		Federal Expenditures	Amounts passed Through to Subrecipients
United States Department of Transportation					
Federal Transit - Formula Grants (Urbanized Area Formula Grants) - Federal Transit Cluster - Cares Act	20.507	LA2021002	455,840		
Federal Transit - Formula Grants (Urbanized Area Formula Grants) - Federal Transit Cluster	20.507	LA2021002	1,676,506		
Federal Transit - Formula Grants (Urbanized Area Formula Grants) - Federal Transit Cluster	20.507	LA2021006	624,750		
Total Federal Transit Cluster Assistance Listing Number 20.507				2,757,096	-
Federal Highway Administration (FHWA)					
Passed through State of Louisiana Department of Transportion					
Highway Planning and Construction - Highway Planning and Construction Cluster	20.205	H.013887.6	1,699,013		
Highway Planning and Construction - Highway Planning and Construction Cluster	20.205	H.012559.6	441,467		
Total Federal Highway Administration (FHWA) Assistance Listing Number 20.205				2,140,480	-
National Highway Traffic Safety Administration					
Passed through the State of Louisiana Department of Transportation					
State and Community Highway Safety - Highway Safety Cluster	20.600			6,321	-
Total United States Department of Transportation				4,903,897	-
United States Small Business Administration					
Sheltered Venue Operators Grant of Administration	59.075			253,549	-
Total Expenditures of Federal Awards				$ 10,296,652	$ -

CDBG - Entitlement Grants Cluster - Assistance Listing Number 14.218	$ 560,651
Highway Planning and Construction Cluster Assistance Listing Number 20.205	$ 2,140,480
Federal Transit Cluster - Assistance Listing Number 20.507	$ 2,757,096
Highway Safety Cluster Assistance Listing Number 20.600	$ 6,321

The accompanying notes are an integral part of this schedule.

CITY OF ALEXANDRIA, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards
Year Ended April 30, 2022

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Alexandria, Louisiana (the City) under programs of the federal government for the year ended April 30, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using both the accrual and modified accrual basis of accounting. These accounting policies are described in Note 1 to the City's basic financial statements for the year ended April 30, 2022.

(3) Indirect Cost Rate

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

(4) Loans outstanding

The City had debt balance outstanding of $5,529,845 at April 30, 2022 as it relates to the Capitalization Grants for Clean Water State Revolving Funds CFDA 66.468.

The City had debt balance outstanding of $2,365,603 at April 30, 2022 as it relates to the Capitalization Grants for Drinking Water State Revolving Funds CFDA 66.458.

CITY OF ALEXANDRIA, LOUISIANA
Alexandria, Louisiana

Schedule of Findings and Questioned Costs
Year Ended April 30, 2022

Part I. Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting

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

Federal Awards

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

Internal control over major programs

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

Major programs:

CFDA Number(s)	Name of Federal Program or Cluster
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)

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

Auditee qualified as low-risk auditee?	X	yes		no

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
Year Ended April 30, 2022

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

A. Internal Control Findings –

See internal control findings 2022-001 and 2022-002 on the schedule of current and prior year findings.

B. Compliance Findings –

See internal control findings 2022-003 and 2022-004 on the schedule of current and prior year findings.

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

See internal control finding 2022-005 on the schedule of current and prior year findings.

CITY OF ALEXANDRIA, LOUISIANA

Schedule of Current and Prior Year Audit Findings
Year Ended April 30, 2022

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

A. Internal Control Over Financial Reporting

2022-001 Utility System Billings

Fiscal year finding initially occurred: 2021

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

CRITERIA: Policies and procedures should be in place to ensure that billings for reoccurring monthly services are properly read, recorded, and billed in a timely manner.

CAUSE: The cause of the condition is the failure to properly implement and monitor controls over the billing of monthly reoccurring services.

EFFECT: Failure to monitor and implement adequate controls over the reading, processing, billing and collection of monthly reoccurring services, could result in collection problems or revenue not being billed and collected timely or at all.

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

Management's response: The process of billing in the Utilities System begins with the critical task of reading meters. This process consistently is challenged, mostly due to the City's inability to hire and retain qualified personnel to read meters. In response, the City retained the services of an outside company to be the primary source of meter reading personnel, with the City assisting with its own personnel as needed. This response is still developing, and was needed to address the issue. AMI is the longer term solution and the City is prepared for this change.

2022-002 Reconciliations of significant accounts balances

Fiscal year finding initially occurred: 2021

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

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement,* defines internal control as follows: "Internal control is a process, affected by those charged with governance, management, and other personnel designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations."

CAUSE: The cause of the condition is the result of a failure to maintain existing internal controls over the significant account balance reconciliations.

EFFECT: Failure to maintain these existing internal controls over these significant account balance reconciliations could lead to errors or misstatements that, if left uncorrected, could materially misstate the financial statements.

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

Management's response: The Accounting Department is now fully staffed and progressing in proficiency, but remains at 50% of cumulative years of service along with knowledge, expertise, and experience held a few years ago. Assuming the current staff is retained, continued progression and the passage of time will improve this situation. End of year activities and preparation for the audit were impaired this year by a cyberattack in June 2022.

B. Compliance and other matters

2022-003 Adoption of Budget

Fiscal year finding initially occurred: 2022

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

CRITERIA: LSA-RS 39:1309 et seq, Adoption, states that "all action necessary to adopt and otherwise finalize and implement the budget for a fiscal year shall be taken in open meeting and completed before the end of the prior fiscal year."

CAUSE: The City failed to adopt the budget before the end of their fiscal year.

EFFECT: Failure to properly adopt a budget, could force certain services and functions of the City to cease or delay operations if not adopted timely.

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

Management's response: The budget was adopted by the City Council on July 13, 2021. Litigation was involved

2022-004 Late Filing

Fiscal year finding initially occurred: 2022

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

CRITERIA: LA R.S. 24:513

CAUSE: The cyber-attack prevented City personnel from accessing certain information systems which prevented them from accumulating necessary audit information in a timely manner.

EFFECT: The City is not in compliance with state law.

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

Management's response: As noted in 2022-02 above, end of year activities were disrupted by the cyberattack, causing delays in end of year processes and procedures.

C. Internal Control Over Compliance – Uniform Guidance

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

Fiscal year finding initially occurred: 2021

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

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

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

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

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

View of Responsible Official: This issue will be brought to the attention of the new Administration, exploring the options of either hiring an employee or contractor to initially assess a potential grant, and subsequently track and monitor any approved grants.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2021-001 Utility System Billings

Fiscal year finding initially occurred: 2021

CONDITION: Through an internal analysis of the City's billing procedures over the use of Utility infrastructure, City management noted that billing for pole usage had not been invoiced nor collected since inception of several contracts. Upon discovery, proper procedures were followed in order to recoup the past due charges from the applicable vendors. During the year ending April 30, 2021, the City collected $1,155,084 in utility billing revenue which was related to previous years usage of infrastructure. This caused a significant adjustment to the financial statements presented. In addition, it was noted that billing cycles for normal reoccurring services had extend beyond 30 days over several cycles.

RECOMMENDATION: Management should implement and monitor controls over the billing and collection of services outside of the normal monthly services assessed. In addition, management should review their current policies and procedures over billing of monthly reoccurring services to ensure they are adequate to maintain acceptable billing cycles.

CURRENT STATUS: Partially Resolved. See item 2022-001.

2021-002 Reconciliations of significant accounts balances

Fiscal year finding initially occurred: 2021

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

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

CURRENT STATUS: Unresolved. See item 2022-002

B. Compliance and Other Matters

None reported.

C. Internal Control over Compliance – Uniform Guidance

2021-003 Preparation of the Schedule of Expenditures of Federal Awards

Fiscal year finding initially occurred: 2021

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

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

CURRENT STATUS: Unresolved. See item 2022-005.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Alexandria, Louisiana (the City), as of and for the year ended April 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Alexandria, Louisiana's basic financial statements and have issued our report thereon dated December 29, 2022.

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 29, 2022

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

RE: Resolution Number 2341-1982
Requirement of Specific Recommendations

As engaged independent certified public accountants, we were requested to include specific recommendations in accordance with Resolution Number 2341-1982, which is "a resolution relative to the fulfillment of commitments of the City of Alexandria, Louisiana (the City) relative to the Combined Utilities System." These recommendations are intended to ensure that the City and the Combined Utilities System generate sufficient revenues to pay operation and maintenance expenses of the Combined Utilities System and debt service on outstanding revenue bonds payable from such revenue, and to make all budgeted transfers to other funds of the City. During the current year, the City fulfilled each of these commitments.

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

1) Prepare and approve an annual operating budget of the Combined Utilities System based upon the best criteria of revenue and expense estimates that can be reasonably developed.

2) Provide for budgetary control on a line-item basis and monitor budget variances on a current basis. Amendments should be addressed for any unusual exceptions as they are encountered.

3) Provide projected monthly cash flow schedules with comparisons to actual, prior, and current amounts. Any unusual variances should be investigated.

4) Maintain current and accurate accounting records relative to financial activity of the system.

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

6) Provide for a complete review of the accounting trial balance and underlying transactions on a current basis for obvious posting errors. Investigate and/or correct unusual items as needed.

7) Update utility rate studies as practical and adjust rates as necessary to provide adequate revenues to meet budgeted needs.

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 29, 2022

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

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

Audit Period: Fiscal year ended April 30, 2022

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

FINDING – FINANCIAL AUDIT

Significant Deficiencies

2021-001 Utility System Billings
Fiscal year finding initially occurred: 2021

RECOMMENDATION: Management should implement and monitor controls over the billing and collection of services outside of the normal monthly services assessed. In addition, management should review their current policies and procedures over billing of monthly reoccurring services to ensure they are adequate to maintain acceptable billing cycles.

CORRECTIVE ACTION PLAN: Partially resolved. See 2022-001. The City implemented and monitored controls over the collection of services outside the normal monthly services assessed, but did not effectively resolve their billing of monthly reoccurring services. The process of billing in the Utilities System begins with the critical task of reading meters. This process consistently is challenged, mostly due to the City's inability to hire and retain qualified personnel to read meters. In response, the City retained the services of an outside company to be the primary source of meter reading personnel, with the City assisting with its own personnel as needed. This response is still developing, and was needed to address the issue. AMI is the longer term solution and the City is prepared for this change.

2021-002 Reconciliation of Significant Account Balances
Fiscal year finding initially occurred: 2021

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

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

Jacques Roy
Mayor

CORRECTIVE ACTION PLAN: Partially resolved. See 2022-002. The Accounting Department is now fully staffed and progressing in proficiency but remains at 50% of cumulative years of service along with knowledge, expertise, and experience held a few years ago. Assuming the current staff is retained, continued progression and the passage of time will improve this situation. End of year activities and preparation for the audit were impaired this year by a cyberattack in June 2022.

FINDING – UNIFORM GUIDANCE

Significant Deficiency

2021-003 Preparation of Schedule of Expenditures of Federal Awards
Fiscal year finding initially occurred: 2021

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

CORRECTIVE ACTION PLAN: See 2022-005. This issue will be brought to the attention of the new Administration, exploring the options of either hiring an employee or contractor to initially assess a potential grant, and subsequently track and monitor any approved grants

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

Sincerely,

David Johnson
Finance Director

The City of Alexandria, Louisiana respectfully submits the following corrective action plan for the year ended April 30, 2022.

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

Audit Period: Fiscal year ended April 30, 2022

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

FINDING – FINANCIAL AUDIT

Significant Deficiencies

2022-001 Utility System Billings

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

CORRECTIVE ACTION PLAN: The process of billing in the Utilities System begins with the critical task of reading meters. This process consistently is challenged, mostly due to the City's inability to hire and retain qualified personnel to read meters. In response, the City retained the services of an outside company to be the primary source of meter reading personnel, with the City assisting with its own personnel as needed. This response is still developing and was needed to address the issue. AMI is the longer term solution and the City is prepared for this change.

2022-002 Reconciliation of Significant Account Balances

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

CORRECTIVE ACTION PLAN: The Accounting Department is now fully staffed and progressing in proficiency, but remains at 50% of cumulative years of service along with knowledge, expertise, and experience held a few years ago. Assuming the current staff is retained, continued progression and the passage of time will improve this situation. End of year activities and preparation for the audit were impaired this year by a cyberattack in June 2022.

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Jacques Roy
Mayor

Compliance and Other Matter

2022-003 Adoption of Budget

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

CORRECTIVE ACTION PLAN: The budget was adopted by the City Council on July 13, 2021. Litigation was involved.

2022-004 Late Filing

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

CORRECTIVE ACTION PLAN: As noted in 2022-02 above, end of year activities were disrupted by the cyberattack, causing delays in end of year processes and procedures.

FINDING – UNIFORM GUIDANCE

Significant Deficiency

2022-005 Preparation of Schedule of Expenditures of Federal Awards

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

CORRECTIVE ACTION PLAN: This issue will be brought to the attention of the new Administration, exploring the options of either hiring an employee or contractor to initially assess a potential grant, and subsequently track and monitor any approved grants.

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

Sincerely,

David Johnson
Finance Director

City of Alexandria

Alexandria, Louisiana

Statewide Agreed-Upon Procedures Report

Fiscal Period May 1, 2021 through April 30, 2022

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period May 1, 2021 through April 30, 2022. The City of Alexandria's management is responsible for those C/C areas identified in the SAUPs.

The City of Alexandria has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period May 1, 2021 through April 30, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

    b) ***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.

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

d) ***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).

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

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

g) ***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).

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

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

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

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

We performed the procedures and discussed the results with management.

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

Board or Finance Committee

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

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

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

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

Bank Reconciliations

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

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

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

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

Collections (excluding electronic funds transfers)

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

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

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

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

    c) 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.

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

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

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

    a) Observed that receipts are sequentially pre-numbered.

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

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

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

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

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

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

9. For each location selected under #8 above, obtained a listing of those employees involved with non-payroll purchasing and payment functions. Obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and observed that job duties are properly segregated such that:

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

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

   c) 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.

   d) 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.

10. For each location selected under #8 above, obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. Randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction and:

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

   b) Observed that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

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

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

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

13. Using the monthly statements or combined statements selected under #12 above, <u>excluding fuel cards</u>, randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

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

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

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

    c) Observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

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

Contracts

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

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

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

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

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

Payroll and Personnel

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

17. Randomly selected one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtained attendance records and leave documentation for the pay period, and:

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

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

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

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

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

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

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained ethics documentation from management, and:

    a. Observed whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

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

Debt Service

21. Obtained a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval was obtained for each debt instrument issued.

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

Fraud Notice

23. Obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Selected all misappropriations on

the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

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

Information Technology Disaster Recovery/ Business Continuity

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

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

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

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

We performed the procedures and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtained sexual harassment training documentation from management, and observed the documentation demonstrated each employee/official completed at least one hour of sexual harassment training during the calendar year.

27. Observed the entity has posted its sexual harassment policy and compliant procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

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

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

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

c) Number of complaints which resulted in a finding that sexual harassment resulted in discipline or corrective action; and

d) Amount of time it took to resolve each compliant.

Findings:

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

Written Policies:

Written policies and procedures were obtained for the City of Alexandria; however they did not cover the following.

- Purchasing – how vendors are added to the vendor list.

- Receipts/Collections – management's actions to determine the completeness of all revenue.

Board/Finance Committee:

Seven of twelve monthly meetings made no reference to budget to actual comparisons for the general fund.

Bank Reconciliations:

Of five bank reconciliation tested, no documentary evidence was noted that a member of management reviewed the bank reconciliation.

One bank reconciliation tested had no documentation that management researched reconciling items older than 12 months.

Collections:

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

Non-Payroll Disbursements:

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

Credit/Debit/Fuel Cards:

Of twenty-six transactions tested, one transaction had no itemized receipt that identifying precisely what was purchased, and ten transactions had no written documentation for the business or public purpose.

Travel/Expense Reimbursement:

Of five reimbursements tested, three did not agree to rates established in the City's policies and procedures.

Contracts:

Of five contracts tested, one was not paid in accordance with terms specified within the contract.

Management's Response:

Management of the City of Alexandria, Louisiana concurs with the exceptions and are working to address the deficiencies as identified.

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Alexandria, Louisiana
December 29, 2022