

**CITY OF NATCHITOCHEs, LOUISIANA  
ANNUAL FINANCIAL REPORT**

**MAY 31, 2023**

City of Natchitoches, Louisiana  
Annual Financial Report  
May 31, 2023

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# CITY OF NATCHITOCHEs

*Oldest Settlement in the Louisiana Purchase*

## FINANCE DEPARTMENT

### Management's Discussion and Analysis

This section of the City of Natchitoches' annual financial report offers readers a narrative overview and analysis of the financial performance of the City for the fiscal year ended on May 31, 2023. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the City's financial statements, which immediately follow this section.

#### **Financial Highlights**

- The assets of the City of Natchitoches exceeded its liabilities at the close of the most recent fiscal year by \$108,990,436 (net position).
- As of the close of the current fiscal year, the City of Natchitoches' governmental funds reported combined ending fund balances of \$25,359,245
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,075,875 or 18% of the total general fund expenditures.
- The City's bond and notes payable totaled \$17,178,149

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) financial statements of individual funds, and 3) notes to the financial statements.

**Government-wide Financial Statements** - The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused, compensated absences).

**CITY OF NATCHITOCHEs, LOUISIANA**

Management's Discussion and Analysis  
For Year Ended May 31, 2023

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets and sanitation, water, sewer, and utilities, economic development, health and welfare, recreation and culture, and interest on long-term debt. The business-type activities of the City include utilities administration, electric, water and sewer, and interest on long-term debt. The government-wide financial statements can be found on pages 13 and 14 of this report.

**Fund Financial Statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories - governmental funds and proprietary funds.

**Governmental Funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of government's near-term financing decisions. Both the governmental funds balance sheet and the governmental statements of revenues, expenditures and changes in fund balances provides a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 61 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, capital projects sales tax, capital projects streets, utility improvements, and sales tax rededication funds, all of which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 16 through 19.

**Propriety Funds** - The City maintains only one type of propriety fund called an enterprise fund which is used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its electric, water, and sewer operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water and sewer funds. The basic propriety fund financial statements can be found on pages 20 through 25 of this report.

## CITY OF NATCHITOCHEs, LOUISIANA

Management's Discussion and Analysis  
For Year Ended May 31, 2023

**Notes to the Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 63

## Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of government's financial position. In the case of the City of Natchitoches, assets exceeded liabilities by \$108,990,436 as of May 31, 2023, which is an increase of \$2,882,818 from May 31, 2022

The largest portion of the City's net position reflects its investments in capital assets (e.g., land, building, equipment, improvements, construction in progress and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets, themselves, cannot be used to liquidate these liabilities

## City of Natchitoches' Net Position

	As of May 31, 2023			As of May 31, 2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 34,597,068	\$ 14,821,368	\$ 49,418,436	\$ 31,518,012	\$ 15,620,012	\$ 47,138,024
Capital Assets	58,096,722	58,189,028	116,285,750	57,359,098	58,032,721	115,391,819
Total Assets	<u>\$ 92,693,790</u>	<u>\$ 73,010,396</u>	<u>\$ 165,704,186</u>	<u>\$ 88,877,110</u>	<u>\$ 73,652,733</u>	<u>\$ 162,529,843</u>
Deferred outflows of Resources	\$ 10,870,071	\$ 2,897,989	\$ 13,768,060	\$ 4,458,039	\$ 1,056,762	\$ 5,514,801
Long Term Liabilities	\$ 43,982,203	\$ 12,323,008	\$ 56,305,211	\$ 30,897,926	\$ 9,818,556	\$ 40,716,482
Other Liabilities	9,267,823	1,713,394	10,981,217	10,656,999	2,388,333	13,045,332
Total Liabilities	<u>\$ 53,250,026</u>	<u>\$ 14,036,402</u>	<u>\$ 67,286,428</u>	<u>\$ 41,554,925</u>	<u>\$ 12,206,889</u>	<u>\$ 53,761,814</u>
Deferred inflows of Resources	\$ 2,630,933	\$ 564,449	\$ 3,195,382	\$ 6,713,248	\$ 1,364,913	\$ 8,078,161
Net Position						
Net Investment in Capital Assets	\$ 43,823,573	\$ 55,284,028	\$ 99,107,601	\$ 44,636,628	\$ 54,923,555	\$ 99,560,183
Restricted	-	6,137,349	6,137,349	-	6,080,981	6,080,981
Unrestricted	3,859,329	(113,843)	3,745,486	430,348	133,157	563,505
Total Net Position	<u>\$ 47,682,902</u>	<u>\$ 61,307,534</u>	<u>\$ 108,990,436</u>	<u>\$ 45,066,976</u>	<u>\$ 61,137,693</u>	<u>\$ 106,204,669</u>

## CITY OF NATCHITOCHEs, LOUISIANA

Management's Discussion and Analysis  
For Year Ended May 31, 2023

The following table provides a summary of the City's operations for year ended May 31, 2023 and May 31, 2022.

## City of Natchitoches' Changes in Net Position

	As of May 31, 2023			As of May 31, 2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Program Services:						
Fees, Fines and						
Charges for Services	\$ 4,152,900	\$ 39,795,825	\$ 43,946,725	\$ 3,683,679	\$ 35,272,751	\$ 38,956,430
Operating Grants and						
Contributions	3,734,796	-	3,734,796	1,616,655	-	1,616,655
Capital Grants and						
Contributions	3,318,169	-	3,318,169	2,582,692	-	2,582,692
General Revenues:						
Taxes-						
Ad Valorem	2,510,384	-	2,510,384	2,315,706	-	2,315,706
Sales & Use	13,650,808	-	13,650,808	13,092,111	-	13,092,111
Franchise Fees	528,308	-	528,308	383,578	-	383,578
Video Bingo	524,127	-	524,127	588,118	-	588,118
Licenses & Permits	1,199,635	-	1,199,635	1,114,408	-	1,114,408
Interest Income	67,627	19,918	87,545	58,784	19,828	78,612
Gain (Loss) on Sale of Assets	(16,108)	25	(16,083)	103,784	33,494	137,278
Gain (Loss) on Investments	-	-	-	(254,790)	(6,720)	(261,510)
Rental Income	269,944	133,376	403,320	398,740	106,016	504,756
Insurance Recoveries	348,782	4,321	353,103	268,068	33,003	301,071
Nonemployer Pension Revenue	522,106	92,587	614,693	543,491	94,049	637,540
Miscellaneous	901,434	-	901,434	139,684	-	139,684
Contributed Capital	-	1,404,820	1,404,820	-	1,082,716	1,082,716
Total Revenues	<u>\$ 31,712,912</u>	<u>\$ 41,448,872</u>	<u>\$ 73,161,784</u>	<u>\$ 26,634,708</u>	<u>\$ 36,635,137</u>	<u>\$ 63,269,845</u>
Expenses:						
General Government	\$ 9,253,603	\$ -	\$ 9,253,603	\$ 4,872,581	\$ -	\$ 4,872,581
Public Safety	11,562,310	-	11,562,310	10,304,621	-	10,304,621
Streets & Sanitation	3,354,527	-	3,354,527	3,617,540	-	3,617,540
Water, Sewer & Utilities	6,246,911	35,407,056	41,653,967	836,673	30,044,620	30,881,293
Economic Development	2,130,957	-	2,130,957	3,291,416	-	3,291,416
Health & Welfare	-	-	-	285,118	-	285,118
Recreation & Culture	1,685,693	-	1,685,693	1,183,398	-	1,183,398
Interest on Long-Term Debt	637,909	-	637,909	381,305	-	381,305
Total Expenses	<u>\$ 34,871,910</u>	<u>\$ 35,407,056</u>	<u>\$ 70,278,966</u>	<u>\$ 24,772,652</u>	<u>\$ 30,044,620</u>	<u>\$ 54,817,272</u>
Increase in net position before transfers	\$ (3,158,998)	\$ 6,041,816	\$ 2,882,818	\$ 1,862,056	\$ 6,590,517	\$ 8,452,573
Transfers	5,871,975	(5,871,975)	-	6,051,750	(6,051,750)	-
Increase in net position	\$ 2,712,977	\$ 169,841	\$ 2,882,818	\$ 7,913,806	\$ 538,767	\$ 8,452,573
Net Position-June 1	44,969,925	61,137,693	106,107,618	37,153,170	60,598,926	97,752,096
Net Position-May 31	<u>\$ 47,682,902</u>	<u>\$ 61,307,534</u>	<u>\$ 108,990,436</u>	<u>\$ 45,066,976</u>	<u>\$ 61,137,693</u>	<u>\$ 106,204,669</u>

## CITY OF NATCHITOCHEES, LOUISIANA

Management's Discussion and Analysis  
For Year Ended May 31, 2023

### Financial Analysis of the Government's Funds

**Governmental Funds** - The focus of the City of Natchitoches' governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**General Fund Budgetary Highlights** - During the year, the City made three revisions to the original appropriations approved by the City Council.

### Capital Assets

The City of Natchitoches' investment in capital assets for its governmental and business-type activities as of May 31, 2023 amounts to \$116,285,750 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure and construction in progress.

Major capital asset events during the current fiscal year included the following:

- Improvements made to the water, sewer, and electric systems.
- Improvements made to the City airport.
- Improvements to City Parks.
- Improvements to MLK Events Center.

### Capital Assets at Year-end As of May 31, 2023

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Capital Assets, not depreciated:			
Land	\$ 11,415,033	\$ 937,995	\$ 12,353,028
Construction in Progress	1,471,788	0	1,471,788
Capital Assets, depreciated:			
Buildings	20,517,341	1,961,897	22,479,238
Other Infrastructure	37,990,011	0	37,990,011
Other Assets	827,117	0	827,117
Furniture & Fixtures	15,104	310,366	325,470
Machinery & Equipment	5,421,176	11,405,769	16,826,945
Vehicles	5,518,150	2,280,164	7,798,314
Streets	92,561,314	0	92,561,314
Sidewalks	5,547,865	0	5,547,865
Electric System	0	24,985,181	24,985,181
Water System	0	45,478,732	45,478,732
Sewer System	0	27,721,697	27,721,697
Total Capital Assets	\$181,284,899	\$115,081,801	\$296,366,700
Accumulated Depreciation	<u>123,188,177</u>	<u>56,892,773</u>	<u>180,080,950</u>
Net Capital Assets	<u>\$ 58,096,722</u>	<u>\$ 58,189,028</u>	<u>\$116,285,750</u>

Additional information on the City of Natchitoches' capital assets can be found on pages 40-42 of this report.



## CITY OF NATCHITOCHEs, LOUISIANA

Management's Discussion and Analysis  
For Year Ended May 31, 2023

**Debt Administration**

At the end of the current fiscal year, the City of Natchitoches had total long term debt of \$55,146,226. Long-term debt of the City includes net pension liability based on actuarially determined amounts in accordance with GASB No. 68.

**Outstanding Debt at Year End  
As of May 31, 2023**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Obligation Debt	\$ 812,148	\$ 0	\$ 812,148
Other Post Employment Obligation	7,337,535	2,191,731	9,529,266
Net Pension Liability	20,101,933	5,399,717	25,501,650
Accrued Employee Vacations	2,269,586	667,576	2,937,162
Revenue Bonds Payable	<u>13,461,001</u>	<u>2,905,000</u>	<u>16,366,001</u>
Total	<u>\$43,982,203</u>	<u>\$11,164,024</u>	<u>\$55,146,227</u>

The City's current Standard and Poor's bond rating is AAA.

Additional information on the City of Natchitoches' long-term debt can be found on pages 42-44 of this report.

**Economic Factors and Next Year's Budgets and Rates**

In the fiscal year 2023-2024 budget, general fund revenues are budgeted at a 20% increase from the 2022-2023 budget year. Taxes make up approximately 50% of the general fund budgeted revenues, and transfers make up about 50%. The 2023-2024 utility fund operations are budgeted to break even.

**Request for Information**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Finance Department, at P. O. Box 37, Natchitoches, Louisiana, 71458, call (318) 357-3825, or e-mail [CBSmith@natchitochesla.gov](mailto:CBSmith@natchitochesla.gov).

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation

Roger M. Cunningham, CPA, LLC

Jessica H. Broadway, CPA – A Professional Corporation

Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street  
Natchitoches, Louisiana 71457

(318) 352-3652

Fax (318) 352-4447

[www.tcbtcpa.com](http://www.tcbtcpa.com)

INDEPENDENT AUDITORS' REPORT

To the Mayor and the City Council of  
Natchitoches, Louisiana

***Adverse, Qualified, and Unmodified Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the fiduciary fund, and the aggregate remaining fund information of the City of Natchitoches, Louisiana (City) as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

***Adverse Opinion on Aggregate Discretely Presented Component Units***

In our opinion, because of the significance of the matter described in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the City of Natchitoches, Louisiana, the reporting entity, as of May 31, 2023, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Unmodified Opinion on Governmental Activities, Business-Type Activities, Each Major Fund, the Fiduciary Fund, and the Aggregate Remaining Fund Information***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the fiduciary fund, and the aggregate remaining fund information of the City of Natchitoches, Louisiana as of May 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Adverse and Unmodified 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 and the *Louisiana Governmental Audit Guide*. 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 Natchitoches, 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.

***Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units***

The financial statements do not include financial data for the City's legally separate component units. Accounting principles generally accepted in the United States of America require financial data for those component units to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City has not issued such reporting entity financial statements. The effects of not including the City's legally separate component units on the aggregate discretely presented component units have not been determined.

***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 Natchitoches, 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. 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 Natchitoches, 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 Natchitoches, 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 Management's Discussion and Analysis, Schedule of Employer's Share of Net Pension Liability, Schedule of Employer Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, and the budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Natchitoches, Louisiana's basic financial statements. The accompanying, Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer, Judicial System Funding Schedules, combining and individual nonmajor fund financial statements and 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 combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have issued our report dated November 27, 2023 on our consideration of the City of Natchitoches'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 this report is to describe the scope of our testing of internal control over financial reporting and compliance, and not to provide an opinion on internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Natchitoches's internal control over financial reporting and compliance.



***Report on Other Legal and Regulatory Requirements***

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated November 27, 2023, on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's state wide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier CPA's  
Natchitoches, Louisiana

November 27, 2023

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS

City of Natchitoches, Louisiana  
Government-Wide Statement of Net Position  
May 31, 2023

	Governmental Activities	Business Type Activities	Total
<b>Assets</b>			
Cash & Cash Equivalents	\$ 31,488,510	\$ 1,995,550	\$ 33,484,060
Receivables Net	2,949,406	4,942,492	7,891,898
Other Receivables	-	80,088	80,088
Inventories at Cost	-	1,639,790	1,639,790
Prepaid Expenses	159,152	26,099	185,251
Restricted Assets-			
Cash & Cash Equivalents	-	6,137,349	6,137,349
Capital Assets, net	58,096,722	58,189,028	116,285,750
Total Assets	<u>\$ 92,693,790</u>	<u>\$ 73,010,396</u>	<u>\$ 165,704,186</u>
<b>Deferred Outflows of Resources:</b>			
Pensions	\$ 7,095,299	\$ 1,770,460	\$ 8,865,759
OPEB	3,774,772	1,127,529	4,902,301
Total Deferred Outflows of Resources	<u>\$ 10,870,071</u>	<u>\$ 2,897,989</u>	<u>\$ 13,768,060</u>
<b>Liabilities</b>			
Cash Overdrafts	\$ 3,431,222	\$ -	\$ 3,431,222
Accounts Payable	1,351,296	1,481,460	2,832,756
Accrued Payroll	677,289	231,934	909,223
Accrued Expenses	779,041	-	779,041
Deferred Revenue	3,028,975	-	3,028,975
Payable from Restricted Assets-			
Customer Deposits	-	1,158,984	1,158,984
Long Term Debt-			
Due within One Year	1,450,520	355,000	1,805,520
Due in More than one year	12,822,629	2,550,000	15,372,629
Net OPEB Obligation	7,337,535	2,191,731	9,529,266
Net Pension Liability	20,101,933	5,399,717	25,501,650
Accrued Employee Vacations	2,269,586	667,576	2,937,162
Total Liabilities	<u>\$ 53,250,026</u>	<u>\$ 14,036,402</u>	<u>\$ 67,286,428</u>
<b>Deferred Inflows of Resources:</b>			
Pensions	\$ 1,099,997	\$ 107,156	\$ 1,207,153
OPEB	1,530,936	457,293	1,988,229
Total Deferred Inflows of Resources	<u>\$ 2,630,933</u>	<u>\$ 564,449</u>	<u>\$ 3,195,382</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	\$ 43,823,573	\$ 55,284,028	\$ 99,107,601
Restricted for Debt Service	-	6,137,349	6,137,349
Unrestricted	3,859,329	(113,843)	3,745,486
Total Net Position	<u>\$ 47,682,902</u>	<u>\$ 61,307,534</u>	<u>\$ 108,990,436</u>



City of Natchitoches, Louisiana  
Government-Wide Statement of Activities  
For the Year Ended May 31, 2023

Program Activities	Expenses	Fees, Fines & Charges for Service	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ 9,253,603	\$ -	\$ 1,837,506	\$ 933,894	\$ (6,482,203)	\$ -	\$ (6,482,203)
Public Safety	11,562,310	61,780	624,049	525,553	(10,350,928)	-	(10,350,928)
Streets & Sanitation	3,354,527	2,095,839	-	1,484,430	225,742	-	225,742
Water, Sewer & Utilities	6,246,911	1,112,775	-	-	(5,134,136)	-	(5,134,136)
Economic Development	2,130,957	747,691	982,812	-	(400,454)	-	(400,454)
Health & Welfare	-	-	-	-	-	-	-
Recreation & Culture	1,685,693	134,815	296,429	374,292	(886,157)	-	(886,157)
Interest on Long-Term Debt	637,909	-	-	-	(637,909)	-	(637,909)
<b>Total Governmental Activities</b>	<b>\$ 34,871,910</b>	<b>\$ 4,152,900</b>	<b>\$ 3,734,796</b>	<b>\$ 3,318,169</b>	<b>\$ (23,666,045)</b>	<b>\$ -</b>	<b>\$ (23,666,045)</b>
<b>Business-Type Activities</b>							
Utilities Administration	\$ 1,537,224	\$ 38,934	\$ -	\$ -	\$ -	\$ (1,498,290)	\$ (1,498,290)
Electric	25,895,823	31,625,344	-	-	-	5,732,521	5,732,521
Water	4,912,062	5,272,740	-	-	-	360,678	360,678
Sewer	2,464,325	2,853,897	-	-	-	369,482	369,482
Information Technology	456,619	-	-	-	-	(456,619)	(456,619)
Interest on Long-Term Debt	121,003	-	-	-	-	(121,003)	(121,003)
<b>Total Business-Type Activities</b>	<b>\$ 35,407,056</b>	<b>\$ 39,763,825</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,386,769</b>	<b>\$ 4,386,769</b>
<b>Total Government</b>	<b>\$ 70,278,966</b>	<b>\$ 43,916,725</b>	<b>\$ 3,734,796</b>	<b>\$ 3,318,169</b>	<b>\$ (23,666,045)</b>	<b>\$ 4,386,769</b>	<b>\$ (19,279,276)</b>
<b>General Revenues</b>							
<b>Taxes-</b>							
Ad Valorem	\$ 2,510,384	\$ -	\$ -	\$ -	\$ 2,510,384	\$ -	\$ 2,510,384
Sales & Use	13,650,808	-	-	-	13,650,808	-	13,650,808
Franchise Fees	528,308	-	-	-	528,308	-	528,308
Video Bingo	524,127	-	-	-	524,127	-	524,127
Licenses & Permits	1,199,635	-	-	-	1,199,635	-	1,199,635
Interest Income	67,627	-	-	-	19,918	87,545	87,545
Gain (Loss) on Sale of Assets	(16,108)	-	-	-	25	(16,083)	(16,083)
Gain (Loss) on Investments	-	-	-	-	-	-	-
Rental Income	269,944	-	-	-	133,376	403,320	403,320
Insurance Recoveries	348,762	-	-	-	4,321	353,103	353,103
Nonemployer Pension Revenue	522,166	-	-	-	92,587	614,693	614,693
Miscellaneous	991,434	-	-	-	-	991,434	991,434
Contributed Capital	-	-	-	-	1,404,820	1,404,820	1,404,820
Transfers	5,871,975	-	-	-	(5,871,975)	-	-
<b>Total General Revenues &amp; Transfers</b>	<b>\$ 26,379,022</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,216,928)</b>	<b>\$ -</b>	<b>\$ 22,162,094</b>
<b>Change in Net Position</b>	<b>\$ 2,712,977</b>	<b>\$ -</b>	<b>\$ 169,841</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,882,818</b>	<b>\$ 2,882,818</b>
<b>Net Position, Beginning *</b>	<b>44,969,925</b>	<b>61,137,693</b>	<b>106,107,618</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Position, End</b>	<b>\$ 47,682,902</b>	<b>\$ 61,307,534</b>	<b>\$ 108,990,436</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*Restated - See note 17

## FUND FINANCIAL STATEMENTS

City of Natchitoches, Louisiana  
Balance Sheet - Governmental Funds  
May 31, 2023

	Major Funds						Total Governmental Funds
	General Fund	Capital Projects Improvements Streets Fund	Capital Projects Utility Improvements Fund	Capital Projects Sales Tax Fund	American Rescue Plan Act	Nonmajor Funds	
<u>Assets</u>							
Cash & Cash Equivalents	\$ 3,442,706	\$ -	\$ 4,705,292	\$ 3,512,659	\$ 3,139,778	\$ 16,688,075	\$ 31,488,510
Revenue Receivables	1,021,649	-	-	407,325	-	1,520,432	2,949,406
Due from Other Funds	-	-	-	-	-	36,489	36,489
Prepaid Expenses	6,000	-	4,297	-	-	148,855	159,152
<b>Total Assets</b>	<b>\$ 4,470,355</b>	<b>\$ -</b>	<b>\$ 4,709,589</b>	<b>\$ 3,919,984</b>	<b>\$ 3,139,778</b>	<b>\$ 18,393,851</b>	<b>\$ 34,633,557</b>
<u>Liabilities</u>							
Cash Overdraft	\$ -	\$ 1,121,309	\$ -	\$ 826,872	\$ -	\$ 1,483,041	\$ 3,431,222
Accounts Payable	280,173	122,133	103,900	69,300	109,800	665,990	1,351,296
Accrued Expense	454,220	-	-	133,576	-	191,245	779,041
Deferred Revenue	-	-	-	-	3,028,975	-	3,028,975
Due to Other Funds	16,559	-	-	-	-	19,930	36,489
Accrued Payroll	637,528	-	-	-	1,003	38,758	677,289
<b>Total Liabilities</b>	<b>\$ 1,388,480</b>	<b>\$ 1,243,442</b>	<b>\$ 103,900</b>	<b>\$ 1,029,748</b>	<b>\$ 3,139,778</b>	<b>\$ 2,398,964</b>	<b>\$ 9,304,312</b>
<u>Fund Balances</u>							
Nonspendable	\$ 6,000	\$ -	\$ 14,143	\$ -	\$ -	\$ 136,580	\$ 156,723
Restricted	-	-	-	-	-	7,520,851	7,520,851
Committed	-	-	4,591,546	2,890,236	-	9,589,856	17,071,638
Unassigned	3,075,875	(1,243,442)	-	-	-	(1,252,400)	580,033
<b>Total Fund Balance</b>	<b>\$ 3,081,875</b>	<b>\$ (1,243,442)</b>	<b>\$ 4,605,689</b>	<b>\$ 2,890,236</b>	<b>\$ -</b>	<b>\$ 15,994,887</b>	<b>\$ 25,329,245</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 4,470,355</b>	<b>\$ -</b>	<b>\$ 4,709,589</b>	<b>\$ 3,919,984</b>	<b>\$ 3,139,778</b>	<b>\$ 18,393,851</b>	<b>\$ 34,633,557</b>

See independent auditors' report and related note disclosures.

City of Natchitoches, Louisiana  
 Reconciliation of Governmental Funds Balance Sheet  
 to the Statement of Net Position  
 May 31, 2023

Total Fund Balance of Governmental Funds \$ 25,329,245

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

The following used in Governmental Activities are not financial resources, and, therefore, are not reported in the Governmental Funds Balance Sheet-

Capital Assets, Net	58,096,722
Deferred Outflows of Resources	10,870,071

The following are not due and payable in the current period and, therefore, are not reported in the Governmental Funds Balance Sheet-

Long-term Debt	(14,273,149)
Net OPEB Obligation	(7,337,535)
Net Pension Liability	(20,101,933)
Accrued Compensated Absences	(2,269,586)
Deferred Inflows of Resources	<u>(2,630,933)</u>

Total Net Position of Governmental Activities \$ 47,682,902

City of Natchitoches, Louisiana  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Funds  
For the Year Ended May 31, 2023

	Major Funds						Total Governmental Funds
	General Fund	Capital Projects Improvements Streets Fund	Capital Projects Improvements Fund	Capital Projects Sales Tax Fund	American Rescue Plan Act	Nonmajor Funds	
<b>REVENUES</b>							
Taxes	\$ 6,535,197	\$ -	\$ -	\$ 2,553,126	\$ -	\$ 7,982,873	\$ 17,071,196
Licenses & Permits	1,199,635	-	-	-	-	-	1,199,635
Intergovernmental	1,181,995	-	-	-	3,130,569	2,749,401	7,052,965
Charges for Services	101,696	-	650,689	-	-	2,906,282	3,658,667
Fees & Forfeits	11,705	-	-	-	-	40,642	52,347
Miscellaneous	267,177	-	67,872	27,283	-	949,488	1,311,825
Total Revenues	<u>\$ 9,297,405</u>	<u>\$ -</u>	<u>\$ 718,561</u>	<u>\$ 2,580,414</u>	<u>\$ 3,130,569</u>	<u>\$ 14,619,680</u>	<u>\$ 30,346,635</u>
<b>EXPENDITURES</b>							
Current-							
General Government	\$ 4,918,185	\$ -	\$ -	\$ -	\$ 933,894	\$ 1,601,553	\$ 7,453,632
Public Safety	9,531,513	-	-	-	525,553	799,452	10,856,518
Streets & Sanitation	1,503,817	507	-	-	1,464,430	2,271,032	5,259,786
Water, Sewer & Utilities	-	-	171,927	1,293,786	-	2,797,774	4,263,487
Economic Development	221,949	-	-	-	-	3,383,138	3,605,087
Recreation & Culture	784,127	-	-	-	186,692	378,882	1,349,701
Health & Welfare	-	-	-	-	-	-	-
Debt Service	26,873	-	100,000	-	-	12,942,358	13,069,231
Total Expenditures	<u>\$ 16,986,464</u>	<u>\$ 507</u>	<u>\$ 271,927</u>	<u>\$ 1,293,786</u>	<u>\$ 3,130,569</u>	<u>\$ 24,174,189</u>	<u>\$ 45,857,442</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (7,689,059)</u>	<u>\$ (507)</u>	<u>\$ 446,634</u>	<u>\$ 1,286,628</u>	<u>\$ -</u>	<u>\$ (9,554,503)</u>	<u>\$ (15,510,807)</u>
<b>OTHER FINANCING SOURCES (USES):</b>							
Operating Transfers In	\$ 9,202,948	\$ 600,500	\$ -	\$ -	\$ -	\$ 5,930,983	\$ 14,734,431
Operating Transfers Out	(1,317,300)	-	-	(1,350,000)	-	(6,195,156)	(8,862,456)
Sale of Assets	11,932	-	-	-	-	42,788	54,720
Loss on Investments	-	-	-	(64,922)	-	-	(64,922)
Debt Proceeds	-	-	389,500	-	-	13,642,500	14,032,000
Total Other Financing	<u>\$ 6,897,580</u>	<u>\$ 600,500</u>	<u>\$ 389,500</u>	<u>\$ (1,414,922)</u>	<u>\$ -</u>	<u>\$ 13,421,115</u>	<u>\$ 19,893,773</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (791,479)</u>	<u>\$ 599,993</u>	<u>\$ 836,134</u>	<u>\$ (128,294)</u>	<u>\$ -</u>	<u>\$ 3,866,612</u>	<u>\$ 4,382,966</u>
Fund Balances- Beginning of Year*	<u>3,873,354</u>	<u>(1,243,435)</u>	<u>3,769,555</u>	<u>3,018,530</u>	<u>-</u>	<u>12,128,275</u>	<u>20,946,279</u>
Fund Balances- End of Year	<u>\$ 3,081,875</u>	<u>\$ (1,243,442)</u>	<u>\$ 4,605,689</u>	<u>\$ 2,890,236</u>	<u>\$ -</u>	<u>\$ 15,994,887</u>	<u>\$ 25,329,245</u>

\*Restated - See note 17

City of Natchitoches, Louisiana  
 Reconciliation of the Statement of Revenues, Expenditures, and  
 Changes in Fund Balance of the Governmental Funds  
 to the Statement of Activities  
 May 31, 2023

Net Change in Fund Balance - Governmental Funds \$ 4,382,966

Amounts reported for Governmental Activities in the Statement of Activities are different because

Governmental Funds report Capital Outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as a depreciation expense. The cost of capital assets recorded in the current period is 4,203,670

Depreciation Expense on capital assets is reported in the Government-wide financial statements, but does not require the use of current financial resources and is not reported in the Fund Financial Statements. Current year depreciation is (3,466,046)

Some revenues reported in the Statement of Activities do not provide current financial resources and these are not reported as revenues in governmental funds. Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The timing differences are summarized below:

Long Term Debt Payments	12,481,322
Debt Proceeds	(14,032,000)
Non-Employer Pension Revenue	522,106
Net OPEB Obligation	(616,557)
Pension Expense	(593,292)
Accrued Compensated Absences	(169,192)

The net effect of sales transactions involving capital assets is to decrease net position:

Decrease of Capital Assets
Decrease of Accumulated Depreciation

Change in Net Position of Governmental Activities \$ 2,712,977

City of Natchitoches, Louisiana  
Statement of Net Position  
Proprietary Fund  
For the Year Ended May 31, 2023

Assets-	
Current Assets-	
Cash & Cash Equivalents	\$ 1,995,550
Receivables	2,623,648
Less, Allowance for Doubtful Accounts	(300,000)
Unbilled Receivables	2,618,844
Inventories at Cost	1,639,790
Prepaid Expenses	26,099
Total Current Assets	<u>\$ 8,603,931</u>
Restricted Assets-	
Cash & Cash Equivalents	<u>\$ 6,137,349</u>
Noncurrent Assets-	
Capital Assets, net	<u>\$ 58,189,028</u>
Other Assets-	
Other Receivables	<u>\$ 80,088</u>
Total Assets	<u>\$ 73,010,396</u>
Deferred Outflows of Resources-	
Pensions	\$ 1,770,460
OPEB	<u>1,127,529</u>
Total Deferred Outflows of Resources	<u>\$ 2,897,989</u>
Liabilities-	
Accounts Payable	\$ 1,481,460
Accrued Payroll	231,934
Accrued Employee Vacations	<u>66,758</u>
Total Current Liabilities	<u>\$ 1,780,152</u>
Liabilities Payable from Restricted Assets-	
Current Portion of Revenue Bonds	\$ 355,000
Customer's Deposits	<u>1,158,984</u>
Total Payable from Restricted Assets	<u>\$ 1,513,984</u>

Continued on next page

City of Natchitoches, Louisiana  
Statement of Net Position  
Proprietary Fund  
For the Year Ended May 31, 2023

Noncurrent Liabilities-	
Revenue Bonds Payable	\$ 2,550,000
Net OPEB Obligation	2,191,731
Net Pension Liability	5,399,717
Accrued Employee Vacations	<u>600,818</u>
Total Noncurrent Liabilities	<u>\$ 10,742,266</u>
Total Liabilities	<u>\$ 14,036,402</u>
Deferred Inflows of Resources-	
Pensions	\$ 107,156
OPEB	<u>457,293</u>
Total Deferred Inflows of Resources	<u>\$ 564,449</u>
Net Position:-	
Net Investment in Capital Assets	\$ 55,284,028
Restricted for Debt Service	6,137,349
Unrestricted	<u>(113,843)</u>
Total Net Position	<u>\$ 61,307,534</u>



City of Natchitoches, Louisiana  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Fund  
For the Year Ended May 31, 2023

Operating Revenues	
Charges for Services-	
Electric	\$ 31,628,344
Water	5,272,740
Sewer	2,853,807
Miscellaneous-	
Bad Debt Recovery	1,816
Other	37,118
Total Operating Revenues	<u>\$ 39,793,825</u>
Operating Expenses:	
Utility Administration-	
Personnel Services	\$ 991,489
Supplies and Maintenance	545,735
Total Administration	<u>\$ 1,537,224</u>
Electric-	
Personnel Services	\$ 1,701,481
Power Purchased	22,528,595
Depreciation	531,676
Supplies and Maintenance	1,134,071
Total Electric	<u>\$ 25,895,823</u>
Water-	
Personnel Services	\$ 792,469
Treatment Expenses	1,887,121
Depreciation	1,079,107
Supplies and Maintenance	1,153,365
Total Water	<u>\$ 4,912,062</u>
Sewer-	
Personnel Services	\$ 956,997
Treatment Expenses	170,519
Depreciation	610,852
Supplies and Maintenance	745,957
Total Sewer	<u>\$ 2,484,325</u>

Continued on next page.

City of Natchitoches, Louisiana  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Fund  
For the Year Ended May 31, 2023

Information Technology Department-	
Personnel Services	\$ 205,546
Computer Software & Maintenance	137,602
Supplies & Maintenance	<u>113,471</u>
Total Information Technology Dept	\$ <u>456,619</u>
Total Operating Expenses	\$ <u>35,286,053</u>
Income from Operations	\$ <u>4,507,772</u>
Non-Operating Revenues (Expenses)	
Interest Income	\$ 19,918
Insurance Recoveries	4,321
Gain (Loss) on Sale of Assets	25
Non-Employer Pension Revenue	92,587
Rental Income	133,376
Interest Expense	<u>(121,003)</u>
Total Non-Operating Revenues (Expenses)	\$ <u>129,224</u>
Income Before Contributions and Transfers	\$ <u>4,636,996</u>
Contributions and Transfers-	
Contributed from Other Funds	\$ 1,404,820
Transfers Out	(7,249,000)
Transfers In	<u>1,377,025</u>
Total Contributions and Transfers	\$ <u>(4,467,155)</u>
Change in Net Position	\$ 169,841
Net Position Beginning of Year	<u>61,137,693</u>
Net Position End of Year	\$ <u>61,307,534</u>

City of Natchitoches, Louisiana  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended May 31, 2023

	Business-Type Activities <u>Enterprise Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers	\$ 39,688,179
Cash Payments to Employees	(4,465,956)
Cash Payments to Suppliers for Goods and Services	<u>(29,308,656)</u>
Net Cash Provided by Operating Activities	<u>\$ 5,913,567</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>	
Rental Income	\$ 133,376
Transfers to Other Funds	(7,249,000)
Transfers from Other Funds	<u>1,377,025</u>
Net Cash Provided by Capital & Related Financing Activities	<u>\$ (5,738,599)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Gain on Sale of Assets	\$ 25
Insurance Recoveries	4,321
Proceeds from Capital Contributions	1,404,820
Acquisition or Construction of Capital Assets	(2,377,942)
Principal Paid on Capital Debt	(204,167)
Interest Paid on Capital Debt	<u>(121,003)</u>
Net Cash Provided by Capital & Related Financing Activities	<u>\$ (1,293,946)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Income	\$ 19,918
Debt Proceeds	-
Loss on Investments	<u>-</u>
Net Cash Provided by Investing Activities	<u>\$ 19,918</u>
Net Increase in Cash & Cash Equivalents	\$ (1,099,060)
Cash & Cash Equivalents - Beginning of Year	<u>9,231,959</u>
Cash & Cash Equivalents - End of Year	<u>\$ 8,132,899</u>

Continued on next page.

City of Natchitoches, Louisiana  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended May 31, 2023

	<u>Business-Type Activities Enterprise Fund</u>
<b>RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>	
Operating Income	\$ 4,507,772
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>	
Depreciation	\$ 2,221,635
Changes in Assets & Liabilities:	
(Increase) Decrease in Accounts Receivable	(63,708)
(Increase) Decrease in Inventory	(196,293)
(Increase) Decrease in Prepaid Expenses	14,154
(Increase) Decrease in Other Receivables	(54,568)
Increase (Decrease) in Accounts Payable	(710,081)
Increase (Decrease) in Accrued Payroll	35,143
Increase (Decrease) in Compensated Absences	25,439
Increase (Decrease) in Net OPEB	184,166
Increase (Decrease) in Net Pension Liability	(62,722)
Increase (Decrease) in Customer Deposits	12,630
Total Adjustments	<u>\$ 1,405,795</u>
Net Cash Provided (used) by Operating Activities	<u>\$ 5,913,567</u>
<b>RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS:</b>	
Current Assets-	
Cash and Cash Equivalents	\$ 1,995,550
Restricted Assets-	
Cash and Cash Equivalents	6,137,349
Total Cash and Cash Equivalents	<u>\$ 8,132,899</u>

City of Natchitoches, Louisiana  
Statement of Fiduciary Net Position  
Custodial Fund  
Cash Bond Fund  
For the Year Ended May 31, 2023

Assets

Cash	\$	129,887
Accounts Receivable		<u>44,882</u>
Total Assets	\$	<u>174,769</u>

Liabilities

Due to Others	\$	<u>174,769</u>
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City of Natchitoches, Louisiana  
 Fiduciary Fund - Custodial Fund  
 Statement of Changes in Fiduciary Net Position  
 For the Year Ended May 31, 2023

	Police Bond Fund
Unsettled Balances - Beginning of Year	\$ 103,417
ADDITIONS:	
Fines & Forfeitures	315,593
DEDUCTIONS:	
Deposits Settled to Marshal	(244,241)
Unsettled Balances - End of Year	\$ 174,769

NOTES TO FINANCIAL STATEMENTS

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

## Introduction

The City of Natchitoches (the City) was founded in 1714 and incorporated in 1822. The City currently operates under a Home Rule Charter adopted on January 27, 1975. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: police and fire protection, streets and drainage, parks and recreation, certain social services, and general administration services. The City owns and operates one enterprise activity, a utility system which distributes electricity and provides water and sewer services.

### 1 Summary of Significant Accounting Policies

The financial statements of the City of Natchitoches have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

#### A. Reporting Entity

The 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. Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity" 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 is described below.

1. Appointing a voting majority of an organization's governing body and
  - a. The ability of the City of Natchitoches to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City of Natchitoches.
2. Organizations for which the City of Natchitoches does not appoint a voting majority but are fiscally dependent on the City.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the City of Natchitoches has determined that the following component units are part of the reporting entity:

<u>Component Unit</u>	<u>Criteria Used</u>
Natchitoches City Court	2 and 3
Natchitoches City Marshal	2 and 3
Waterworks District No. 1	1 and 3



City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

A. Reporting Entity (continued)

The City of Natchitoches has chosen to issue financial statements of the primary government (City) which exclude the above listed component units. Individual financial statements for the above agencies may be obtained by writing P. O. Box 37, Natchitoches, Louisiana 71458-0037.

Various other entities operate within the City of Natchitoches, and many of these include "Natchitoches" within their name. These entities are not considered as reportable component units within the City's financial statements since the City does not exercise control over them.

B. Basis of Presentation

Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. They include all funds of the reporting entity except for fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Fund Financial Statements

The financial statements of the City of Natchitoches are organized into funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in the individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Funds are classified into three categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, 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

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

B. Basis of Presentation (continued)

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

The 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 for those required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Projects Funds

Capital projects funds are used to account for the acquisition or construction of major capital facilities

Debt Service Funds

Debt service funds are used to account for accumulation of resources for and payment of general long-term debt principal, interest, and related costs.

Proprietary Fund-

Enterprise Fund

The enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and 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 the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

B. Basis of Presentation (continued)

Fiduciary Fund-

Custodial Funds

Custodial funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Sales taxes are considered as "measurable" when in the hands of the Sales Tax Collector, and are recognized as revenue at that time. Ad Valorem taxes are recognized as revenue in the year for which budgeted, that is, in the year in which such taxes are billed and collected. 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Other major revenues that are considered susceptible to accrual include earned grant revenues, charges for services, and interest earned on investments. Franchise fees, licenses and permits, and court fines are recognized when received because they are not objectively measurable.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, post-employment benefit obligations, pension expense and claims and judgments, are recorded only when payment is due.

The City reports the following major governmental funds:

1. General Fund-To account for resources traditionally associated with governments that are not required to be accounted for in another fund.
2. Capital Projects Utility Improvements Fund-To account for revenues earned by the Utility System's electrical production plant which are used for improvements to the Utility System.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

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

3. Capital Projects Sales Tax Fund-To account for the payment of the DEQ Bonds issued to construct a new wastewater treatment plant and to fund water and sewer fund maintenance.
4. Capital Projects Street Fund-To account for the repairs and rehabilitation of streets within the City.
5. American Rescue Plan Act Fund-To account for the receipt and disbursements of Coronavirus Fiscal Recovery Funds

D. Budgets and Budgetary Accounting

Annual budgets are adopted and recorded in the accounting records for all governmental type funds. The City follows these procedures in establishing the budgetary data reflected in these financial statements:

1. At least forty-five days prior to the beginning of each fiscal year, the Mayor submits to the City Council a proposed budget in the form required by the City's Charter.
2. At the meeting of the Council at which the operating budget is submitted, the Council orders a public hearing on the budget, and orders the official journal to publish at least ten days prior to such meeting, the time and place thereof, a general summary of the proposed budget, and the times and places where copies of the proposed budget are available for public inspection.
3. Adoption of the budget is required no later than the last regular meeting of the last month of the fiscal year prior to the fiscal year for which the budget pertains
4. Formal budgetary integration is employed as a management control tool during the year. Funds in excess of the budgetary amounts cannot be obligated without the Finance Director's approval. Funds in excess of those budgeted for an entire department (or fund) cannot be obligated without the Mayor's approval. These procedures render control at the departmental fund level.
5. The budget can be amended after adoption, by the Mayor submitting an amended budget to the Council, and the adoption of the amended budget by the Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles as applied to governmental units.

Budget amounts shown in the financial statements are as originally adopted, or as amended with procedures required by the City's charter.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

E. Cash and Cash Investments

The City has deposits in several types of highly liquid investment vehicles such as certificates of deposit. Since all of the City's cash is readily available, these deposits are listed in these statements as "Cash and Cash Equivalents". Under State law, the City may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. The City may also purchase investments in securities backed by the full faith and credit of the United States Government

F. Inventories

Inventories of supplies in the proprietary fund are valued at cost (moving average).

G. Bad Debts

Uncollectible amounts due for customer's utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. Allowance for bad debts at May 31, 2023 was \$300,000, which was not changed from the prior year.

H. Capital Assets

Capital Assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$5,000 or more for capitalizing capital assets.

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. Major outlays for capital assets and improvements are capitalized as projects are constructed. All capital assets, other than land and construction in progress, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Sewer System	50 years
Water & Utility	50 years
Buildings & building improvements	40-50 years
Streets & sidewalks	25 years
Furniture & fixtures	5-7 years
Vehicles	5-15 years
Equipment	5-14 years

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

I. Compensated Absences

Employees of the City earn vacation hours based on the number of years of continuous service. Accrued vacation time is only allowed for full-time employees and not permanent part-time employees. Sick leave shall be accrued by each full-time employee at a rate of 12 days per year.

Vacation and sick leave may be accumulated from year to year. Upon termination-retirement, employees are entitled to be paid a maximum of 480 hours of sick leave, 480 hours vacation, and 240 hours of compensatory time. These compensated absences are recorded as a liability in each of the City's funds that have payroll expenditures.

J. Interfund Transactions

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both governmental and proprietary funds.

The following is a summary of interfund operating transfers:

	<u>Operating Transfers In</u>	<u>Operating Transfers Out</u>
General Fund	\$ 8,202,948	\$ 1,317,300
Special Revenue Funds-		
Sales Tax Rededication	0	2,707,391
Events City Operations	255,000	0
Hazard Tax	0	1,014,000
Sales Tax Police	0	1,702,000
Airport Operations	51,375	0
Employee Benefits	900,000	0
Liability Insurance	849,000	0
Workman's Compensation Fund	300,000	118,348
Economic Development District	100,000	200,000
Miss Merry Christmas	12,300	0
2015 Revenue Note Reserve Fund	245,000	0
Cane River Green Market	25,500	0
Sales Tax- District A	177,417	39,000
Sales Tax- District C	0	369,417
Economic Development District TIF A	0	45,000
Capital Projects Funds-		
Capital Improvements-Special	102,000	0
Capital Projects-Sales Tax	0	1,350,000
Capital Improvements - Streets	600,500	0
LCDBG	275,000	0
Sports Complex Construction	231,000	0
Debt Service Funds-		
Debt Service – Sales Tax	2,407,391	0

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

J. Interfund Transactions (continued)

	<u>Transfers In</u>	<u>Transfers Out</u>
Enterprise Fund- Utility	<u>1,377,025</u>	<u>7,249,000</u>
Totals	<u>\$16,111,456</u>	<u>\$16,111,456</u>

Transfers are primarily used to move funds:

- From the Proprietary Fund to the General Fund so that excess revenues can be used for governmental services.
- From the Proprietary Fund to the Capital Projects Funds to fund expansion of the Utility Fund.
- From the Sales Tax Police Fund to the General Fund to cover cost of police operations.
- From the Hazard Tax Fund to the General Fund to fund cost of police and fire operations.
- From the Capital Projects Sales Tax Fund to the Utility Improvements Fund for utility improvement projects.
- Other miscellaneous transfers to move operation monies to and from various funds.

K. Prepaid Expenses

Prepaid expense balances are for payments made by the City in the current year to provide services occurring in the subsequent fiscal year, and for bond payments which are due immediately after the fiscal year end.

L. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column of the statement of net position.

In the fund financial statements, governmental fund types recognize debt issued as other financing sources. Repayment of the principal and interest is shown as an expenditure.

M. Restricted Assets

Certain resources of the Utility Fund are classified as restricted assets on the balance sheet because their use is limited by bond ordinances, or because they represent customers' deposits being held by the fund.

N. Pensions

For purposes of measuring the Net Pension Liability, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the retirement systems and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. See note 8, for more information on the individual retirement systems.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

O. Deferred Outflows/Inflows of Resources

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

P. Fund Equity

In the fund statements, governmental fund equity is classified as fund balance. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance - amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance - amounts that are available for any purpose. Only the General Fund would report positive amounts in unassigned fund balance.

The General Fund has an unassigned fund balance of \$3,075,875. If applicable, the City would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

Q. Net Position

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

- a. 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 borrowings that are attributable to the acquisition, construction, or improvement of those assets.



City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

Q. Net Position (continued)

- b. Restricted net position - Consists of net resources with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net position - All other net resources that do not meet the definition of "restricted" or "net investment in capital assets".

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, management applies unrestricted net position first, unless a determination is made to use restricted net position. The policy concerning which to apply first varies with the intended use and legal requirements. This decision is typically made by management at the incurrence of the expenses.

R. Bond Issuance Costs

Bond discounts and issuance costs are shown as expenditures in the current period for both governmental and business-type activities.

S. Estimates

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

T. Cash and Cash Equivalents

For the purpose of the Statement of Net Position, "cash and cash equivalents" includes all demand, savings accounts, and certificates of deposit of the City. 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.

U. New Accounting Pronouncements

GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements (SBITAs)*" provides guidance on the accounting and financial reporting for subscription-based information technology arrangements. This statement defines a SBITA, establishes that a SBITA results in a right of use asset, provides the capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in GASB Statement No. 87, *Leases*. The City adopted this standard effective June 1, 2022 and has determined that it has no effect on the financial statements for the year ended May 31, 2023.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

2. Ad Valorem Taxes

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

The Natchitoches Tax Commission bills and collects property taxes for the City. Collections are remitted to the City monthly. The City recognizes property tax revenues when levied.

Property Tax Calendar

Assessment date	January 1
Levy date	June 30
Tax bills mailed	October 15
Total taxes are due	December 31
Penalties & interest added	January 31
Lien date	January 31
Tax sale	May 15

For the year ended May 31, 2023, taxes of 17.03 mills were levied on property with an assessed valuation totaling \$144,456,890 and were dedicated as follows:

General Corporate Purposes	7.03 mills	indefinite
Special Taxes	10.00 mills	expires 2028

Total taxes collected were \$2,510,384 after small adjustments were made to the original tax roll. A tax sale was held on May 15, 2023, and most uncollected taxes were collected on that date. Uncollected taxes average less than 2% of total taxes levied, and no provision for uncollectibles is made.

3. Lease Agreements

The City of Natchitoches has entered into the following long-term lease agreement:

Waterworks District Number 1 of Natchitoches Parish for a period of fifty years from 1980. This District was originally created to construct a water source, and furnish water to residents of Ward One of Natchitoches Parish, including those residents living within the City's boundaries. The agreement provides that the City operate the water system, including billing the consumers and collecting for services, furnishing all labor, materials, and equipment to operate and maintain the system. The agreement calls for the City to lease the water system from the Water District for an annual payment of \$3,600. The Waterworks District retains control of and responsibility for the water source.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

#### 4 Receivables

The following is a summary of receivables at May 31, 2023:

Sales Tax	\$2,226,346
Licenses	158,983
Charges for Services - Utilities	4,942,492
Miscellaneous	<u>564,077</u>
 Total	 <u>\$7,891,898</u>

All receivables for the governmental funds are considered to be collectible, and no allowance for bad debt is used. Allowance for bad debts for the proprietary funds is \$300,000.

#### 5. Capital Assets

Capital assets and depreciation activity as of and for the year ended May 31, 2023, is as follows.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
General Fund-				
Capital Assets; not depreciated-				
Land	\$ 11,415,033	\$ 0	\$ 0	\$ 11,415,033
Construction in Progress	2,381,507	1,260,925	2,170,644	1,471,788
Capital Assets: depreciated-				
Buildings	19,948,375	568,966	0	20,517,341
Other Infrastructure	34,496,085	3,493,926	0	37,990,011
Other Assets	827,117	0	0	827,117
Furniture & Fixtures	15,104	0	0	15,104
Machinery & Equipment	4,834,273	586,903	0	5,421,176
Vehicles	5,108,532	463,594	53,976	5,518,150
Streets	92,561,314	0	0	92,561,314
Sidewalks	<u>5,547,865</u>	<u>0</u>	<u>0</u>	<u>5,547,865</u>
Total Assets	<u>\$177,135,205</u>	<u>\$6,374,314</u>	<u>\$2,224,620</u>	<u>\$181,284,899</u>
Accumulated Depreciation-				
Buildings	\$ 8,184,211	\$ 608,998	\$ 0	\$ 8,793,209
Other Infrastructure	7,713,835	1,622,719	0	9,336,554
Other Assets	827,115	0	0	827,115
Furniture & Fixtures	15,104	0	0	15,104
Machinery & Equipment	3,347,652	431,697	0	3,779,349
Vehicles	4,185,810	428,393	53,976	4,560,227
Streets	90,178,977	327,607	0	90,506,584
Sidewalks	<u>5,323,403</u>	<u>46,632</u>	<u>0</u>	<u>5,370,035</u>
Total Accumulated Depr.	<u>\$119,776,107</u>	<u>\$3,466,046</u>	<u>\$ 53,976</u>	<u>\$123,188,177</u>
Total Capital Assets, Net	<u>\$ 57,359,098</u>	<u>\$2,908,268</u>	<u>\$2,170,644</u>	<u>\$ 58,096,722</u>

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

5. Capital Assets (continued)

Depreciation expense of \$3,466,046 for the year ended May 31, 2023, was charged to the following governmental functions:

General Fund-	
Finance Department	\$ 58,517
Community Development Department	885,745
Planning & Zoning	5,490
Fire Department	249,764
Recreation Department	405,107
Public Works Department	535,836
Purchasing Department	30,316
Police Department	320,995
Airport Fund	670,145
Convention Center	241,623
Industrial Park South	<u>62,508</u>
 Total	 <u>\$3,466,046</u>

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities				
Utility Fund-				
Capital Assets; not depreciated-				
Land	\$ 937,995	\$ 0	\$ 0	\$ 937,995
Capital Assets; depreciated-				
Buildings	1,912,581	49,316	0	1,961,897
Furniture & Fixtures	310,366	0	0	310,366
Machinery & Equipment	10,891,269	514,500	0	11,405,769
Vehicles	2,206,852	98,057	24,745	2,280,164
Electric System	24,869,087	116,094	0	24,985,181
Water System	44,771,785	706,947	0	45,478,732
Sewer System	<u>26,828,669</u>	<u>893,028</u>	<u>0</u>	<u>27,721,697</u>
Total Assets	<u>\$112,728,604</u>	<u>\$2,377,941</u>	<u>\$ 24,745</u>	<u>\$115,081,801</u>
Accumulated Depreciation-				
Buildings	\$ 1,131,826	\$ 39,238	\$ 0	\$ 1,171,064
Furniture & Fixtures	310,366	0	0	310,366
Machinery & Equipment	10,317,011	194,165	0	10,511,176
Vehicles	2,169,543	23,476	24,745	2,168,274
Electric System	10,409,214	467,011	0	10,876,225
Water System	17,830,375	959,505	0	18,789,880
Sewer System	<u>12,527,548</u>	<u>538,240</u>	<u>0</u>	<u>13,065,788</u>
Total Accumulated Depr.	<u>\$ 54,695,883</u>	<u>\$ 2,221,635</u>	<u>\$ 24,745</u>	<u>\$ 56,892,773</u>
Total Net Assets	<u>\$ 58,032,721</u>	<u>\$ 156,306</u>	<u>\$ 0</u>	<u>\$ 58,189,028</u>

City of Natchitoches, Louisiana  
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5. Capital Assets (continued)

Depreciation expense of \$2,221,635 for the year ended May 31, 2023, was charged to the following business-type functions:

Electric System	\$ 531,665
Water System	1,079,125
Sewer System	<u>610,845</u>
Total Utility Fund	<u>\$2,221,635</u>

6. Long-Term Debt

General Obligation- At May 31, 2023, the City had the following outstanding general obligation bond issues:

- 1) Capital lease with option to purchase financed through Southside Bank for a fire rescue truck and payments began in December 2017. The original loan was for \$250,000 and is to be repaid over 10 years by the Hazard Tax Fund.
- 2) Note payable with Carbecca, LLC for the purchase of land at Rapides Drive. The original loan was for \$290,000 and is to be repaid over five years from the Hazard Tax Fund. This note was paid in full as of May 31, 2023.
- 3) Note payable with BB&T Governmental Finance for the purpose of purchasing two pumper trucks for the fire department. The original loan was for \$515,824 and is to be repaid over five years from the Hazard Tax Fund.
- 4) Note payable with Altec Financial for the purpose of purchasing a 2023 Freightliner for the utility department. The original loan was for \$389,500 and is to be repaid over five years from the Utility Improvements-Cleco Fund.
- 5) Note payable with Guillett Realty for the purpose of purchasing land and a building for the public works department. The original loan was for \$512,500 and is to be repaid over three years from the Capital Projects-Special Fund.

Revenue Bonds- The City has issued several series of bonds for improvements to the utility system, and also to refund other bond issues. All of these debt issues are secured by the revenues of the Utility Fund. These revenue bond issues are:

- 1) Series 2021 Utilities Revenue Refunding Bonds – As of March 1, 2021, the City authorized issuance of utilities revenue refunding bonds, series 2021 in the amount of \$3,615,000 to fund the redemption of the following bonds: a) Series 2009A Utilities Revenue Refunding Bonds, b) Series 2009B Utilities Revenue Refunding Bonds, and c) 2015 Taxable Utilities Revenue Bonds.
- 2) Series 2021 Sales Tax Refunding Bonds – As of September 1, 2021, the City authorized issuance of Series 2021 Sales Tax Refunding Bonds in the amount of \$11,165,000 to fund the redemption of the following bonds: a) Series 2018 Sales Tax Bonds and b) Series 2019 Sales Tax Bonds.

City of Natchitoches, Louisiana  
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6 Long-Term Debt (continued)

- 3) Series 2015 Taxable Revenue Note - For the year ended May 31, 2016, the City authorized the issuance of revenue bonds, not to exceed \$2,000,000, to provide financial assistance to Industrial Development Board (IDB), a private sector entity for the acquisition, construction, and equipping of an approximately 87-room hotel facility and parking facilities to be located within the geographical boundaries of the City, and to pay the costs of issuance of the note. The bonds are secured by pledge of IDB annual payment, the Economic Development District tax, and excess revenues and are payable solely by IDB. Upon repayment of the bonds, ownership of the property and facilities transfer to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds
- 4) Series 2022 Revenue Bonds - - For the year ended May 31, 2023, the City authorized the issuance of revenue bonds, not to exceed \$2,000,000, to funding for the extension and improvement the Texas and Pacific Railway Depot.

General Obligation and Revenue Bonds Outstanding at May 31, 2023, are as follows.

<u>Issue</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>
General Obligation-				
Southside Bank	12-01-2017	11-01-2026	2.99%	\$ 108,922
Altec Financial	06-01-2023	06-01-2028	7.55%	289,500
Gullett Realty	06-01-2022	06-01-2025	0.00%	302,500
BB&T Governmental Finance	10-15-2018	10-15-2023	3.84%	111,227
Total General Obligation Debt				<u>\$ 812,149</u>
Revenue Bonds-				
Series 2015 Refunding	12-01-2015	12-01-2029	4.30%	\$ 1,206,000
Series 2021 Utilities Revenue	06-01-2021	12-01-2030	1.49%	2,905,000
Series 2021 Sales Tax Refunding	09-01-2021	09-01-2033	2.75%	10,255,000
Series 2022 Utilities Revenue	03-01-2022	12-01-2030	1.49%	<u>2,000,000</u>
Total Revenue Bonds				<u>\$16,366,000</u>
Total General Obligation and Revenue Bonds Payable				<u>\$17,178,148</u>

The annual debt service requirements to maturity of general obligation debt and revenue bonds outstanding at May 31, 2023, excluding interest payments of \$2,974,206 are as follows:

<u>Year Ending May 31</u>	<u>General Obligation</u>	<u>Revenue Bonds</u>	<u>Total</u>
2024	\$362,520	\$ 1,443,000	\$ 1,805,520
2025	202,382	1,472,000	1,674,382
2026	84,834	1,535,000	1,619,834
2027	90,132	1,569,000	1,659,132
2028	72,280	1,609,000	1,681,280
2029-2033	0	7,089,000	7,089,000
2034-2038	0	583,000	583,000
2039-2043	0	475,000	475,000
2034-2048	<u>0</u>	<u>591,000</u>	<u>591,000</u>
Total	<u>\$812,148</u>	<u>\$16,366,000</u>	<u>\$17,178,148</u>

City of Natchitoches, Louisiana  
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6 Long-Term Debt (continued)

The following is a summary of changes in long-term debt, including accrued compensated absences, net other postemployment benefits (OPEB), and net pension liability for the year ended May 31, 2023:

	<u>Balance</u> <u>06-01-22</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>05-31-23</u>
General Obligation	\$ 402,470	\$ 902,000	\$ 492,322	\$ 812,148
Revenue Bonds	15,249,166	13,130,000	12,013,166	16,366,000
Compensated Absences	2,742,531	194,631	0	2,937,162
Net OPEB Obligation	6,152,883	3,376,383	0	9,529,266
Net Pension Liability	<u>15,025,399</u>	<u>10,476,251</u>	<u>0</u>	<u>25,501,650</u>
Total	<u>\$39,572,449</u>	<u>\$28,079,265</u>	<u>\$12,505,488</u>	<u>\$55,146,226</u>

7. Flow of Funds, Restriction on Use-Enterprise Fund

Under the terms of the bond indentures relating to Utility Revenue Bonds, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operations of the Utility System are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special accounts:

1. Out of revenue, to the "Operations and Maintenance Account", an amount sufficient to provide for expenses of the system.
2. Each month, there should be set aside into an account called the "Sinking Fund", an amount constituting 1/12 of the next maturing yearly installment principal payment, and 1/6 of the next six month interest payment. These funds can only be used for payment of bond principal and interest.
3. There should also be set aside into a "Bond Reserve Account", an amount equal to 20% of the principal and interest payments required during the current fiscal year until there shall have been accumulated in the Reserve Account an amount equal to the maximum principal and interest requirements in any one maturity year. These monies may be used only for the payment of maturing bonds and interest for which sufficient funds are not on deposit in the "Bond and Interest Redemption Account".
4. Funds must also be set aside into a "Contingency Account" at the rate of 7% of the adjusted income of the Utility Fund. Money in this account may also be used to pay principal and interest on the bonds falling due at a time when there is not sufficient money for payment in the other bond funds. This fund can be used for major repairs to the system. The amount in the account should not be reduced below \$15,000. No payment is required to be made into this fund anytime the balance equals or exceeds \$1,000,000.
5. All of the revenue received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful purpose.

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8. Employee Retirement Systems

Substantially all employees of the City are members of the Municipal Employees Retirement System of Louisiana (MERS), Municipal Police Employees Retirement System of Louisiana (MPERS), Firefighters' Retirement System of Louisiana (FRS), or the Louisiana State Employees' Retirement System (LASERS). These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. General Information about the Plans

*Municipal Employees Retirement System of Louisiana (MERS)*

*Plan Description*

MERS was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana to provide retirement benefits to employees of all incorporated villages, towns and cities within the state, which did not have their own retirement system and which elected to become members of MERS.

Act 569 of the year 1968 established by the Legislature of the State of Louisiana provides an optional method for municipalities to cancel Social Security and come under supplementary benefits in MERS, effective on and after June 30, 1970. Effective October 1, 1978, under Act 788, the "regular plan" and the "supplemental plan" were replaced and are now known as Plan "A" and Plan "B". Plan A combines the original plan and the supplemental plan for those municipalities participating in both plans, while Plan B participates in only the original plan.

Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least 35 hours per week. Individuals paid jointly by a participating employer and the parish are not eligible for membership in MERS with exceptions as outlined in the statutes. MERS issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at [www.la.state.la.us](http://www.la.state.la.us).

*Benefits Provided*

The following is a 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.

**Retirement**

Any member of Plan A who commenced participation prior to January 1, 2013 can retire providing he meets one of the following criteria:

1. Any age with twenty-five or more years of creditable service.
2. Age 60 with a minimum of ten years of creditable service.
3. Any age with 20 years of creditable service, exclusive of military service and unused annual and sick leave, with an actuarially reduced early benefit.



City of Natchitoches, Louisiana  
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8 Employee Retirement Systems (continued)

Generally, the monthly amount of the retirement allowance for any member of Plan A shall consist of an amount equal to three percent of the member's final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. An additional regular retirement benefit can be received for any city marshal or deputy city marshal. See Plan Booklet for further details.

Any member of Plan A Tier 2 can retire providing he meets one of the following criteria:

1. Age 67 with seven years of creditable service.
2. Age 62 with ten years of creditable service.
3. Age 55 with thirty years of creditable service.
4. Any age with twenty five years of creditable service, exclusive of military service and unused annual and sick leave, with an actuarially reduced early benefit.

Generally, the monthly amount of the retirement allowance for any member of Plan A Tier 2 shall consist of an amount equal to two percent of the member's final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted.

**Survivor's Benefits**

Upon the death of any member of Plan A with five or more years of creditable service, not eligible for normal retirement, the plan provides for benefits for the surviving spouse and minor children as outlined in the statutes.

Any member of Plan A who is eligible for normal retirement at time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

**Deferred Retirement Option Plan (DROP)**

In lieu of terminating employment and accepting a service retirement allowance, any member of Plan A who is eligible to retire may elect to participate in DROP for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund. Interest is earned when the member has completed DROP participation. Interest earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of the MERS has been terminated for at least one full year.

City of Natchitoches, Louisiana  
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8. Employee Retirement Systems (continued)

Upon termination of employment prior to or at the end of the specified period of participation, a participant in DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the board of trustees. If a participant dies during participation in DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in MERS.

**Disability Benefits**

For Plan A, a member shall be eligible to retire and receive a disability benefit if they have at least five years of creditable service, is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of (1) an amount equal to three percent of the member's current final compensation multiplied by his/her years of creditable service, but not less than forty-five percent of his final compensation, or (2) an amount equal to what the member's normal retirement benefit would be based on the member's current final compensation, but assuming the member remained in continuous service until his earliest normal retirement age and using those retirement benefit computation factors which would be applicable to the member's normal retirement.

**Cost-of-Living Increases**

MERS is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows MERS to grant additional cost of living increases to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

**Deferred Benefits**

Both plans provide for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

*Contributions*

According to state statute, contribution requirements for all employers are actuarially determined each year. For the year ending June 30, 2022, the employer contribution rate was 29.50% of member's earnings for Plan A.

City of Natchitoches, Louisiana  
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8. Employee Retirement Systems (continued)

According to state statute, MERS also receives one-fourth (1/4) of 1% of ad valorem taxes collected within the respective parishes except for Orleans. Tax monies are apportioned between Plan A and Plan B in proportion to salaries of plan participants. MERS also receives revenue sharing funds each year as appropriated by the Legislature. These additional sources of income are used as additional employer contributions and considered support from non-employer contributing entities, but are not considered special funding situations. The non-employer contribution was \$196,995.

The City's contractually required composite contribution rate for the year ended May 31, 2023 29.50% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability.

Contributions to the pension plan from the City were \$1,656,119 for the year ended May 31, 2023.

Municipal Police Employees' Retirement System (MPERS)

*Plan Description*

MPERS was established by and the benefit provisions are authorized within Act 189 of 1973 and amended by Louisiana Revised Statutes 11:2211 – 11:2233. Participants should refer to the appropriate statutes for more complete information.

Membership 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, provided he or she does not have to pay social security and providing he or she meets the statutory criteria. MPERS issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at [www.lampers.org](http://www.lampers.org) or [www.la.state.la.us](http://www.la.state.la.us).

*Benefits Provided*

The following is a 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

**Retirement**

Membership Prior to January 1, 2013

A member is eligible for regular retirement after he has been a member of MPERS 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 MPERS for 20 years of creditable service at any age with an actuarially reduced benefit.

City of Natchitoches, Louisiana  
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8. Employee Retirement Systems (continued)

Benefit rates are 3.33% 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 40% to 60% of the member's average final compensation for the surviving spouse. In addition, each child under age 18 receives benefits equal to 10% of the member's average final compensation or \$200 per month, whichever is greater.

Membership Commencing January 1, 2013

Membership 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 MPERS and has 25 years of creditable service at any age or has 12 years 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 MPERS 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 MPERS 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 3% (generally) and 2.5%, 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 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 25% to 55% of the member's average final compensation for the surviving spouse. In addition, each child under age 18 receives 10% of average final compensation or \$200 per month whichever is greater. If deceased member had less than 10 years of service, 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.

City of Natchitoches, Louisiana  
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8. Employee Retirement Systems (continued)

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 retirement age.

A COLA may only be granted if funds are available from interest earnings in excess of normal requirements, as determined by the actuary.

**Deferred Retirement Option Plan (DROP)**

A member is eligible to elect to enter 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 MPERS is terminated. At the entry date into 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 36 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 MPERS shall resume and upon later termination, he shall receive additional retirement benefits 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 MPERS' 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 MPERS' 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 and earn interest at the money market rate

**Initial Benefit Option Plan**

In 1999, the State Legislature authorized MPERS 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 benefits, plus a reduced monthly retirement benefit for life. Interest is computed on the balance based on the same criteria as DROP.

*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.



City of Natchitoches, Louisiana  
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8. Employee Retirement Systems (continued)

For the year ended June 30, 2022, 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 were 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 7.5%, respectively.

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 \$173,094 are recognized as revenue, but are not considered special funding situations.

The City's contractually required composite contribution rate for the year ended May 31, 2023 was 29.75% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability.

Contributions to the pension plan from the City were \$716,159 for the year ended May 31, 2023.

*Firefighters' Retirement System of Louisiana (FRS)*

FRS was established by Act 434 of 1979 to provide retirement, disability and survivor benefits to firefighters in Louisiana. 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 FRS in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

Any person who becomes an employee as defined in RS 11:2252 on and after January 1, 1980, shall become a member as a condition of employment. Membership in FRS consist of full-time firefighters, eligible employees of the retirement system, or any person in a position as defined in the municipal fire and police civil service system that earns at least \$375 per month, excluding state supplemental pay, and are employed by a fire department of any municipality, parish, or fire protection district of the State of Louisiana.

No person who has attained age 50 or over shall become a member of FRS, unless the person becomes a member by reason of a merger or unless FRS received an application for membership before the applicant attained the age of 50. No person who has not attained the age of 18 years shall become a member of FRS.

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8. Employee Retirement Systems (continued)

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of FRS, 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 FRS, or for any other purpose in order to attain eligibility or increase the amount of service credit in FRS.

FRS issues an annual publicly available financial report that includes financial statements and required supplementary information for the System, which can be obtained at [www.lafirefightersret.com](http://www.lafirefightersret.com) or [www.lla.state.la.us](http://www.lla.state.la.us).

*Benefits Provided*

The following is a 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.

**Retirement**

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 completing 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 retirees' 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).

City of Natchitoches, Louisiana  
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8 Employee Retirement Systems (continued)

**Deferred Retirement Option Plan (DROP)**

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 DROP for up to 36 months.

Upon commencement of participation in DROP, employer and employee contributions to FRS cease. The monthly retirement benefit that would have been payable is paid into the member's DROP 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 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 FRS. No withdrawals may be made from the DROP 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 Increases**

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 adjustment (COLA) 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, FRS 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 based on a formula equal to up to \$1 times the total number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to FRS's fiscal year end preceding the payment of the benefit increase. If there are not sufficient funds to fund the benefit at the rate of one dollar per year for such total number of years, then the rate shall be reduced in proportion to the amount of funds that are available to fund the COLA.

*Contributions*

Employer contributions are actuarially determined each year. For the measurement date of June 30, 2022, employer and employee contributions for members above the poverty line were 32.25% and 10%, respectively. The employer and employee contribution rates for those members below the poverty line were 34.25% and 8.0%, respectively.



City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

8. Employee Retirement Systems (continued)

According to state statute, FRS receives insurance premium assessments from the State of Louisiana as additional employer contributions. The assessment is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions of \$244,604 are recognized as revenue, but are not considered special funding situations.

The City's contractually required composite contribution rate for the year ended May 31, 2023 was 33.75% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability. Contributions to the pension plan from the City were \$750,639 for the year ended May 31, 2023.

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

At May 31, 2023, the City reported a total of \$25,972,631 for its proportionate share of the Net Pension Liabilities of the Plans.

Plan	Measurement Date	
	June 30, 2022	June 30, 2021
MERS	\$11,488,759	\$12,013,711
MPERS	7,953,737	7,789,871
FRS	6,059,154	6,118,929
LASERS	0	50,120
Total	\$25,501,650	\$25,972,631

The Net Pension Liabilities were measured as of June 30, 2022, and the total pension liability used to calculate the Net Pension Liabilities were determined by an actuarial valuation as of those dates. The City's proportion of the Net Pension Liabilities was based on the employer's contribution effort to the plan for the current fiscal year as compared to the total of all employers' contribution effort to the plan for the current fiscal year. At the measurement dates, the City's proportions of each were as follows:

Plan	Proportionate Share	
	June 30, 2022	June 30, 2021
MERS	2.766220%	2.681650%
MPERS	0.77812%	0.83646%
FRS	0.85930%	0.87689%
Total	4.403640%	4.394800%

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

8 Employee Retirement Systems (continued)

For the year ended May 31, 2023 and 2022, the City recognized pension expense including employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions as follows:

Plan	Measurement Date	
	June 30, 2022	June 30, 2021
MERS	\$1,522,668	\$ 398,859
MPERS	1,222,784	285,341
FRS	908,442	258,098
Total	\$3,653,894	\$4,169,698

At May 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Municipal Employees		Municipal Police		Firefighters		Total	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 13,568	\$ 43,993	\$ 39,228	\$ 64,826	\$ 36,215	\$ 285,596	\$ 89,011	\$ 501,682
Changes in Assumptions	111,300	0	374,360	59,159	499,621	0	985,281	127,191
Net Difference between projected and actual earnings on pension plan	1,911,681	0	1,419,992	0	1,372,557	0	4,704,230	6,069,360
Changes in employer's proportion of beg NPL	197,016	124,359	0	380,501	86,860	177,965	283,876	599,859
Difference between employer and proportionate share of contributions	0	59,638	17,100	6,971	909	4,144	18,009	36,972
Subsequent measurement contributions	1,533,371	0	659,102	0	692,878	0	2,885,351	0
Total	\$3,766,936	\$ 227,990	\$2,409,782	\$ 511,457	\$2,689,040	\$ 467,705	\$8,865,758	\$1,207,152

The deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date in the amount of \$2,308,587 will be recognized as a reduction of the Net Pension Liabilities in the year May 31, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ended May 31.	
2023	\$ 344,581
2024	699,640
2025	692,933
2026	537,029
2027	35,499
2028	(1,095)
Total	\$2,308,587

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

8 Employee Retirement Systems (continued)

*Actuarial Assumptions*

A summary of the actuarial methods and assumptions used in determining the total pension liabilities for the valuation date of June 30, 2022 are as follows:

Assumptions	MERS	MPERS	FRS
Actuarial cost method	Entry age normal cost	Entry age normal cost	Entry age normal cost
Expected remaining service lives	3 years	4 years	7 years
Investment rate of return	6.85%, net of pension plan investment expense, including inflation	6.75%, net of investment expense, including inflation	6.90%, net of investment expense, including inflation
Inflation rate	2.500%	2.500%	2.500%
Salary increases	Varies from 4.5% to 6.4% depending on years of service	Varies from 4.70% to 12.30% depending on years of service	Varies from 5.20% to 14.10% depending on years of service

Mortality rates for MERS were based on PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales were selected for annuitants and beneficiaries. PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales was selected for employees. PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales was selected for disabled annuitants. The actuarial assumptions used were based on the results of an experience study, for the period July 2014 through June 30, 2019.

Mortality rates for MPERS were based on RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for females for disabled annuitants. RP-2000 Employee Table set back 4 years for males and 3 years for females for active members. The mortality rate assumptions used was set based upon an experience study performed by the prior actuary on plan data for the period of July 1, 2014 through June 30, 2019 and review of similar law enforcement mortality.

Mortality rates for FRS were based on RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 using Scale AA for employees, annuitants and beneficiaries. RP-2000 Disabled Lives Mortality Table set back five years for males and set back three years for females for disabled annuitants. Setbacks in these tables were used to approximate mortality improvement. The mortality rate assumption was based upon an experience study performed by the prior actuary on plan data for the period of July 1, 2014 through June 30, 2019.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

8 Employee Retirement Systems (continued)

Mortality rates for LASERS were based on RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis for non-disabled members. RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement for disabled members. Termination, disability, and retirement assumptions were based upon an experience study performed by the prior actuary on plan data for the period of 2014-2019.

The long-term expected rate of return on MERS, MPERS, FRS, and LASERS pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class.

These rates 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 and an adjustment for the effect of rebalancing/diversification.

Best estimates of arithmetic real rates of return for each major asset class included in pensions target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	MERS		MPERS		FRS	
	<u>Target Asset Alloc.</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>	<u>Target Asset Alloc.</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>	<u>Target Asset Alloc.</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Public Equity	53.00%	2.31%	55.50%	3.60%	56.00%	25.27%
Public Fixed Income	38.00%	1.65%	30.50%	0.85%	26.00%	4.34%
Alternatives	9.00%	0.39%	14.00%	0.95%	18.00%	14.84%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	18.45%
Totals	100.00%	4.35%	100.00%	5.40%	100.00%	54.64%
Inflation		2.60%		2.66%		2.50%
Expected Nominal Rate of Return		6.95%		8.06%		6.90%

The discount rate used to measure the total pension liability was 6.85% for MERS, 6.75% for MPERS, and 6.90% for FRS. 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 contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, MERS, MPERS, FRS, and LASERS 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.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

8 Employee Retirement Systems (continued)

*Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following presents the City's proportionate share of the Net Pension Liabilities using the discount rates as shown above, as well as what the City's proportionate share of the Net Pension Liabilities 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:

	1.0% Decrease	Current Discount Rate	1.0% Increase
MERS	\$15,282,290	\$11,488,759	\$8,283,343
MPERS	\$11,133,709	\$ 7,953,737	\$5,297,408
FRS	\$ 8,963,846	\$ 6,059,154	\$3,636,436

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plans' fiduciary net positions are available in the separately issued financial statements of the Plans.

*Payables to the Pension Plan*

There are no payable to the pension plan at May 31, 2023.

9 Pending Litigation/Contingencies

Various lawsuits are presently pending against the City of Natchitoches. Attorneys for the City are of the opinion that any judgments rendered in favor of the plaintiffs or payments resulting from compromise settlements, if any, will be within the limits of the various insurance coverages carried by the City.

10. Cash and Investments

The cash and cash equivalents of the City are subject to the following risks:

*Custodial Credit Risk.* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits. 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 fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the City's name.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

10. Cash and Investments (continued)

*Interest Rate Risk.* This 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 is its fair value to changes in market interest rates. The City 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. However, as a means of offsetting exposure to interest rate risk, the City diversifies its investments by security type and institution.

*Credit Risk:* Generally, credit risk is the risk that the issuer of a debt type investment will not fulfill its obligation to the holder of the investment. U.S. government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure. The City's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the City may deposit funds with a fiscal agent organized under the laws 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 organized under Louisiana law and national banks having principal offices in Louisiana.

Cash and investments are held separately by each of the City's funds. At May 31, 2023, cash and investments totaled \$36,320,074 (book balances), including \$4,465 cash on hand. Bank account and investment balances at May 31, 2023, totaled \$38,966,297, and of this amount \$4,055,670 was secured by government securities. The remaining amount was secured as follows: \$693,733 with FDIC insurance and \$32,650,146 with pledged securities leaving an unsecured balance of \$1,566,748.

11. Compensation of City Councilmen

A detail of compensation paid to individual council members for the year ended May 31, 2023 follows:

Charles Harrington	\$ 8,882
Dale A. Nielsen	8,882
Rose Mary Elie	8,882
Christopher Petite	8,882
Betty Smith	<u>11,282</u>
Total	<u>\$46,814</u>

12. Fund Deficits

The following individual funds have deficits in unassigned fund balances at May 31, 2023:

<u>Fund</u>	<u>Deficit Amount</u>
Special Revenue Funds-	
Events Center	\$ 71,238
Stop Grant	8,186
Cane River Green Market	27,984
Knock-Knock Grant	20,983
Rapides Foundation	31,688
Sports Complex Construction	41,642
Economic Development District-TIF A	43,489

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

12. Fund Deficits (continued)

Capital Projects Funds-	
Capital Improvements-Streets	1,243,442
Pilgrim's Industrial Park	74,034
Airport Maintenance	531,605
Airport Hangar	78,666
Community Water Enrichment	10,386
Chaplain's Lake Water System	9,897
LWCF – PARC Natchitoches	89,351
Rue Beauport Riverfront	<u>213,251</u>
Total	<u>\$2,495,842</u>

Special Revenue Funds - These deficits will be funded by transfers from other funds in future years.

Capital Projects Funds - These deficits are caused by ongoing construction and will be funded in the next fiscal year by grant revenues and by transfers from other funds.

In addition to deficit fund balances, the City has various funds which have cash overdrafts. The cash deficits totaling \$3,431,222 (a decrease of \$1,542,053 from prior year) will be funded by interfund transfers in future years.

13. On-Behalf Payments

Certain City employees of the City Police Department, City Fire Department and the City Marshal's Office receive supplemental pay from the State. In accordance with GASB Statement No. 24, the City has recorded revenues and expenditures for these payments in the General Fund. Revenues under this arrangement totaled \$539,587 and the related expenditures are as follows:

City Marshal's Office	\$ 14,100
City Police Department	299,925
City Fire Department	<u>277,175</u>
Total	<u>\$591,200</u>

14. Other Post Employment Benefits

**General Information about the OPEB Plan**

*Plan description* – The City of Natchitoches (City) provides certain continuing health care and life insurance benefits for its retired employees. The City of Natchitoches'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).

*Benefits Provided* – Medical benefits are provided through a self-insured comprehensive medical plan and are made available to employees upon actual retirement. The employees are covered by a retirement system whose retirement eligibility (D.R.O.P. entry) provisions are as follows. 25 years of service at any age; or, age 60 and 10 years of service. There is the additional requirement for retiree medical benefits that the retiree have at least twenty years of service with the City of Natchitoches.

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

14. Other Post Employment Benefits (continued)

*Employees covered by benefit terms* – As of the measurement date May 31, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	13
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>202</u>
Total	<u>225</u>

**Total OPEB Liability**

The City's total OPEB liability is \$9,529,266 as of the measurement date May 31, 2023, the end of the fiscal year

*Actuarial Assumptions and other inputs* – The total OPEB liability in the May 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.0%	
Salary increases	<b><u>Service</u></b>	<b><u>MERS</u></b>
	1 — 2	6.40%
	3 — 4	6.40%
	5 — 14	4.50%
	15 — 24	4.50%
	25+	4.50%
Discount rate	3.16% annually (Beginning of Year to Determine ADC) 3.74%, annually (As of End of Year Measurement Date)	
Healthcare cost trend rates	Getzen Model	
Mortality	Pub-2010 Table	

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of May 31, 2023, the end of the applicable measurement period.

The actuarial assumptions used in the May 31, 2023 valuation were based on the results of ongoing evaluations of the assumptions from October 1, 2009 to May 31, 2023.

**Changes in the Total OPEB Liability**

Balance at May 31, 2022	\$6,152,883
Changes for the year:	
Service cost	354,131
Interest	201,652
Differences between expected and actual experience	(1,618,034)
Changes in assumptions	4,691,826
Benefit payments and net transfers	<u>(253,192)</u>
Net changes	3,376,383
Balance at May 31, 2023	<u>\$9,529,266</u>



City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

14. Other Post Employment Benefits (continued)

*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 (2.74%) or 1-percentage-point higher (4.74%) than the current discount rate:

	<b>1.0% Decrease (2.74%)</b>	<b>Current Discount Rate (3.74%)</b>	<b>1.0% Increase (4.74%)</b>
Total OPEB liability	\$10,444,875	\$9,529,266	\$8,697,622

*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:

	<b>1.0% Decrease (4.5%)</b>	<b>Current Trend (5.5%)</b>	<b>1.0% Increase (6.5%)</b>
Total OPEB liability	\$8,450,450	\$9,529,266	\$10,795,855

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

For the year ended May 31, 2023, the City recognized OPEB expense of \$1,053,912. At May 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 368,257	\$ (1,468,452)
Changes in assumptions	4,534,044	(519,777)
Total	\$ 4,902,301	\$ (1,988,229)

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

Years ending	
<u>May 31:</u>	
2024	\$498,129
2025	498,129
2026	498,219
2027	498,122
2028	446,336
Thereafter	475,227

City of Natchitoches, Louisiana  
Notes to Financial Statements  
May 31, 2023

15. Pilgrim's Pride Corporation

The City, for the year ended May 31, 2006, authorized the issuance of revenue bonds, not to exceed \$25,000,000, to provide financial assistance to Pilgrim's Pride, a private sector entity for the acquisition of land and construction of a feed mill. The bonds are secured by the property financed and commercial facilities built and are payable solely by the entity, Pilgrim's Pride Corporation. Upon repayment of the bonds, ownership of the property and facilities transfer to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At May 31, 2008, the taxable revenue bonds, not to exceed \$25,000,000 had been issued and bear an interest rate of 4%. The full amount of the principal \$25,000,000 is due December 15, 2023. Therefore, the outstanding principal balance at May 31, 2023, is \$25,000,000.

16. American Rescue Plan Act

Congress passed the American Rescue Plan Act (ARPA) which allowed governmental entities to file for and receive funds related to a loss of revenues as a result of COVID. These entities could calculate the lost revenues based on formulas from the US Treasury or elect to receive a standard allowance calculated by the US Treasury. The City elected the standard allowance which will total funds of \$6,472,136. The City received \$3,238,701 in current year, but has only expended \$3,443,161. As a result, \$3,028,975 is recorded as deferred revenue.

17. Restatement of Fund Balance/Net Position

As of May 31, 2022, governmental activities fund balance and net position were understated by \$97,055. The overstatement was caused by accounts payable being overstated. The changes to fund balance/net position are as follows:

	<u>Fund Balance</u>	<u>Net Position</u>
Balance at 5/31/22	\$ 21,043,334	\$ 45,066,980
Adjustment	<u>97,055</u>	<u>97,055</u>
Restated Balance at 5/31/22	<u>\$ 20,946,279</u>	<u>\$ 44,969,925</u>

18. Subsequent Events

Management has evaluated events through November 27, 2023, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED SUPPLEMENTARY INFORMATION

City of Natchitoches, Louisiana  
Major Fund  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
For the Year Ended May 31, 2023

	<u>Budgeted Amounts</u>		Variance- Favorable (Unfavorable)
	<u>Original/Final</u>	<u>2023 Actual</u>	
Revenues:			
Taxes	\$ 6,534,025	\$ 6,535,197	\$ 1,172
Licenses & Permits	872,200	1,199,635	327,435
Intergovernmental	978,480	1,181,995	203,515
Charges for Services	247,800	101,696	(146,104)
Fines & Forfeits	20,000	11,705	(8,295)
Miscellaneous	-	267,177	267,177
Total Revenues	<u>\$ 8,652,505</u>	<u>\$ 9,297,405</u>	<u>\$ 644,900</u>
Expenditures			
Current-			
General Government	\$ 4,802,540	\$ 4,918,185	\$ (115,645)
Public Safety	9,661,588	9,531,513	130,075
Streets & Sanitation	1,486,921	1,503,817	(16,896)
Economic Development	220,000	221,949	(1,949)
Health & Welfare	280,000	-	280,000
Recreation & Culture	883,148	784,127	99,021
Debt Service	25,000	26,873	(1,873)
Total Expenditures	<u>\$ 17,359,197</u>	<u>\$ 16,986,464</u>	<u>\$ 372,733</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (8,706,692)</u>	<u>\$ (7,689,059)</u>	<u>\$ 1,017,633</u>
Other Financing Sources (Uses):			
Operating Transfers In	\$ 10,737,000	\$ 8,202,948	\$ 2,534,052
Operating Transfers Out	(855,000)	(1,317,300)	(462,300)
Sale of Assets	-	11,932	11,932
Total Other Financing	<u>\$ 9,882,000</u>	<u>\$ 6,897,580</u>	<u>\$ 2,083,684</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 1,175,308</u>	<u>\$ (791,479)</u>	<u>\$ 3,101,317</u>
Fund Balance - Beginning of Year	<u>3,873,354</u>	<u>3,873,354</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 5,048,662</u>	<u>\$ 3,081,875</u>	<u>\$ 3,101,317</u>

See independent auditors' report and related note disclosures.

City of Natchitoches, Louisiana  
Major Fund  
American Rescue Plan Act  
Statement of Revenues, Expenditures and Changes in Fund Balance-  
Budget (GAAP Basis) and Actual  
For the Year Ended May 31, 2023

	<u>Budgeted Amounts</u>			Variance- Favorable (Unfavorable)
	<u>Original</u>	<u>Fmal</u>	<u>2022 Actual</u>	
Revenues:				
Intergovernmental	\$ 3,233,434	\$ 3,233,434	\$ 3,130,569	\$ (102,865)
Expenditures:				
Current-				
General Government	\$ -	\$ 1,020,000	\$ 933,894	\$ 86,106
Public Safety	500,000	500,000	525,553	(25,553)
Streets & Sanitation	-	1,435,000	1,484,430	(49,430)
Recreation & Culture	-	135,000	186,692	(51,692)
Total	<u>\$ 500,000</u>	<u>\$ 3,090,000</u>	<u>\$ 3,130,569</u>	<u>\$ (40,569)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 2,733,434	\$ 143,434	\$ -	\$ (62,296)
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 2,733,434</u>	<u>\$ 143,434</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report and related note disclosures.

City of Natchitoches, Louisiana  
 Schedule of Employer Contributions  
 For the Year Ended May 31, 2023

Fiscal Year*	Contractually Required Contributions	Contributions in Relation to Contractually Required Contributions	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a Percentage of Covered Employee Payroll
<i>Municipal Employees' Retirement System</i>					
2015	\$ 952,580	\$ 952,580	\$ -	\$ 5,203,681	18.3%
2016	\$ 1,050,139	\$ 1,050,139	\$ -	\$ 5,320,472	19.7%
2017	\$ 1,114,803	\$ 1,114,803	\$ -	\$ 5,000,995	22.3%
2018	\$ 1,277,497	\$ 1,277,497	\$ -	\$ 5,183,740	24.6%
2019	\$ 1,361,044	\$ 1,361,044	\$ -	\$ 5,258,704	25.9%
2020	\$ 1,464,641	\$ 1,464,640	\$ -	\$ 5,307,733	27.6%
2021	\$ 1,563,429	\$ 1,563,429	\$ -	\$ 5,325,043	29.4%
2022	\$ 1,560,615	\$ 1,560,615	\$ -	\$ 5,339,116	29.2%
2023	\$ 1,656,119	\$ 1,656,119	\$ -	\$ 5,613,962	29.5%
<i>Municipal Police Employees' Retirement System</i>					
2015	\$ 616,246	\$ 616,246	\$ -	\$ 2,128,064	29.0%
2016	\$ 688,039	\$ 688,039	\$ -	\$ 2,288,592	30.1%
2017	\$ 760,372	\$ 760,372	\$ -	\$ 2,403,928	31.6%
2018	\$ 776,220	\$ 776,220	\$ -	\$ 2,511,282	30.9%
2019	\$ 848,524	\$ 848,524	\$ -	\$ 2,639,447	32.1%
2020	\$ 839,539	\$ 839,539	\$ -	\$ 2,584,691	32.5%
2021	\$ 856,512	\$ 856,512	\$ -	\$ 2,545,110	33.7%
2022	\$ 745,192	\$ 745,192	\$ -	\$ 2,480,974	30.0%
2023	\$ 716,569	\$ 716,569	\$ -	\$ 2,302,289	31.1%
<i>Firefighters' Retirement System</i>					
2015	\$ 537,080	\$ 537,080	\$ -	\$ 1,984,426	27.1%
2016	\$ 540,653	\$ 540,653	\$ -	\$ 1,972,602	27.4%
2017	\$ 506,380	\$ 506,380	\$ -	\$ 1,995,627	25.4%
2018	\$ 550,900	\$ 550,900	\$ -	\$ 2,084,942	26.4%
2019	\$ 580,563	\$ 580,563	\$ -	\$ 2,190,804	26.5%
2020	\$ 603,670	\$ 603,670	\$ -	\$ 2,182,891	27.7%
2021	\$ 702,698	\$ 702,698	\$ -	\$ 2,202,902	31.9%
2022	\$ 745,860	\$ 745,860	\$ -	\$ 2,217,449	33.6%
2023	\$ 750,639	\$ 750,639	\$ -	\$ 2,254,488	33.3%

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

See independent auditors' report and related note disclosures.

City of Natchitoches, Louisiana  
 Schedule of Employer's Share of Net Pension Liability  
 For the Year Ended May 31, 2023

Fiscal Year*	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Proportion of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability
<i>Municipal Employees' Retirement System</i>					
2015	3.09799%	\$ 7,950,809	\$ 5,203,681	162%	76.0%
2016	3.06552%	\$ 10,950,507	\$ 5,320,472	205%	99.0%
2017	2.96389%	\$ 12,148,126	\$ 5,000,995	243%	68.0%
2018	2.73870%	\$ 11,457,141	\$ 5,183,740	221%	62.5%
2019	3.03785%	\$ 12,578,749	\$ 5,258,704	239%	63.9%
2020	2.84720%	\$ 11,897,468	\$ 5,303,733	224%	64.7%
2021	2.77876%	\$ 12,013,711	\$ 5,325,043	226%	64.5%
2022	2.68165%	\$ 7,459,013	\$ 5,339,116	140%	77.8%
2023	2.76622%	\$ 11,488,759	\$ 5,613,962	205%	67.9%
<i>Municipal Police Employees' Retirement System</i>					
2015	0.82564%	\$ 5,165,265	\$ 2,128,064	243%	76.0%
2016	0.80252%	\$ 6,286,906	\$ 2,288,592	275%	99.0%
2017	0.82607%	\$ 7,742,566	\$ 2,403,928	322%	68.0%
2018	0.81145%	\$ 7,084,284	\$ 2,511,282	282%	70.1%
2019	0.85024%	\$ 7,187,956	\$ 2,639,447	272%	71.9%
2020	0.85409%	\$ 7,756,577	\$ 2,584,691	300%	71.0%
2021	0.84285%	\$ 7,789,871	\$ 2,545,110	306%	70.9%
2022	0.83646%	\$ 4,458,789	\$ 2,480,974	180%	84.1%
2023	0.77812%	\$ 7,953,737	\$ 2,302,289	345%	70.8%
<i>Firefighters' Retirement System</i>					
2015	0.94139%	\$ 4,189,091	\$ 1,984,426	211%	76.0%
2016	0.93739%	\$ 5,059,199	\$ 1,972,602	256%	99.0%
2017	0.87280%	\$ 5,708,921	\$ 1,995,627	286%	68.0%
2018	0.85679%	\$ 4,910,985	\$ 2,084,942	236%	74.0%
2019	0.87932%	\$ 5,057,929	\$ 2,190,804	231%	74.8%
2020	0.90199%	\$ 5,648,168	\$ 2,182,891	259%	74.0%
2021	0.88276%	\$ 6,118,929	\$ 2,202,902	278%	72.6%
2022	0.87690%	\$ 3,107,597	\$ 2,217,449	140%	86.8%
2023	0.85930%	\$ 6,059,154	\$ 2,254,488	269%	74.7%

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

City of Natchitoches, Louisiana  
 Schedule of Changes in Net OPEB Liability and Related Ratios  
 For the Year Ended May 31, 2023

	2021	2022	2023
Total OPEB Liability			
Service Cost	\$ 133,890	\$ 143,929	\$ 354,131
Interest	157,503	142,723	201,652
Changes in Benefit Terms	-	-	-
Differences between expected and actual experience	(44,746)	313,192	(1,618,034)
Changes of Assumptions	(117,039)	(679,346)	4,691,826
Benefit Payments	(165,092)	(165,587)	(253,192)
Net Change in Total OPEB Liability	\$ (35,484)	\$ (245,089)	\$ 3,376,383
Total OPEB Liability - Beginning	<u>6,433,455</u>	<u>6,397,972</u>	<u>6,152,883</u>
Total OPEB Liability - Ending	<u>\$ 6,397,971</u>	<u>\$ 6,152,883</u>	<u>\$ 9,529,266</u>
Covered-employee Payroll	<u>\$ 9,664,081</u>	<u>\$ 10,050,645</u>	<u>\$ 9,319,515</u>
Net OPEB Liability as a percentage of covered employee payroll	66.20%	61.22%	102.25%
Notes to Schedule:			
<i>Benefit Changes:</i>	None	None	None
<i>Changes in Assumptions:</i>			
<i>Discount Rate:</i>	2.26%	3.16%	3.74%
<i>Mortality:</i>	RP-2000	RP-2000	Pub-2010
<i>Trend:</i>	4.5% to 5.5%	4.5% to 5.5%	Getzen Model



OTHER SUPPLEMENTARY SCHEDULES

City of Natchitoches, Louisiana  
 Schedule of Compensation, Benefits and Other Payments to  
 Agency Head or Chief Executive Officer  
 For the Year Ended May 31, 2023

Agency Head: Ronnie Williams, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	S 99,612
Benefits-Insurance	11,524
Benefits-Retirement	28,936
Cell phone	698
Dues	5,230
Per Diem	1,731
Travel	<u>11,795</u>
Total	<u>S 159,526</u>

City of Natchitoches  
Justice System Funding Schedule - Collecting/Disbursing Entity  
As Required by Act 87 of the 2020 Regular Legislative Session  
May 31, 2023

Identifying Information		
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes and will be filled out by your auditor.)	2189	
	<b>First Six Month Period Ended 11/30/21</b>	<b>Second Six Month Period Ended 5/31/22</b>
<b>Cash Basis Presentation</b>		
<b>Beginning Balance of Amounts Collected (i.e. cash on hand)</b>	\$ 103,417	\$ 149,796
<b>Add: Collections (Please enter zeros if no activity within a certain collection type)</b>		
Civil Fees (including refundable amounts such as garnishments or advance deposits)	-	-
Bond Fees	205,135	110,458
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	-	-
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest Earnings on Collected Balances	-	-
Other (do not include collections that fit into more specific categories above)	-	-
<b>Subtotal Collections</b>	<b>205,135</b>	<b>110,458</b>
<b>Less: Disbursements To Governments &amp; Nonprofits: (Must include one agency name and one</b>		
<i>Natchitoches City Marshal - Bond Fees</i>	225,814	94,516
<b>Less: Amounts Retained by Collecting Agency</b>		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection (enter zero if no activity to report here)	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount (enter zero if no activity to report here)	-	-
<b>Amounts "Self-Disbursed" to Collecting Agency (must include a separate line for each collection type, as applicable) - Example: Criminal Fines - Other (To be reported as a separate line per collection type under this heading, multiple rows may be needed)</b>	-	-
<b>Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies (Please enter zeros if</b>		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	-	-
Payments to 3rd Party Collection/Processing Agencies	-	-
<b>Subtotal Disbursements/Retainage</b>	<b>158,757</b>	<b>85,484</b>
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)</b>	<b>149,796</b>	<b>174,769</b>
<b>Ending Balance of "Partial Payments" Collected but not Disbursed (only applies if collecting agency does not disburse partial payments until fully collected) - This balance is included in the Ending Balance of Amounts Collected but not Disbursed/Retained above.</b>	-	-
<b>Other Information:</b>		
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	-	-
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)	-	-

**City of Natchitoches**  
**Justice System Funding Schedule - Receiving Entity**  
**As Required by Act 87 of the 2020 Regular Legislative Session**  
**May 31, 2023**

Identifying Information	
<b>LLA Entity ID #</b> (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes and will be filled out by your auditor.)	2189

**If legally separate court funds are required to be reported, a separate receiving schedule should be prepared for each fund. Examples**

	First Six Month Period Ended 11/30/21	Second Six Month Period Ended 5/31/22
<b>Cash Basis Presentation</b>		
<b>Receipts From:</b> <i>(Must include one agency name and one collection type - see below - on each line)</i>		
<i>Natchitoches City Court - Civil Fees</i>	7,608	4,096
<b>Subtotal Receipts</b>	7,608	4,096
<b>Ending Balance of Amounts Assessed but Not Received</b> <i>(only applies to those agencies that assess on behalf of themselves, such as courts)</i>	-	-

Collection Types to be used in the "Receipts From:" section above
Civil Fees
Bond Fees
Asset Forfeiture/Sale
Pre-Trial Diversion Program Fees
Criminal Court Costs/Fees
Criminal Fines - Contempt
Criminal Fines - Other
Restitution
Probation/Parole/Supervision Fees
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)
Interest Earnings on Collected Balances
Other <i>(do not include collections that fit into more specific categories above)</i>

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue Funds				
	Event Center Operations	Hazard Tax	STOP Grant	Airport	Employee Benefits
<b>Assets</b>					
Cash & Cash Equivalents	\$ -	\$ 1,256,979	\$ -	\$ 36,605	\$ 1,315,771
Revenue Receivables	-	3,695	-	6,511	1,515
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	16,709	-
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 1,260,674</b>	<b>\$ -</b>	<b>\$ 59,825</b>	<b>\$ 1,317,286</b>
<b>Liabilities</b>					
Cash Overdraft	\$ 48,107	\$ -	\$ 6,691	\$ -	\$ -
Accounts Payable	8,367	642	-	8,316	-
Accrued Expense	-	-	1,495	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	14,764	-	-	14,054	-
<b>Total Liabilities</b>	<b>\$ 71,238</b>	<b>\$ 642</b>	<b>\$ 8,186</b>	<b>\$ 22,370</b>	<b>\$ -</b>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ 16,709	\$ -
Restricted	-	1,260,032	-	-	-
Committed	-	-	-	20,746	1,317,286
Unassigned	(71,238)	-	(8,186)	-	-
<b>Total Fund Balances</b>	<b>\$ (71,238)</b>	<b>\$ 1,260,032</b>	<b>\$ (8,186)</b>	<b>\$ 37,455</b>	<b>\$ 1,317,286</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ -</b>	<b>\$ 1,260,674</b>	<b>\$ -</b>	<b>\$ 59,825</b>	<b>\$ 1,317,286</b>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue Funds				
	Workman's Compensation	Drug Recovery	Multi-Drug Task Force	Prisoner Bond	911 Grant Fee
<b>Assets</b>					
Cash & Cash Equivalents	\$ 859,811	\$ 47,931	\$ 23,801	\$ 94,423	\$ 62,986
Revenue Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 859,811</u>	<u>\$ 47,931</u>	<u>\$ 23,801</u>	<u>\$ 94,423</u>	<u>\$ 62,986</u>
<b>Liabilities</b>					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	1,248	400	-	1,331	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Total Liabilities	<u>\$ 1,248</u>	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ 1,331</u>	<u>\$ -</u>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	23,801	93,092	-
Committed	858,563	47,531	-	-	62,986
Unassigned	-	-	-	-	-
Total Fund Balances	<u>\$ 858,563</u>	<u>\$ 47,531</u>	<u>\$ 23,801</u>	<u>\$ 93,092</u>	<u>\$ 62,986</u>
Total Liabilities & Fund Balances	<u>\$ 859,811</u>	<u>\$ 47,931</u>	<u>\$ 23,801</u>	<u>\$ 94,423</u>	<u>\$ 62,986</u>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue Funds				
	Animal Shelter	Liability Insurance	Mam Street Promotions	Cane River Green Market	Sales Tax Rededication
<b>Assets</b>					
Cash & Cash Equivalents	\$ 75,458	\$ 392,400	\$ 94,420	\$ 600	\$ 2,794,429
Revenue Receivables	-	-	-	-	407,325
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	38	-
Total Assets	<u>\$ 75,458</u>	<u>\$ 392,400</u>	<u>\$ 94,420</u>	<u>\$ 638</u>	<u>\$ 3,201,754</u>
<b>Liabilities</b>					
Cash Overdraft	\$ -	\$ -	\$ -	\$ 23,798	\$ -
Accounts Payable	-	5,613	60	2,211	79,897
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	2,575	-
Total Liabilities	<u>\$ -</u>	<u>\$ 5,613</u>	<u>\$ 60</u>	<u>\$ 28,584</u>	<u>\$ 79,897</u>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ 38	\$ -
Restricted	-	-	-	-	3,121,857
Committed	75,458	386,787	94,360	-	-
Unassigned	-	-	-	(27,984)	-
Total Fund Balances	<u>\$ 75,458</u>	<u>\$ 386,787</u>	<u>\$ 94,360</u>	<u>\$ (27,946)</u>	<u>\$ 3,121,857</u>
Total Liabilities & Fund Balances	<u>\$ 75,458</u>	<u>\$ 392,400</u>	<u>\$ 94,420</u>	<u>\$ 638</u>	<u>\$ 3,201,754</u>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue Funds				
	911-Police Grant	NW Law Enforcement Grant	Knock Knock Grant	Economic Development District	CESF State
<b>Assets</b>					
Cash & Cash Equivalents	\$ 31,775	\$ 2,294	\$ -	\$ 271,379	\$ 5,908
Revenue Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 31,775</u>	<u>\$ 2,294</u>	<u>\$ -</u>	<u>\$ 271,379</u>	<u>\$ 5,908</u>
<b>Liabilities</b>					
Cash Overdraft	\$ -	\$ -	\$ 20,089	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	894	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,983</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	5,908
Committed	31,775	2,294	-	271,379	-
Unassigned	-	-	(20,983)	-	-
Total Fund Balances	<u>\$ 31,775</u>	<u>\$ 2,294</u>	<u>\$ (20,983)</u>	<u>\$ 271,379</u>	<u>\$ 5,908</u>
Total Liabilities & Fund Balances	<u>\$ 31,775</u>	<u>\$ 2,294</u>	<u>\$ -</u>	<u>\$ 271,379</u>	<u>\$ 5,908</u>

Continued on next page



City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue Funds				
	Garbage Service	Sales Tax Police	Miss Merry Christmas	Keep Louisiana Beautiful	LAC Traffic Enforcement
<b>Assets</b>					
Cash & Cash Equivalents	\$ 425,785	\$ 1,788,583	\$ 13,618	\$ 500	\$ 1,743
Revenue Receivables	429,242	407,325	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	2,519	-	-	-
Total Assets	<u>\$ 855,027</u>	<u>\$ 2,198,427</u>	<u>\$ 13,618</u>	<u>\$ 500</u>	<u>\$ 1,743</u>
<b>Liabilities</b>					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	176,754	-	-	-	-
Accrued Expense	-	66,788	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Total Liabilities	<u>\$ 176,754</u>	<u>\$ 66,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ 2,519	\$ -	\$ -	\$ -
Restricted	-	2,129,120	-	-	-
Committed	678,273	-	13,618	500	1,743
Unassigned	-	-	-	-	-
Total Fund Balances	<u>\$ 678,273</u>	<u>\$ 2,131,639</u>	<u>\$ 13,618</u>	<u>\$ 500</u>	<u>\$ 1,743</u>
Total Liabilities & Fund Balances	<u>\$ 855,027</u>	<u>\$ 2,198,427</u>	<u>\$ 13,618</u>	<u>\$ 500</u>	<u>\$ 1,743</u>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue Funds				
	Community Program	BJA Byrne Jag - Police & NPSO	NHDDC Projects	2015 Revenue Note Reserve	Rapides Foundation
<b>Assets</b>					
Cash & Cash Equivalents	\$ 15,354	\$ 16,104	\$ 4,258	\$ 92,500	\$ -
Revenue Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 15,354</u>	<u>\$ 16,104</u>	<u>\$ 4,258</u>	<u>\$ 92,500</u>	<u>\$ -</u>
<b>Liabilities</b>					
Cash Overdraft	\$ -	\$ -	\$ -	\$ 21,879	\$ 29,876
Accounts Payable	44	-	-	-	681
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	1,131
Total Liabilities	<u>\$ 44</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,879</u>	<u>\$ 31,688</u>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	16,104	-	-	-
Committed	15,310	-	4,258	70,621	-
Unassigned	-	-	-	-	(31,688)
Total Fund Balances	<u>\$ 15,310</u>	<u>\$ 16,104</u>	<u>\$ 4,258</u>	<u>\$ 70,621</u>	<u>\$ (31,688)</u>
Total Liabilities & Fund Balances	<u>\$ 15,354</u>	<u>\$ 16,104</u>	<u>\$ 4,258</u>	<u>\$ 92,500</u>	<u>\$ -</u>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue Funds				
	Equitable Sharing Program	Spotts Complex Construction	Spotts Complex Sponsorship	Sales Tax - District A	Sales Tax - District C
<b>Assets</b>					
Cash & Cash Equivalents	\$ 22,783	\$ -	\$ 545,104	\$ 66,054	\$ 60,882
Revenue Receivables	-	-	8,500	9,124	87,491
Due from Other Funds	-	-	-	1,227	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 22,783</u>	<u>\$ -</u>	<u>\$ 553,604</u>	<u>\$ 76,405</u>	<u>\$ 148,373</u>
<b>Liabilities</b>					
Cash Overdraft	\$ -	\$ 38,270	\$ -	\$ -	\$ -
Accounts Payable	-	950	-	-	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	19,930
Accrued Payroll	-	2,422	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 41,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,930</u>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	22,783	-	553,604	76,405	128,443
Unassigned	-	(41,642)	-	-	-
Total Fund Balances	<u>\$ 22,783</u>	<u>\$ (41,642)</u>	<u>\$ 553,604</u>	<u>\$ 76,405</u>	<u>\$ 128,443</u>
Total Liabilities & Fund Balances	<u>\$ 22,783</u>	<u>\$ -</u>	<u>\$ 553,604</u>	<u>\$ 76,405</u>	<u>\$ 148,373</u>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue Funds				
	Sales Tax - District D	Sales Tax - District E	Economic Development District - TIF A	Economic Development District - TIF C	CSEF - Federal Funds
<b>Assets</b>					
Cash & Cash Equivalents	\$ -	\$ 9,475	\$ -	\$ 730,929	\$ 13,641
Revenue Receivables	3,545	14,339	10,198	61,329	-
Due from Other Funds	-	-	3,189	32,073	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 3,545</u>	<u>\$ 23,814</u>	<u>\$ 13,387</u>	<u>\$ 824,331</u>	<u>\$ 13,641</u>
<b>Liabilities</b>					
Cash Overdraft	\$ 69	\$ -	\$ 56,876	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Total Liabilities	<u>\$ 69</u>	<u>\$ -</u>	<u>\$ 56,876</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	13,641
Committed	3,476	23,814	-	824,331	-
Unassigned	-	-	(43,489)	-	-
Total Fund Balances	<u>\$ 3,476</u>	<u>\$ 23,814</u>	<u>\$ (43,489)</u>	<u>\$ 824,331</u>	<u>\$ 13,641</u>
Total Liabilities & Fund Balances	<u>\$ 3,545</u>	<u>\$ 23,814</u>	<u>\$ 13,387</u>	<u>\$ 824,331</u>	<u>\$ 13,641</u>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Special Revenue	Capital Projects Funds		
	Funds			
	Hobby Lobby	Capital Improvements	Water Treatment Plant	Pilgrim's Industrial Park
<b>Assets</b>				
Cash & Cash Equivalents	\$ 1,500	\$ 1,023,089	\$ 1,418,172	\$ -
Revenue Receivables	-	-	-	-
Due from Other Funds	-	-	-	-
Prepaid Expenses	-	-	117,179	-
<b>Total Assets</b>	<b>\$ 1,500</b>	<b>\$ 1,023,089</b>	<b>\$ 1,535,351</b>	<b>\$ -</b>
<b>Liabilities</b>				
Cash Overdraft	\$ -	\$ -	\$ -	\$ 24,034
Accounts Payable	-	260	-	-
Accrued Expense	-	-	50,542	50,000
Deferred Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
Accrued Payroll	-	2,918	-	-
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ 3,178</b>	<b>\$ 50,542</b>	<b>\$ 74,034</b>
<b>Fund Balances</b>				
Nonspendable	\$ -	\$ -	\$ 117,179	\$ -
Restricted	-	-	-	-
Committed	1,500	1,019,911	1,367,630	-
Unassigned	-	-	-	(74,034)
<b>Total Fund Balances</b>	<b>\$ 1,500</b>	<b>\$ 1,019,911</b>	<b>\$ 1,484,809</b>	<b>\$ (74,034)</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 1,500</b>	<b>\$ 1,023,089</b>	<b>\$ 1,535,351</b>	<b>\$ -</b>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Capital Projects Funds				
	Airport Hangar	Airport Maintenance	Parking Lot	LCDBG	Community Water Enrichment
<b>Assets</b>					
Cash & Cash Equivalents	\$ -	\$ -	\$ 40,237	\$ 647,140	\$ -
Revenue Receivables	-	-	-	49,590	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,237</u>	<u>\$ 696,730</u>	<u>\$ -</u>
<b>Liabilities</b>					
Cash Overdraft	\$ 78,666	\$ 497,852	\$ -	\$ 323,846	\$ 10,386
Accounts Payable	-	33,753	-	345,410	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Total Liabilities	<u>\$ 78,666</u>	<u>\$ 531,605</u>	<u>\$ -</u>	<u>\$ 669,256</u>	<u>\$ 10,386</u>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	27,474	-
Committed	-	-	40,237	-	-
Unassigned	(78,666)	(531,605)	-	-	(10,386)
Total Fund Balances	<u>\$ (78,666)</u>	<u>\$ (531,605)</u>	<u>\$ 40,237</u>	<u>\$ 27,474</u>	<u>\$ (10,386)</u>
Total Liabilities & Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,237</u>	<u>\$ 696,730</u>	<u>\$ -</u>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	Capital Projects Funds				
	Chaplain's Lake	Chateau St. Dems Fund	LWCF- PARC Natchitoches	Rue Beauport Riverfront Project	Eagle Building Project
<b>Assets</b>					
Cash & Cash Equivalents	\$ -	\$ 10,172	\$ -	\$ -	\$ 508,087
Revenue Receivables	-	-	-	-	20,703
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	12,275	-	-	-	135
<b>Total Assets</b>	<b>\$ 12,275</b>	<b>\$ 10,172</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 528,925</b>
<b>Liabilities</b>					
Cash Overdraft	\$ -	\$ -	\$ 89,351	\$ 213,251	\$ -
Accounts Payable	-	-	-	-	53
Accrued Expense	22,172	-	-	-	248
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
<b>Total Liabilities</b>	<b>\$ 22,172</b>	<b>\$ -</b>	<b>\$ 89,351</b>	<b>\$ 213,251</b>	<b>\$ 301</b>
<b>Fund Balances</b>					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 135
Restricted	-	-	-	-	528,489
Committed	-	10,172	-	-	-
Unassigned	(9,897)	-	(89,351)	(213,251)	-
<b>Total Fund Balances</b>	<b>\$ (9,897)</b>	<b>\$ 10,172</b>	<b>\$ (89,351)</b>	<b>\$ (213,251)</b>	<b>\$ 528,624</b>
<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 12,275</b>	<b>\$ 10,172</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 528,925</b>

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Balance Sheet  
Year Ended May 31, 2023

	<u>Debt Service Funds</u>			
	Sales Tax	General Obligation	Sinking Fund	Total
<b>Assets</b>				
Cash & Cash Equivalents	\$ 301,333	\$ 1,266,892	\$ 297,170	\$ 16,688,075
Revenue Receivables	-	-	-	1,520,432
Due from Other Funds	-	-	-	36,489
Prepaid Expenses	-	-	-	148,855
Total Assets	<u>\$ 301,333</u>	<u>\$ 1,266,892</u>	<u>\$ 297,170</u>	<u>\$ 18,393,851</u>
<b>Liabilities</b>				
Cash Overdraft	\$ -	\$ -	\$ -	\$ 1,483,041
Accounts Payable	-	-	-	665,990
Accrued Expense	-	-	-	191,245
Deferred Revenue	-	-	-	-
Due to Other Funds	-	-	-	19,930
Accrued Payroll	-	-	-	38,758
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,398,964</u>
<b>Fund Balances</b>				
Nonspendable	\$ -	\$ -	\$ -	\$ 136,580
Restricted	301,333	-	-	7,520,851
Committed	-	1,266,892	297,170	9,589,856
Unassigned	-	-	-	(1,252,400)
Total Fund Balances	<u>\$ 301,333</u>	<u>\$ 1,266,892</u>	<u>\$ 297,170</u>	<u>\$ 15,994,887</u>
Total Liabilities & Fund Balances	<u>\$ 301,333</u>	<u>\$ 1,266,892</u>	<u>\$ 297,170</u>	<u>\$ 18,393,851</u>



City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Funds				
	Event Center Operations	Hazard Tax	STOP Grant	Airport	Employee Benefits
<b>Revenues</b>					
Taxes	\$ -	\$ 1,467,316	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for Services	219,075	-	-	527,691	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	-	97,177	245
Total Revenues	<u>\$ 219,075</u>	<u>\$ 1,467,316</u>	<u>\$ -</u>	<u>\$ 624,868</u>	<u>\$ 245</u>
<b>Expenditures</b>					
<b>Current-</b>					
General Government	\$ -	\$ -	\$ -	\$ -	\$ 454,861
Public Safety	-	54,089	8,186	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	465,940	-	-	683,437	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	144,878	-	-	-
Total Expenditures	<u>\$ 465,940</u>	<u>\$ 198,967</u>	<u>\$ 8,186</u>	<u>\$ 683,437</u>	<u>\$ 454,861</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (246,865)</u>	<u>\$ 1,268,349</u>	<u>\$ (8,186)</u>	<u>\$ (58,569)</u>	<u>\$ (454,616)</u>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	41,003	-
Transfer In	255,000	-	-	51,375	900,000
Transfer Out	-	(1,014,000)	-	-	-
Total Other Financing	<u>\$ 255,000</u>	<u>\$ (1,014,000)</u>	<u>\$ -</u>	<u>\$ 92,378</u>	<u>\$ 900,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 8,135</u>	<u>\$ 254,349</u>	<u>\$ (8,186)</u>	<u>\$ 33,809</u>	<u>\$ 445,384</u>
Fund Balances - Beginning of Year*	<u>(79,373)</u>	<u>1,005,683</u>	<u>-</u>	<u>3,646</u>	<u>871,902</u>
Fund Balances - End of Year	<u>\$ (71,238)</u>	<u>\$ 1,260,032</u>	<u>\$ (8,186)</u>	<u>\$ 37,455</u>	<u>\$ 1,317,286</u>

\*Restated See Note 17

Continued on next page

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Funds				
	Workman's Compensation	Drug Recovery	Multi-Drug Task Force	Prisoner Bond	911 Grant Fire
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	18,762	-	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	40,642	-
Miscellaneous	424,516	12,000	2,047	-	180
Total Revenues	<u>\$ 424,516</u>	<u>\$ 12,000</u>	<u>\$ 20,809</u>	<u>\$ 40,642</u>	<u>\$ 180</u>
<b>Expenditures</b>					
<b>Current-</b>					
General Government	\$ 255,093	\$ -	\$ -	\$ -	\$ -
Public Safety	-	29,952	10,254	19,170	2,907
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 255,093</u>	<u>\$ 29,952</u>	<u>\$ 10,254</u>	<u>\$ 19,170</u>	<u>\$ 2,907</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 169,423</u>	<u>\$ (17,952)</u>	<u>\$ 10,555</u>	<u>\$ 21,472</u>	<u>\$ (2,727)</u>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	300,000	-	-	-	-
Transfer Out	(118,348)	-	-	-	-
Total Other Financing	<u>\$ 181,652</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 351,075</u>	<u>\$ (17,952)</u>	<u>\$ 10,555</u>	<u>\$ 21,472</u>	<u>\$ (2,727)</u>
Fund Balances - Beginning of Year*	<u>507,488</u>	<u>65,483</u>	<u>13,246</u>	<u>71,620</u>	<u>65,713</u>
Fund Balances - End of Year	<u>\$ 858,563</u>	<u>\$ 47,531</u>	<u>\$ 23,801</u>	<u>\$ 93,092</u>	<u>\$ 62,986</u>

\*Restated See Note 17.

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City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Funds				
	Animal Shelter	Liability Insurance	Mam Street Promotions	Cane River Green Market	Sales Tax Rededication
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,553,126
Intergovernmental	-	-	-	5,000	-
Charges for Services	14,414	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	1,944	3,400	15,044	-
<b>Total Revenues</b>	<u>\$ 14,414</u>	<u>\$ 1,944</u>	<u>\$ 3,400</u>	<u>\$ 20,044</u>	<u>\$ 2,553,126</u>
<b>Expenditures</b>					
<b>Current-</b>					
General Government	\$ -	\$ 891,599	\$ -	\$ -	\$ -
Public Safety	19,144	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	438,732
Economic Development	-	-	-	88,665	-
Recreation & Culture	-	-	3,361	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
<b>Total Expenditures</b>	<u>\$ 19,144</u>	<u>\$ 891,599</u>	<u>\$ 3,361</u>	<u>\$ 88,665</u>	<u>\$ 438,732</u>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<u>\$ (4,730)</u>	<u>\$ (889,655)</u>	<u>\$ 39</u>	<u>\$ (68,621)</u>	<u>\$ 2,114,394</u>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	849,000	-	25,500	-
Transfer Out	-	-	-	-	(2,707,391)
<b>Total Other Financing</b>	<u>\$ -</u>	<u>\$ 849,000</u>	<u>\$ -</u>	<u>\$ 25,500</u>	<u>\$ (2,707,391)</u>
<b>Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses</b>	<u>\$ (4,730)</u>	<u>\$ (40,655)</u>	<u>\$ 39</u>	<u>\$ (43,121)</u>	<u>\$ (592,997)</u>
<b>Fund Balances - Beginning of Year*</b>	<u>80,188</u>	<u>427,442</u>	<u>94,321</u>	<u>15,175</u>	<u>3,714,854</u>
<b>Fund Balances - End of Year</b>	<u>\$ 75,458</u>	<u>\$ 386,787</u>	<u>\$ 94,360</u>	<u>\$ (27,946)</u>	<u>\$ 3,121,857</u>

\*Restated See Note 17

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City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Funds				
	911-Police Grant	NW Law Enforcement Grant	Knock Knock Grant	Economic Development District	CESF State
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	10,361	6,474	-	11,000
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	-	142,430	-
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ 10,361</b>	<b>\$ 6,474</b>	<b>\$ 142,430</b>	<b>\$ 11,000</b>
<b>Expenditures:</b>					
<b>Current-</b>					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	11,128	9,134	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ 11,128</b>	<b>\$ 9,134</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>\$ -</b>	<b>\$ (767)</b>	<b>\$ (2,660)</b>	<b>\$ 142,430</b>	<b>\$ 11,000</b>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	-	-	100,000	-
Transfer Out	-	-	-	(200,000)	-
<b>Total Other Financing</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (100,000)</b>	<b>\$ -</b>
<b>Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses</b>	<b>\$ -</b>	<b>\$ (767)</b>	<b>\$ (2,660)</b>	<b>\$ 42,430</b>	<b>\$ 11,000</b>
<b>Fund Balances - Beginning of Year*</b>	<b>31,775</b>	<b>3,061</b>	<b>(18,323)</b>	<b>228,949</b>	<b>(5,092)</b>
<b>Fund Balances - End of Year</b>	<b>\$ 31,775</b>	<b>\$ 2,294</b>	<b>\$ (20,983)</b>	<b>\$ 271,379</b>	<b>\$ 5,908</b>

\*Restated See Note 17

Continued on next page.

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Funds					
	Garbage Service	Sales Tax	Police	Miss Merry Christmas	Keep Louisiana Beautiful	LAC/ Traffic Enforcement
<b>Revenues:</b>						
Taxes	\$ -	\$ 2,553,126	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Charges for Services	2,086,102	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-	-
Miscellaneous	-	37,433	2,715	-	-	-
Total Revenues	<u>\$ 2,086,102</u>	<u>\$ 2,590,559</u>	<u>\$ 2,715</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Expenditures</b>						
<b>Current-</b>						
General Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	618,019	-	-	-	-
Streets & Sanitation	2,271,032	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-
Recreation & Culture	-	-	12,684	-	-	-
Health & Welfare	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Total Expenditures	<u>\$ 2,271,032</u>	<u>\$ 618,019</u>	<u>\$ 12,684</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (184,930)</u>	<u>\$ 1,972,540</u>	<u>\$ (9,969)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Other Financing Sources (Uses):</b>						
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-	-
Sale of Assets	-	1,785	-	-	-	-
Transfer In	-	-	12,300	-	-	-
Transfer Out	-	(1,702,000)	-	-	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ (1,700,215)</u>	<u>\$ 12,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (184,930)</u>	<u>\$ 272,325</u>	<u>\$ 2,331</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances - Beginning of Year*	<u>863,203</u>	<u>1,859,314</u>	<u>11,287</u>	<u>500</u>	<u>1,743</u>	<u>1,743</u>
Fund Balances - End of Year	<u>\$ 678,273</u>	<u>\$ 2,131,639</u>	<u>\$ 13,618</u>	<u>\$ 500</u>	<u>\$ 1,743</u>	<u>\$ 1,743</u>

\*Restated See Note 17.

Continued on next page.

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Funds				
	Community Program	BJA Byrne Jag - Police & NPSO	NHDDC Projects	2015 Revenue Note Reserve	Rapides Foundation
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	33,588	-	-	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>\$ -</u>	<u>\$ 33,588</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Expenditures</b>					
<b>Current-</b>					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	17,469	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	1,295	-	-	-	-
Recreation & Culture	-	-	-	-	28,056
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	186,405	-
Total Expenditures	<u>\$ 1,295</u>	<u>\$ 17,469</u>	<u>\$ -</u>	<u>\$ 186,405</u>	<u>\$ 28,056</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (1,295)</u>	<u>\$ 16,119</u>	<u>\$ -</u>	<u>\$ (186,405)</u>	<u>\$ (28,056)</u>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	-	-	245,000	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 245,000</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (1,295)</u>	<u>\$ 16,119</u>	<u>\$ -</u>	<u>\$ 58,595</u>	<u>\$ (28,056)</u>
Fund Balances - Beginning of Year*	<u>16,605</u>	<u>(15)</u>	<u>4,258</u>	<u>12,026</u>	<u>(3,632)</u>
Fund Balances - End of Year	<u>\$ 15,310</u>	<u>\$ 16,104</u>	<u>\$ 4,258</u>	<u>\$ 70,621</u>	<u>\$ (31,688)</u>

\*Restated See Note 17.

Continued on next page.

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Funds				
	Equitable Sharing Program	Sports Complex Construction	Sports Complex Sponsorship	Sales Tax - District A	Sales Tax - District C
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ 65,420	\$ 425,948
Intergovernmental	-	-	33,000	-	-
Charges for Services	-	26,900	32,100	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	43,212	-	-
Total Revenues	<u>\$ -</u>	<u>\$ 26,900</u>	<u>\$ 108,312</u>	<u>\$ 65,420</u>	<u>\$ 425,948</u>
<b>Expenditures</b>					
<b>Current-</b>					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	166,222
Recreation & Culture	-	334,781	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ 334,781</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 166,222</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>\$ (307,881)</u>	<u>\$ 108,312</u>	<u>\$ 65,420</u>	<u>\$ 259,726</u>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	231,000	-	177,417	-
Transfer Out	-	-	-	(39,000)	(369,417)
Total Other Financing	<u>\$ -</u>	<u>\$ 231,000</u>	<u>\$ -</u>	<u>\$ 138,417</u>	<u>\$ (369,417)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ -</u>	<u>\$ (76,881)</u>	<u>\$ 108,312</u>	<u>\$ 203,837</u>	<u>\$ (109,691)</u>
Fund Balances - Beginning of Year*	<u>22,783</u>	<u>35,239</u>	<u>445,292</u>	<u>(127,432)</u>	<u>238,134</u>
Fund Balances - End of Year	<u>\$ 22,783</u>	<u>\$ (41,642)</u>	<u>\$ 553,604</u>	<u>\$ 76,405</u>	<u>\$ 128,443</u>

\*Restated See Note 17.

Continued on next page.

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Funds				
	Sales Tax - District D	Sales Tax - District E	Economic Development District - TIF A	Economic Development District - TIF C	CSEF - Federal Funds
<b>Revenues:</b>					
Taxes	\$ 41,176	\$ 39,759	\$ 67,277	\$ 245,599	\$ -
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>\$ 41,176</u>	<u>\$ 39,759</u>	<u>\$ 67,277</u>	<u>\$ 245,599</u>	<u>\$ -</u>
<b>Expenditures</b>					
<b>Current-</b>					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	43,390	15,945	-	9,500	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 43,390</u>	<u>\$ 15,945</u>	<u>\$ -</u>	<u>\$ 9,500</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (2,214)</u>	<u>\$ 23,814</u>	<u>\$ 67,277</u>	<u>\$ 236,099</u>	<u>\$ -</u>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	-	-	-	-
Transfer Out	-	-	(45,000)	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,000)</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (2,214)</u>	<u>\$ 23,814</u>	<u>\$ 22,277</u>	<u>\$ 236,099</u>	<u>\$ -</u>
Fund Balances - Beginning of Year*	<u>5,690</u>	<u>-</u>	<u>(65,766)</u>	<u>588,232</u>	<u>13,641</u>
Fund Balances - End of Year	<u>\$ 3,476</u>	<u>\$ 23,814</u>	<u>\$ (43,489)</u>	<u>\$ 824,331</u>	<u>\$ 13,641</u>

\*Restated See Note 17.

Continued on next page.



City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Special Revenue Fund	Capital Projects Funds		
	Hobby Lobby	Capital Improvements	Water Treatment Plant	Pilgrm's Industrial Park
<b>Revenues:</b>				
Taxes	\$ -	\$ 524,126	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for Services	-	-	-	-
Fines & Forfeits	-	-	-	-
Miscellaneous	-	-	378	-
Total Revenues	<u>\$ -</u>	<u>\$ 524,126</u>	<u>\$ 378</u>	<u>\$ -</u>
<b>Expenditures:</b>				
<b>Current-</b>				
General Government	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-
Streets & Sanitation	-	-	-	-
Water, Sewer & Utilities	-	820,212	-	-
Economic Development	-	-	-	-
Recreation & Culture	-	-	-	-
Health & Welfare	-	-	-	-
Debt Service	-	210,000	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ 1,030,212</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>\$ (506,086)</u>	<u>\$ 378</u>	<u>\$ -</u>
<b>Other Financing Sources (Uses)</b>				
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	512,500	-	-
Sale of Assets	-	-	-	-
Transfer In	-	102,000	-	-
Transfer Out	-	-	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ 614,500</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 108,414</u>	<u>\$ 378</u>	<u>\$ -</u>
Fund Balances - Beginning of Year*	<u>1,500</u>	<u>911,497</u>	<u>1,484,431</u>	<u>(74,034)</u>
Fund Balances - End of Year	<u>\$ 1,500</u>	<u>\$ 1,019,911</u>	<u>\$ 1,484,809</u>	<u>\$ (74,034)</u>

\*Restated See Note 17.

Continued on next page.

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Capital Projects Funds				
	Airport Hangar	Airport Maintenance	Parking Lot	LCDBG	Community Water Enrichment
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	1,019,940	-	1,404,825	9,851
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	8,855	-	43,659	-	-
Total Revenues	<u>\$ 8,855</u>	<u>\$ 1,019,940</u>	<u>\$ 43,659</u>	<u>\$ 1,404,825</u>	<u>\$ 9,851</u>
<b>Expenditures:</b>					
<b>Current-</b>					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	1,538,830	-
Economic Development	-	1,304,868	-	-	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ 1,304,868</u>	<u>\$ -</u>	<u>\$ 1,538,830</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 8,855</u>	<u>\$ (284,928)</u>	<u>\$ 43,659</u>	<u>\$ (134,005)</u>	<u>\$ 9,851</u>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	-	-	275,000	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 275,000</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 8,855</u>	<u>\$ (284,928)</u>	<u>\$ 43,659</u>	<u>\$ 140,995</u>	<u>\$ 9,851</u>
Fund Balances - Beginning of Year*	<u>(87,521)</u>	<u>(246,677)</u>	<u>(3,422)</u>	<u>(113,521)</u>	<u>(20,237)</u>
Fund Balances - End of Year	<u>\$ (78,666)</u>	<u>\$ (531,605)</u>	<u>\$ 40,237</u>	<u>\$ 27,474</u>	<u>\$ (10,386)</u>

\*Restated See Note 17.

Continued on next page.

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Capital Projects Funds				
	Chaplain's Lake	Chateau St Denis Fund	LWCF- PARC Natchitoches	Rue Beauport Riverfront Project	Eagle Building Project
<b>Revenues:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	187,600	-	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	29	-	-	114,224
Total Revenues	<u>\$ -</u>	<u>\$ 29</u>	<u>\$ 187,600</u>	<u>\$ -</u>	<u>\$ 114,224</u>
<b>Expenditures</b>					
<b>Current-</b>					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	603,876
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	87,000
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 690,876</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>\$ 29</u>	<u>\$ 187,600</u>	<u>\$ -</u>	<u>\$ (576,652)</u>
<b>Other Financing Sources (Uses):</b>					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	2,000,000
Sale of Assets	-	-	-	-	-
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,000,000</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 29</u>	<u>\$ 187,600</u>	<u>\$ -</u>	<u>\$ 1,423,348</u>
Fund Balances - Beginning of Year*	<u>(9,897)</u>	<u>10,143</u>	<u>(276,951)</u>	<u>(213,251)</u>	<u>(894,724)</u>
Fund Balances - End of Year	<u>\$ (9,897)</u>	<u>\$ 10,172</u>	<u>\$ (89,351)</u>	<u>\$ (213,251)</u>	<u>\$ 528,624</u>

\*Restated See Note 17.

Continued on next page.

City of Natchitoches, Louisiana  
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Year Ended May 31, 2023

	Debt Service Funds			
	Sales Tax	General Obligation	Sinking Fund	Total
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 7,982,873
Intergovernmental	-	-	-	2,740,401
Charges for Services	-	-	-	2,906,282
Fines & Forfeits	-	-	-	40,642
Miscellaneous	-	-	-	949,488
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,619,686</u>
Expenditures				
Current-				
General Government	\$ -	\$ -	\$ -	\$ 1,601,553
Public Safety	-	-	-	799,452
Streets & Sanitation	-	-	-	2,271,032
Water, Sewer & Utilities	-	-	-	2,797,774
Economic Development	-	-	-	3,383,138
Recreation & Culture	-	-	-	378,882
Health & Welfare	-	-	-	-
Debt Service	12,314,075	-	-	12,942,358
Total Expenditures	<u>\$ 12,314,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,174,189</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (12,314,075)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,554,503)</u>
Other Financing Sources (Uses):				
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	11,130,000	-	-	13,642,500
Sale of Assets	-	-	-	42,788
Transfer In	2,407,391	-	-	5,930,983
Transfer Out	-	-	-	(6,195,156)
Total Other Financing	<u>\$ 13,537,391</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,421,115</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 1,223,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,866,612</u>
Fund Balances - Beginning of Year*	<u>(921,983)</u>	<u>1,266,892</u>	<u>297,170</u>	<u>12,128,275</u>
Fund Balances - End of Year	<u>\$ 301,333</u>	<u>\$ 1,266,892</u>	<u>\$ 297,170</u>	<u>\$ 15,994,887</u>

\*Restated See Note 17

City of Natchitoches, Louisiana  
 Schedule of Expenditures of Federal Awards  
 For the Year Ended May 31, 2023

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Total Amount Awarded</u>	<u>Total Current Year Expenditures</u>
Department of the Treasury- Coronavirus Relief Fund- American Rescue Plan Act	21.027	\$ 3,238,702	\$ 3,118,079
Department of Transportation- Federal Aviation Administration	20.106	\$ 977,254	\$ 977,254
Office of Housing & Urban Development- Community Development Block Grant- 2021 LCDBG HVAC Program	14.228	\$ 263,090	\$ 263,090
2020 LCDBG Public Facilities Program	14.228	1,137,425	1,137,425
Total		<u>\$ 1,400,515</u>	<u>\$ 1,400,515</u>
United States Department of Justice- Edward Byrne Memorial Justice Assistance Grant Program	16.738	\$ 12,490	\$ 12,490
Total		<u>\$ 5,628,961</u>	<u>\$ 5,508,338</u>

City of Natchitoches, Louisiana  
Notes to the Schedule of Expenditures of Federal Awards  
May 31, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the *Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

Basis of Accounting

The City's Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 to the City's financial statements for the year ended May 31, 2023. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement.

Indirect Cost Rate

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

Subrecipients

There were no awards passed through to subrecipients.

OTHER REPORTS/SCHEDULES

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation

Roger M. Cunningham, CPA, LLC

Jessica H. Broadway, CPA – A Professional Corporation

Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street  
Natchitoches, Louisiana 71457

(318) 352-3652

Fax (318) 352-4447

[www.tcbtcpa.com](http://www.tcbtcpa.com)

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

To the Mayor and the City Council of  
Natchitoches, 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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities, the business-type activities, each major fund, the fiduciary fund, and the aggregate remaining fund information as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Natchitoches, Louisiana's (City) basic financial statements and have issued our report thereon dated November 27, 2023.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Natchitoches' 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 statement. 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 one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* (see Finding 2023-001).

## City of Natchitoches' Response to Findings

The City of Natchitoches' response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City of Natchitoches' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## 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, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier CPA's  
Natchitoches, Louisiana

November 27, 2023

**T | C | B | T**  
**THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER**  
*Certified Public Accountants*

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation  
Roger M. Cunningham, CPA, LLC  
Jessica H. Broadway, CPA – A Professional Corporation  
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street  
Natchitoches, Louisiana 71457  
(318) 352-3652  
Fax (318) 352-4447  
[www.tcbtcpa.com](http://www.tcbtcpa.com)

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

To the Mayor and the City Council of  
Natchitoches, Louisiana

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited the City of Natchitoches' 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's major federal program for the year ended May 31, 2023. The City's major federal program is identified in the accompanying schedule of findings and questioned costs.

In our opinion, the City has complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended May 31, 2023.

**Basis for Opinion on Each Major Federal Program**

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

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

**Responsibilities of Management for Compliance**

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

## **Auditor's Responsibilities for the Audit of Compliance**

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

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

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

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

## **Report on Internal Control over Compliance**

*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.

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.

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.

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway, & Todtenbier  
*Certified Public Accountants*  
Natchitoches, Louisiana

November 27, 2023



City of Natchitoches, Louisiana  
Schedule of Findings and Questioned Costs  
Year Ended May 31, 2023

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results in accordance with the Government Auditing Standards.

1. An unmodified opinion was issued on the primary government financial statements of the City of Natchitoches as of and for the year ended May 31, 2023; however, since the City did not present all of its component units, an adverse opinion was issued for the City of Natchitoches as a reporting entity.
2. The audit disclosed no material weaknesses in internal control.
3. The audit disclosed one instance of noncompliance required to be reported under *Government Auditing Standards*.
4. The audit did not disclose any instances of material weaknesses in internal control over major programs.
5. An unmodified opinion was issued on compliance for major programs.
6. The audit did not disclose any instances of noncompliance related to federal awards that are required to be reported under the Uniform Guidance.
7. The following programs were major for the year ended May 31, 2023:
  - Coronavirus Relief Fund – CFDA# 21.027
  - CDBG-Entitlement Grant – CFDA # 14.228
8. \$750,000 was the threshold used to distinguish Type A from Type B programs.
9. The City of Natchitoches does not qualify as a low-risk auditee.

City of Natchitoches, Louisiana  
Schedule of Findings and Questioned Costs (continued)  
Year Ended May 31, 2023

## II. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

### *2023-001 Cash Balance Unsecured*

*Criteria* - Louisiana state law requires that all funds held by financial institutions for an entity must be secured by federal deposit insurance or the pledge of securities owned by the financial institutions. The market value of the pledged securities plus the FDIC insurance must at all times equal or exceed the amount on deposit with the financial institutions.

*Condition* - The cash balance in the financial institutions was not fully secured by FDIC or pledged securities.

*Effect* - If the financial institution were to fail, the City's funds in excess of FDIC insurance and pledged securities could be lost.

*Cause* - The City and the financial institution did not monitor the financial institutions balances to ensure the balances were not in excess of FDIC Insurance and pledged securities.

*Recommendation* - The City should ensure at all times that their financial institution has its funds fully secured by FDIC insurance and pledged securities

*Management's Response* - The City will ensure at all times that our financial institution has fully secured the City's funds by FDIC insurance and pledged securities

## III. PRIOR YEAR FINDINGS

None.

**T | C | B | T**  
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Natchitoches, Louisiana 71457  
(318) 352-3652  
Fax (318) 352-4447  
[www.tcbtcpa.com](http://www.tcbtcpa.com)

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING  
STATEWIDE AGREED-UPON PROCEDURES**

To the City of Natchitoches  
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 June 1, 2022 through May 31, 2023. The City of Natchitoches (City) management is responsible for those C/C areas identified in the SAUPs.

The City 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 June 1, 2022 through May 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user for 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***

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1. We 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 operations:
  - ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - ***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.
  - ***Disbursements***, including processing, reviewing, and approving.

- **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.)
- **Payroll/Personnel**, including (1) payroll processing, and (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.
- **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- **Credit Cards (and debit cards, fuel cards, purchase 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).
- **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- **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
- **Sexual Harassment**, including R.S. 42.342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

*Procedure Results: No exceptions were noted as a result of these procedures.*

#### ***Board or Finance Committee***

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



- Observed that the minutes referenced or included quarterly budget-to-actual comparisons on the proprietary fund.
- Obtained the prior year audit report and observed the unrestricted net position in the General Fund. If the General Fund had a negative ending unrestricted net position in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted net position in the General Fund.
- Observed whether the board finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

*Procedure Results: No exceptions were noted as a result of these procedures.*

### ***Bank Reconciliations***

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3. We obtained a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Management identified the entity's main operating account. We selected the entity's main operating account and randomly selected 4 additional accounts (or all if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for the selected accounts, and observed that:
  - Bank reconciliations include evidence that they were prepared within two months of the related statement closing date (e.g. initialed and dated, electronically logged),
  - Bank reconciliations included written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g. initialed and dated, electronically logged); and
  - 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.

*Procedure Results: No exceptions were noted as a result of these procedures.*

### ***Collections (excluding electronic funds transfers)***

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4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money orders (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. We obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site selected. We obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, then inquired of employees about their job duties) at each collection location, and observed that job duties were properly segregated at each collection location such that:
  - Employees that are responsible for cash collections do not share cash drawers registers
  - Each employee responsible for collecting cash is not also responsible for preparing making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

- Each employee responsible for collecting cash is not also 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.
  - 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. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed that the bond or insurance policy for theft was in force during the fiscal period.
  7. We randomly selected two deposit dates for each of the 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 were made on the same day). We obtained supporting documentation for each of the deposits selected and.
    - We observed that receipts are sequentially pre-numbered.
    - We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
    - We traced the deposit slip total to the actual deposit per the bank statement.
    - We 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).
    - We traced the actual deposit per the bank statement to the general ledger.

*Procedure Results: No exceptions were noted as a result of these procedures.*

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

8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. We randomly selected the required amount of disbursement 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. We obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquired of employees about their job duties), and we observed that job duties are properly segregated such that:
  - At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
  - At least two employees are involved in processing and approving payments to vendors.
  - 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.

- 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.
  - Only employees officials authorized to sign checks approved the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some electronic means.
10. For each location selected under #8 above, we obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, and obtained supporting documentation for each transaction and:
- We observed that the disbursement, whether paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity.
  - We observed whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
11. Using the entity's main operating account and the month selected in procedure #3 under Bank Reconciliations, we randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. If no electronic payments were made from the main operating account during the month selected, we selected an alternative month and/or account for testing that does include electronic disbursements.

***Procedure Results: No exceptions were noted as a result of these procedures.***

#### ***Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)***

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12. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
13. Using the listing prepared by management, we randomly selected the required amount of cards (up to five) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly selected one monthly bank statement), and obtained supporting documentation, and:
- We 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) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - We observed that finance charges and late fees were not assessed on the selected statements.

14. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected the required amount transactions (up to ten) from each statement, and obtained supporting documentation for the transactions. For each transaction, we observed that it is supported by (a) an original itemized receipt that identified precisely what was purchased, (b) written documentation of the business/public purpose, and (c) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

*Procedure Results: No exceptions were noted as a result of these procedures.*

### ***Travel and Expense Reimbursement***

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15. We 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. We randomly selected 5 reimbursements, and 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:
- If reimbursed using a per diem, we observed that the approved reimbursement rate is no more than those rates established by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
  - If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - We observed that each reimbursement was supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1, 8<sup>th</sup> bullet).
  - We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*Procedure Results: No exceptions were noted as a result of these procedures.*

### ***Contracts***

---

16. We obtained from management a listing of all agreements/contracts (or active vendor list) for professional services, materials, and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. We obtained management’s representation that the listing is complete. We randomly selected the required amount of contracts (up to 5) from the listing, excluding our contract, and:
- We 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.
  - We observed whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - If the contract was amended (e.g. change order), we 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, the document approval).

- We randomly selected one payment from the fiscal period for each of the selected contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

*Procedure Results: No exceptions were noted as a result of these procedures.*

### ***Payroll and Personnel***

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17. We obtained a listing of employees, elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees or officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries pay rates in the personnel files.
18. We randomly selected one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, we obtained attendance records and leave documentation for the pay period, and:
  - We observed that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - We observed that supervisors approved the attendance and leave of the selected employees or officials.
  - We observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - We observed that the rate paid to the employees or officials agree to the authorized salary/pay rate found with the personnel file.
19. We 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. If applicable, we selected two employees or officials, and obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. If applicable, we agreed the hours to the employee's or official's cumulative leave records, and the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and the termination payment to entity policy.
20. We 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.

*Procedure Results: No exceptions were noted as a result of these procedures.*

### ***Ethics***

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21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
  - We observed whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.
  - We observed that 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.

22. We inquired and or observed whether the agency has appointed an ethics designee as required by R.S. 42:1170.

*Procedure Results: No exceptions were noted as a result of these procedures.*

#### ***Debt Service***

---

23. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. We obtained a listing of bonds notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We 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).

*Procedure Results: No exceptions were noted as a result of these procedures.*

#### ***Fraud Notice***

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

*Procedure Results: No exceptions were noted as a result of these procedures.*

#### ***Information Technology Disaster Recovery/Business Continuity***

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27. We performed the following procedures:
- We obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquired of personnel responsible for backing up critical data) and observed that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - We obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquired of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.
  - We obtained a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. We randomly selected the required number of computers (at least 5) and observed while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.



28. We randomly selected 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19, and observed evidence that the selected terminated employees have been removed or disabled from the network.

*Procedure Results: We performed the procedures and discussed the results with management.*

### *Prevention of Sexual Harassment*

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29. We randomly selected the employees/officials from procedure #17 under “Payroll and Personnel” above, obtained sexual harassment training documentation from management, and observed that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
30. We observed that the entity has posted its sexual harassment policy and complaint procedures on its website (or in a conspicuous location on the entity’s premises if the entity does not have a website).
31. We 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 that it includes the applicable requirements of R.S. 42:344:
- Number and percentage of public servants in the agency who have completed the training requirements;
  - Number of sexual harassment complaints received by the agency;
  - Number of complaints which resulted in a finding that sexual harassment occurred;
  - Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - Amount of time it took to resolve each complaint.

*Procedure Results: No exceptions were noted as a result of these procedures.*

We were engaged by the Commission 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 Commission 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.

*Thomas, Cunningham, Broadway & Todtenbier, CPA's*

Thomas, Cunningham, Broadway & Todtenbier, CPA's  
Natchitoches, Louisiana  
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