

In the opinion of Washington & Wells, LLC ("Bond Counsel"), under existing statutes, regulations, published ruling and judicial decisions, interest on the Bonds (as defined herein) is excludable from gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not a separate tax preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing alternative minimum tax imposed upon corporations. Bond Counsel is also of the opinion that, under present law, interest on the Bonds is exempt from taxes directly imposed by the State of Louisiana. For a more complete description of such opinion of Bond Counsel, see "TAX MATTERS" herein and the form of opinion of Bond Counsel attached hereto as APPENDIX D.

\$11,645,000
CITY OF NATCHITOCHES, STATE OF LOUISIANA
UTILITIES REVENUE BONDS, SERIES 2023

Dated: Date of Delivery**Due: As shown on inside cover**

The City of Natchitoches, State of Louisiana (the "**Issuer**" or "**City**") is issuing \$11,645,000 in aggregate principal amount of Utilities Revenue Bonds, Series 2023 (the "**Bonds**"), for the purposes of: (i) acquiring and constructing additions, extensions, and improvements to the System (defined below), including but not necessarily limited to equipment and fixtures; (ii) purchasing a reserve fund policy; and (iii) paying the costs of issuing the Bonds, including the cost of a bond insurance policy.

The Bonds are being issued under the authority conferred by the provisions of Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "**Act**"). The Issuer currently owns, operates and derives revenue from a combined waterworks plant and system (the "**Water System**"), electric power and light plant system (the "**Electric System**"), and sewer utility system (the "**Sewer System**," and collectively with the Sewer System and Water System, the "**System**"). The Bonds are valid and binding special and limited obligations of the Issuer and are secured by and payable solely from an irrevocable pledge and dedication of the Net Revenues (as defined herein) derived from the operation of the System on parity with the Issuer's outstanding (i) \$3,615,000 Utilities Revenue Refunding Bonds, Series 2021, and (ii) \$985,000 Utilities Revenue Bonds, Series 2022 (together, the "**Outstanding Parity Bonds**"). The Bonds shall constitute Parity Obligations (as defined herein). Additional Parity Obligations (as defined herein) may be issued on a complete parity with the Bonds and the Outstanding Parity Bonds as described under the caption "**SECURITY PROVISIONS AND PROTECTIVE COVENANTS**" herein.

The Bonds are registered bonds, without coupons, issued in denominations of \$5,000 and any integral multiple in excess thereof (the "**Authorized Denominations**"). The Bonds will be issued in book-entry form and will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("**DTC**"), which will act as securities depository for the Bonds (the "**Securities Depository**"). Individual purchases of the Bonds will be made in book-entry form and individual purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. Purchases of the Bonds may be made only in book-entry form in Authorized Denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. The principal of, premium, if any, and interest on the Bonds will be payable by Regions Bank, Baton Rouge, Louisiana, as paying agent (the "**Paying Agent**") to the Securities Depository, which will remit such payments in accordance with its normal procedures, as described herein.

The Bonds will be dated their date of delivery and will bear interest from such date at the rates per annum set forth on the inside cover page hereof, payable semi-annually on June 1 and December 1 of each year, commencing December 1, 2023.

THE BONDS ARE SUBJECT TO OPTIONAL, MANDATORY AND MANDATORY SINKING FUND REDEMPTION IN THE MANNER AND AT THE TIMES DESCRIBED HEREIN.

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by ASSURED GUARANTY MUNICIPAL CORP. ("AGM").



This cover page contains information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered for delivery when, as and if issued by the Issuer and accepted by Piper Sandler & Co. (the "**Underwriter**") and subject to the receipt of the approving legal opinion of Washington & Wells, LLC, Shreveport, Louisiana, Bond Counsel. Certain legal matters will be passed upon for the Issuer by its counsel, Boles Shafto, LLC, Monroe, Louisiana, and for the Underwriter by its counsel, Butler Snow LLP, Shreveport, Louisiana. Government Consultants, Inc., Baton Rouge, Louisiana will serve as Independent Registered Municipal Advisor to the Issuer. It is expected that the Bonds will be delivered in book-entry form through the facilities of The Depository Trust Company, New York, New York on or about November 1, 2023.

PIPER SANDLER

October 19, 2023

\$11,645,000
CITY OF NATCHITOCHEs, STATE OF LOUISIANA
UTILITIES REVENUE BONDS
SERIES 2023

Dated: Date of Delivery

Due: June 1, as shown below

<u>Year of Maturity (June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP[†]</u>
2024	\$160,000	5.500%	4.700%	631855PR8
2025	165,000	5.500%	4.640%	631855PS6
2026	175,000	5.500%	4.540%	631855PT4
2027	185,000	5.500%	4.480%	631855PU1
2028	195,000	5.500%	4.440%	631855PV9
2029	205,000	5.500%	4.530%	631855PW7
2030	220,000	5.500%	4.580%	631855PX5
2031	230,000	5.500%	4.600%	631855PY3
2032	245,000	5.500%	4.670%	631855PZ0
2033	260,000	5.500%	4.730%	631855QA4
2034	275,000	5.500%	4.770%*	631855QB2
2035	290,000	5.500%	4.860%*	631855QC0
2036	305,000	5.500%	5.000%*	631855QD8
2037	320,000	5.500%	5.180%*	631855QE6
2038	340,000	5.500%	5.280%*	631855QF3

\$2,005,000 5.250% Term Bond Due June 1, 2043; Yield 5.400% CUSIP[†] 631855QG1
\$6,070,000 5.500% Term Bond Due June 1, 2053; Yield 5.630% CUSIP[†] 631855QH9

* Priced to first optional redemption date, June 1, 2033.

[†] CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, which is managed on behalf of S&P Capital I.Q., a business line of the McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service. CUSIP data herein is provided for convenience of reference only. Neither the Authority, the Municipal Advisor, nor the Underwriter and their agents take any responsibility for the accuracy of such data now or at any time in the future. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Bonds.

NO DEALER, BROKER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORIZED BY THE ISSUER OR THE UNDERWRITER TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS OFFICIAL STATEMENT, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER OR THE UNDERWRITER. THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE. THE INFORMATION SET FORTH HEREIN CONCERNING THE DEPOSITORY TRUST COMPANY (“DTC”) HAS BEEN FURNISHED BY DTC AND NO REPRESENTATION IS MADE BY THE UNDERWRITER AS TO THE COMPLETENESS OR ACCURACY OF SUCH INFORMATION.

THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITY TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

ALL OTHER INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE ISSUER AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE BUT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY AND IS NOT TO BE CONSTRUED AS A REPRESENTATION BY, THE UNDERWRITER. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER OR DTC SINCE THE DATE HEREOF.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES OR YIELDS LOWER THAN THE PUBLIC OFFERING PRICES OR YIELDS STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES OR YIELDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED DOES NOT MEAN THAT EITHER THESE JURISDICTIONS

OR ANY OF THEIR AGENCIES HAVE PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED, THE SECURITIES, OR THEIR OFFER OR SALE. NEITHER THESE JURISDICTIONS NOR ANY OF THEIR AGENCIES HAVE GUARANTEED OR PASSED UPON THE SAFETY OF THE BONDS AS AN INVESTMENT, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

THE BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THE STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT, AND IN OTHER INFORMATION PROVIDED BY THE ISSUER THAT ARE NOT PURELY HISTORICAL, ARE FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT ARE BASED ON INFORMATION AVAILABLE TO THE ISSUER ON THE DATE HEREOF, AND THE ISSUER DOES NOT ASSUME ANY OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS. THE ACHIEVEMENT OF ANY FINANCIAL FORECAST IS DEPENDENT UPON FUTURE EVENTS, THE OCCURRENCE OF WHICH CANNOT BE ASSURED. THEREFORE, ACTUAL RESULTS ACHIEVED MAY VARY FROM THE PROJECTIONS SET FORTH HEREIN. SUCH VARIATION COULD BE MATERIAL. SEE ***“INVESTOR CONSIDERATIONS”*** AND ***“FORWARD-LOOKING STATEMENTS”*** HEREIN.

THE LOUISIANA STATE BOND COMMISSION (THE ***“STATE BOND COMMISSION”***) PREVIOUSLY APPROVED THE ISSUANCE OF THE BONDS. THE STATE BOND COMMISSION EXPRESSLY PROVIDES THAT SAID APPROVAL DOES NOT CONSTITUTE A RECOMMENDATION, APPROVAL OR SANCTION BY THE STATE BOND COMMISSION OR THE STATE OF LOUISIANA (THE ***“STATE”***) OF THE INVESTMENT QUALITY OF THE BONDS AND DOES NOT CONSTITUTE ANY GUARANTEE OF REPAYMENT OF THE BONDS BY THE STATE BOND COMMISSION OR THE STATE. THE APPROVAL OF THE BONDS BY THE STATE BOND COMMISSION SHOULD NOT BE RELIED UPON BY ANY PROSPECTIVE PURCHASER OF THE BONDS AS ADVICE. THE WRITTEN APPROVAL OF THE STATE BOND COMMISSION EXPRESSLY STATES THAT NEITHER IT NOR THE STATE SHALL HAVE ANY LIABILITY OR LEGAL RESPONSIBILITY TO INVESTORS ARISING OUT OF, RELATED TO, OR CONNECTED WITH THE APPROVAL OF THE BONDS.

Assured Guaranty Municipal Corp. (“AGM”) makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding

AGM supplied by AGM and presented under the heading “BOND INSURANCE” and APPENDIX F – “Specimen Municipal Bond Insurance Policy.”

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**OFFICIALS OF THE
CITY OF NATCHITOCHEs, STATE OF LOUISIANA**

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Ronnie Williams, Jr.

City Council

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Municipal Advisor

Government Consultants, Inc.

Underwriter

Piper Sandler & Co.

Underwriter's Counsel

Butler Snow LLP

OFFICIAL STATEMENT

\$11,645,000

CITY OF NATCHITOCHES, STATE OF LOUISIANA UTILITIES REVENUE BONDS, SERIES 2023

INTRODUCTION

The purpose of this Official Statement, including the cover page and the appendices attached hereto, is to set forth information concerning the City of Natchitoches, State of Louisiana (the ***“Issuer”*** or the ***“City”***), and its \$11,645,000 principal amount Utilities Revenue Bonds, Series 2023 (the ***“Bonds”***), issued pursuant to and secured under General Bond Ordinance No. 001 of 2015 adopted by the City Council of the Issuer (the ***“Governing Authority”***) on January 26, 2015 (the ***“General Bond Ordinance”***), as supplemented and amended, and a series bond ordinance as authorized and governed by the General Bond Ordinance anticipated to be adopted by the Governing Authority on October 23, 2023 (the ***“Series Bond Ordinance,”*** and together with the General Bond Ordinance, the ***“Ordinance”***). Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Ordinance.

Brief descriptions of the Issuer, the Bonds, the Ordinance and the proceedings of the Issuer with respect to the Bonds are contained in this Official Statement. Such descriptions do not purport to be comprehensive or definitive and are qualified in their entirety by reference to such documents. Financial and Statistical Data Relating to the Issuer appears as APPENDIX A attached hereto. The Annual Financial Statements of the Issuer (Fiscal Year Ending May 31, 2022) appears as APPENDIX B attached hereto. The Unaudited Profit & Loss for the Issuer’s Utility Fund (Fiscal Year Ending May 31, 2023) appears as APPENDIX C attached hereto. The form of Bond Counsel opinion appears as APPENDIX D attached hereto. The form of the Continuing Disclosure Agreement appears as APPENDIX E attached hereto. The specimen form of the hereinafter-defined Municipal Bond Insurance Policy is included in APPENDIX F attached hereto.

The Issuer

The Issuer is a political subdivision of the State of Louisiana (the ***“State”***) and the Parish seat of the Parish of Natchitoches. The Issuer is governed by a Mayor and City Council (the ***“Governing Authority”***) comprised of five (5) members.

The Issuer is located in Natchitoches Parish, along Interstate 49 in northwest Louisiana and is part of the Natchitoches Micropolitan Statistical Area. See ***“FINANCIAL AND STATISTICAL DATA RELATING TO THE ISSUER AND THE PARISH OF NATCHITOCHES, STATE OF LOUISIANA”*** in APPENDIX A attached hereto.

The Issue

The Bonds are being issued pursuant to the Ordinance.

Authority for the Issue

The Bonds are being issued under the authority of Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto (the “*Act*”).

Security for the Bonds

The Issuer currently owns and operates a combined waterworks plant and system (the “*Water System*”), electric power and light plant system (the “*Electric System*”), and sewer utility system (the “*Sewer System*,” and collectively with the Water System and Electric System, the “*System*”). The Bonds are payable solely from and secured by an irrevocable pledge and dedication of the Issuer’s Net Revenues (as defined herein). See “*THE SYSTEM*” and “*SECURITY PROVISIONS AND PROTECTIVE COVENANTS*” herein.

For purposes of this Official Statement, “*Revenues of the System*” shall mean:

All income and revenues to be derived by the City from the operation of the System, including User Fees or service fees and other income received from the operation of the System and earnings on investments in the funds and accounts described in Section 5.01 of the General Bond Ordinance, but not including any insurance or condemnation proceeds, or proceeds from the sale or other disposition of any part of the System, and including the following:

- (a) revenues of any ad valorem or sales tax that may be dedicated in whole or in part to the System and actually budgeted in a Fiscal Year to the improvement, operation or maintenance of the System or for the payment of debt service on the Bonds;
- (b) revenues from any other source whatsoever that are actually budgeted in a Fiscal Year to the improvement, operation or maintenance of the System or for the payment of debt service on the Bonds; and
- (c) amounts received by the City as a Build America Bond or other similar federal reimbursement, subsidy or similar payment with respect to any series of the Bonds.

For purposes of this Official Statement, “*Net Revenues*” shall mean:

The Revenues of the System, determined in accordance with then generally accepted accounting principles, after the payment of all reasonable and necessary expenses of operating and maintaining of the System as are not provided for from other lawfully available sources, except that there shall be excluded from the calculation of Net Revenues the following:

- (a) Gains on the sale or other disposition of investments or fixed or capital assets, which do not result from the ordinary course of business;

- (b) Investment income that is restricted to a purpose inconsistent with the payment of operating expenses or debt service, including (whether or not so restricted) interest earned on any construction fund or construction account created with the proceeds of borrowing by the City;
- (c) Any amounts received by way of government grants; and
- (d) Any capital outlay moneys received from the State;

Furthermore, there shall be added back to net income for purposes of calculating Net Revenues hereunder the following:

- (e) Losses on the sale or other disposition of investments or capital assets which do not result from the ordinary course of business;
- (f) Depreciation and amortization allowances;
- (g) Amounts paid as principal interest or redemption premium on any of the Bonds; and
- (h) Interest earnings on any of the funds described in Section 5.01 of the General Bond Ordinance.

Parity Obligations

In the General Bond Ordinance, the Issuer has reserved the right to issue additional *pari passu* indebtedness payable from Net Revenues (“**Parity Obligations**”). The Issuer has previously issued its (i) \$3,615,000 Utilities Revenue Refunding Bonds, Series 2021, currently outstanding in the principal amount of \$2,905,000, and (ii) \$985,000 Utilities Revenue Bonds, Series 2022, currently outstanding in the principal amount of \$935,000 (together, the “**Outstanding Parity Bonds**”). The Bonds shall constitute Parity Obligations. See also “**SECURITY PROVISION AND PROTECTIVE COVENANTS**” herein.

Purpose of Issue

The Bonds will be issued for the purposes of (i) acquiring and constructing additions, extensions, and improvements to the System, including but not necessarily limited to equipment and fixtures (the “**Project**”); (ii) purchasing a reserve fund policy; and (iii) paying the costs of issuing the Bonds, including the cost of a bond insurance policy.

The Project

The Project includes, but is not limited to, the construction of a new 2.5 Million Gallons a Day (MGD) treatment plant at an existing site within the City, construction of a new backwash clarifier for the City’s three existing plants, installation of a new belt filter, construction of system upgrades to address deficiencies, and the rehabilitation of two existing plants and

component manufacturing parts. The Project will cost a total of approximately \$16.8 million, with approximately \$10.25 million provided from the proceeds of the Bonds.

THE SYSTEM

The Sewer System

The City owns and operates its own Sewer System, consisting of a waste water treatment plant (the “*Waste Water Treatment Plant*”) and a waste water collection system (the “*Waste Water Collection System*”). The Waste Water Collection System consists of 8,650 sewer services inside the City limits. Sewage is collected through a system of gravity mains, manholes and approximately 52 lift stations. Sewage is pumped to the Waste Water Treatment Plant located at 900 Laird Fletcher Road. The Waste Water Treatment Plant has the capacity to treat 4.5 MGD. The daily average flow is 1.8 MGD. Monthly Discharge Monitoring Reports are sent to the Louisiana Department of Environmental Quality. The City of Natchitoches Sewer Department has 13 full time employees.

The following table outlines the Sewer System’s customer count for the last five years.

<u>Year</u>	<u>Commercial</u>	<u>Residential</u>	<u>Total</u>
2018	807	5,845	6,652
2019	804	5,817	6,621
2020	798	5,770	6,568
2021	791	5,896	6,660
2022	824	5,956	6,781

Customers

The top customer for the Sewer System is the Northwestern State University. For Fiscal Year 2022, Northwestern State University accounted for 3.2% of the Sewer System’s revenues.

Listed below are the largest customers for the Sewer System:

<u>Name of Customer</u>	<u>Usage</u>	<u>Amount Billed</u>
Northwestern State University	3,706,320	\$7,000.00
University Place BLDG 4	1,867,000	\$4,107.40
Natch Parish Det Center	897,000	\$3,326.10
Natchitoches Comm Care Center	469,000	\$1,836.30
J W Thomas Apt Office	382,000	\$1,497.00
Hampton Inn	361,000	\$1,415.10
Pilgrim’s Pride Corporation	23,672,000	\$1,175.00
Copeland Corporation	3,590,000	\$654.00
Natch Dialysis Fac RMA	102,000	\$405.00
Courtyard of Natchitoches	149,000	\$529.80

Sewer System Rates

The user charge for the City has been established in accordance with EPA guidelines and requirements. The user charge is reviewed at least every two (2) years and adjusted accordingly based upon actual operation, maintenance and replacement costs. The user charge system has precedence over any terms, conditions of agreements, or contracts which are not consistent with section 204(b)(1)(a) of the Clean Water Act.

The schedule of rates and changes for the Sewer System is as follows:

a. *Commercial service, inside city limits.*

The schedule of rates and charges for commercial sewer only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (0—2.000)	\$16.25	\$17.25
>2.001—12.500	\$5.20	\$6.20

b. *Commercial (winter heat), inside city limits.*

The schedule of rates and charges for commercial (winter heat) sewer service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$24.25	\$25.25
>2.001	\$5.40	\$6.40

c. *Large commercial service, inside city limits.*

The schedule of rates and charges for industrial contract sewer service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$16.25	\$17.25
>2.001	\$5.20	\$6.20

d. *Industrial (contract), inside city limits.*

The schedule of rates and charges for industrial (contract) sewer service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$250.50	\$250.50
>2.001	\$1.60	\$1.60

The above rates apply to industrial (contract) customers unless a contract is established. If a contract is established with an industry, operation and maintenance rates may be established based on size and type of industry.

e. *Northwestern State University.*

The rate and charge for Northwestern State University is a flat rate of \$7,000.00 per month.

f. *Master metered, inside city limits.*

The schedule of rates and charges for master metered sewer service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$10.50	\$11.50
>2.001	\$6.00	\$7.00

g. *Residential, inside city limits.*

The schedule of rates and charges for residential sewer service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$10.50	\$11.50
>2.001	\$6.00	\$7.00

h. *Residential (winter heat), inside city limits.*

The schedule of rates and charges for residential (winter heat) sewer service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$10.50	\$11.50
>2.001	\$6.00	\$7.00

i. *Commercial, large commercial and commercial (winter heat), outside city limits.*

The schedule of rates and charges for commercial, large commercial, and commercial (winter heat) sewer service only, for users outside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$26.25	\$27.25
>2.001	\$5.50	\$6.50

j. *Master metered, outside city limits.*

The schedule of rates and charges for master metered sewer service only, for users outside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$13.75	\$14.75
>2.001	\$8.00	\$9.00

k. *Residential, outside city limits.*

The schedule of rates and charges for residential sewer service only, for users outside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$14.75	\$15.75
>2.001	\$7.00	\$8.00

1. *Municipal.*

The municipal sewer service account is billed at residential; inside city limits rates.

The sewer rates shall be in accordance with the above schedules effective May 1, 2023. The new rate for 2024-2025 shall begin on May 1, 2024.

The residential rate shall apply to each family unit being served; provided, however, that in the case of master-metered sewer service, this charge shall be billed to the owner or operator of the complex which is master-metered. As used herein, “*family unit*” shall mean a head of a family maintaining residence and using the sewer service of the city.

Thirty (30) days’ notice shall be given before any changes in user charge rates go into effect.

When the City provides sewer service to an industry, operation and maintenance rates may be established based on size and type of industry.

Sewer tap fees shall be established by the superintendent and shall cover all costs associated with repairing roads, sidewalks, etc., within the limits of public rights-of-way disturbed by a service connection(s) to a public sewer, on a case by case basis.

After April 30, 2025, the City shall adjust sewer rates annually on May 1 of each calendar year based on the change in the Consumer Price Index (CPI) for sewer maintenance for the 12-month period ending in December of the previous calendar year as detailed in Table 2-Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by detailed expenditure category published by the Bureau of Labor Statistics (available at <https://www.bls.gov>).

The Water System

The City owns and operates its own Water System, consisting of a Surface Water Treatment Plant (“***Surface Water Treatment Plant***”) and a Water Distribution System (“***Water Distribution System***”). The Surface Water Treatment Plant is located at 100 Rapides Drive and consists of 3 separate water treatment units. The daily average water production is 6.3 MGD, with a peak production of 7.9 MGD. The Surface Water Treatment Plants operates 24 hours per day and has 7 full time employees. The Water Distribution System serves the City as well as Water Works District 1, the Village of Clarence and the Village of Hagedwood. There are 9,368 service connections throughout the Water System. There are 8 elevated storage tanks and 4 ground storage tanks with a total storage capacity of 5.6 million gallons. Within the Water Distribution System, there are 6 water booster stations and over 900 Fire Hydrants. The Water Distribution System has 9 full time employees.

Customers

The following table outlines the Water System's customer base for the last five (5) years as of December 31, 2022:

<u>Year</u>	<u>Commercial</u>	<u>Residential</u>	<u>Total</u>
2018	1,106	8,077	9,308
2019	1,022	8,058	9,297
2020	1,025	8,054	9,295
2021	1,013	8,068	9,296
2022	1,030	8,049	9,298

The top customer for the Water System is the Pilgrim's Pride. For Fiscal Year 2022, the Pilgrim's Pride Corporation accounted for 13.8% of the Water System's water revenues.

Listed below are the largest customers for the Water System:

<u>Name of Customer</u>	<u>Usage</u>	<u>Amount Billed</u>
Pilgrim's Pride Corporation	23,672,000	\$52,324.00
Copeland Corporation	3,590,000	\$20,664.70
Village of Clarence	1,926,000	\$13,372.80
Northwestern State University	3,706,320	\$8,149.50
University Place BLDG 4	1,867,000	\$4,107.40
Natch Parish Det Center	897,000	\$3,500.60
Romeaux Gen Cont	668,000	\$2,781.11
Natchitoches Comm Care Center	469,000	\$1,852.30
J W Thomas Apt Office	382,000	\$1,786.00
Hampton Inn	361,000	\$1,415.10

Water System Rates

(a) *Commercial service, inside city limits and large commercial, inside city limits.*

The schedule of rates and charges for commercial water service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$16.25	\$17.25
>2.001—12.500	\$5.20	\$6.20

(b) *Commercial (winter heat), inside city limits.*

The schedule of rates and charges for commercial (winter heat) water service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$24.25	\$25.25
>2.001	\$5.40	\$6.40

(c) *Industrial (contract), inside city limits.*

The schedule of rates and charges for industrial contract water service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$250.50	\$250.25
>2.001	\$1.60	\$1.60

The above rates apply to industrial (contract) customers unless a contract is established. If a contract is established with an industry, operation and maintenance rates may be established based on size and type of industry.

(d) *Master metered, inside city limits.*

The schedule of rates and charges for master metered water service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$10.50	\$11.50
>2.001	\$6.00	\$7.00

(e) *Residential, inside city limits.*

The schedule of rates and charges for residential water service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$10.50	\$11.50
>2.001	\$6.00	\$7.00

(f) *Residential (winter heat), inside city limits.*

The schedule of rates and charges for residential (winter heat) water service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$10.50	\$11.50
>2.001	\$6.00	\$7.00

(g) *Sprinkler-commercial and large commercial, inside city limits.*

The schedule of rates and charges for sprinkler-commercial water service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$16.25	\$17.25
>2.001	\$5.50	\$6.50

(h) *Sprinkler-residential, inside city limits.*

The schedule of rates and charges for sprinkler-residential water service only, for users inside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$11.50	\$12.50
>2.001	\$6.50	\$7.50

(i) *Water systems, outside city limits.*

The schedule of rates and charges for water systems water service only, for users outside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$275.00	\$275.00
>2.001	\$7.25	\$7.25

The above rates apply to industrial (contract) customers unless a contract is established. If a contract is established with an industry, operation and maintenance rates may be established based on size and type of industry.

(j) *Commercial, large commercial, commercial (winter heat) and commercial sprinkler, outside city limits.*

The schedule of rates and charges for commercial, large commercial, commercial (winter heat) and commercial sprinkler water service only, for users outside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$26.25	\$27.25
>2.001	\$5.50	\$6.50

(k) *Master metered, outside city limits.*

The schedule of rates and charges for master metered water service only, for users outside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$13.75	\$14.75
>2.001	\$8.00	\$9.00

(l) *Residential, outside city limits.*

The schedule of rates and charges for residential water service only, for users outside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$14.75	\$15.75
>2.001	\$7.00	\$8.00

(m) *Sprinkler-residential, outside city limits.*

The schedule of rates and charges for sprinkler-residential water service only, for users outside the city limits, is as follows:

<u>Usage range</u>	<u>2023/2024</u>	<u>2024/2025</u>
Base (1—2.000)	\$13.75	\$14.75
>2.001	\$8.00	\$9.00

(n) *Municipal.*

The municipal water service accounts are to be billed at residential, inside city limits for general usage or sprinkler-residential, inside city limits rates for sprinkler only usages.

The water rates will be in accordance with the above schedules, effective May 1, 2023. The new rate for 2024-2025 will begin May 1, 2024.

After April 30, 2025, the City shall adjust water rates annually on May 1 of each calendar year based on the change in the Consumer Price Index (CPI) for water maintenance for the 12-month period ending in December of the previous calendar year as detailed in Table 2-Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by detailed expenditure category published by the Bureau of Labor Statistics (available at <https://www.bls.gov>).

The Electric System

The City owns and operates its own Electric Transmission and Distribution Systems. The City buys bulk power from CLECO at 2 different metering points. The City has one 69 KV Transmission Substation and gives 13.8 KV Distribution Substations. The power leaves these Distribution Substations in nineteen 13.8 KV Cicruits. The Electric System provides power to 8,650 meters. The Electric System department has 27 full-time employees.

Customers

The following table outlines the Electric System's customer base for the last five (5) years as of December 31, 2022:

<u>Year</u>	<u>Commercial</u>	<u>Residential</u>	<u>Total</u>
2018	1,227	7,377	8,604
2019	1,228	7,378	8,606
2020	1,233	7,327	8,560
2021	1,220	7,358	8,578
2022	1,597	7,299	8,896

The top customer for the Electric System is the Alliance Corp. For Fiscal Year 2022, Copeland Corp. (Alliance) accounted for 10% of the Electric System's revenues.

Listed below are the largest customers for the Electric System:

<u>Name of Customer</u>	<u>Usage</u>	<u>Amount Billed</u>
Copeland Corporation	2,830,800	\$196,929.08
Pilgrim's Pride Corporation	2,379,300	\$172,955.23
Northwestern State University	2,109,101	\$150,587.25
Natch Hospital	720,085	\$69,634.04
Brookshire Grocery	438,945	\$47,091.48
Wal-Mart	319,382	\$34,299.48
LSMSA	275,376	\$34,174.46
Courtyard of Natchitoches	157,880	\$17,045.59
Natch Parish Det Center	109,643	\$12,496.50
Natch Central High School	142,696	\$15,668.82

Electric System Rates

The schedule of rates for electrical services shall be as follows:

(1) *Residential service—R1:*

- a. This schedule is applicable to domestic users in individual private residences or individual residential apartments only and is not applicable to establishments of a commercial nature. Hotels, motels, and recognized rooming and boardinghouses will not be served under this schedule. Any establishment having a master meter, and having five (5) apartment units or more shall be considered "commercial" and commercial service rates shall be applicable. Townhouses are separately metered.
- b. Type of service: Single-phase, 60 hertz and at any one of the City's standard service voltages.
- c. Rate: The rate of charges per kilowatt-hour (KWH) beginning May 1, 2023, shall be 3.3 cents per KWH, and the rate of charges per KWH beginning May 1, 2024, shall be 3.9 cents per KWH.
- d. Minimum bill: Five dollars (\$5.00) per month.

(2) *Residential service—R2 (winter rates):*

- a. There is a special rate applicable to the winter months, which include the October, November, December, January, February and March billing periods.
- b. Type of service: Single-phase, sixty (60) hertz and at any one (1) of the City's standard service voltages.
- c. Rate: The special winter monthly rate for residential service shall be applied as follows:

The first 600 KWH will be charged at the base rate as provided above for R-1.

The excess KWH over 600 KWH shall be charged at a rate of 3.1 cents for each additional KWH effective May 1, 2023.

The excess KWH over 600 KWH shall be charged at a rate of 3.7 cents for each additional KWH, effective May 1, 2024.

- d. Minimum bill: Five dollars (\$5.00) per month.

(3) *Small commercial service—SCS-1:*

- a. This schedule is applicable to any commercial, industrial or institutional customer for general lighting and power purposes, and whose total electrical load is less than 25 KW, and where all service is supplied at one point of delivery and measured through one meter.

- b. Type of service: Single- or three-phase, 60 hertz at any of the City's standard service voltages.

- c. Rate: The rate of charges per kilowatt-hour effective May 1, 2023, shall be applied as follows:

the first 1,000 KWH at 6.5 cents per KWH;
the next 1,000 KWH at 5.45 cents per KWH;
over 2,000 KWH at 4.05 cents per KWH,

The rate of charges per kilowatt-hour effective May 1, 2024, shall be applied as follows:

the first one thousand (1,000) KWH at 7.1 cents per KWH;
the next one thousand (1,000) KWH at 6.05 cents per KWH;
over two thousand (2,000) KWH at 4.65 cents per KWH.

- d. Minimum bill: Fifteen dollars (\$15.00) per month.

(4) *Small commercial service—SCS-2 (winter rates):*

- a. There is a special rate applicable to the winter months, which include the October, November, December, January, February and March billing periods.

- b. Type of service: Single- or three-phase, sixty (60) hertz, at any of the City's standard service voltages.

- c. Rate: The special winter monthly rate for small commercial service shall be applied as follows:

The two thousand (2,000) KWH will be charged at the base rate as provided for SCS-1 in subsection (3) above.

The excess KWH over two thousand (2,000) KWH shall be charged at a rate of 3.8 cents for each additional KWH, beginning with the effective date of May 1, 2023.

The excess KWH over two thousand (2,000) KWH shall be charged at a rate of 4.40 cents for each additional KWH, beginning with the effective date of May 1, 2024.

- d. Minimum bill: Fifteen dollars (\$15.00) per month.

(5) *Large commercial service—LCS-I:*

- a. This schedule is applicable to any commercial, industrial or institutional customer for general lighting or power purposes, and whose total electrical load is twenty-five (25) KW or greater, but less than three hundred (300) KW, and where all service is supplied at one (1) point of delivery and measured through one (1) meter.

- b. Type of service: Single-phase, sixty (60) hertz, 120/240 or 240 volts, or three-phase, sixty (60) hertz 120/208, 240, 277/480 or 480 volts.

- c. Rate:

- 1. Demand:

First 25 KW	\$100.00
Additional KW, per KW	\$ 3.00

The billing demand will be the highest 15-minute KW during the billing period, and shall be adjusted for customer's power factor of service by multiplying the metered demand by a fraction whose numerator is 0.90 and whose denominator is the customer's power factor of service.

- 2. Energy: Effective May 1, 2023, all KWH at 3.3 cents per KWH, and effective May 1, 2024 all KWH at 3.9 cents per KWH.
- d. Economic development rate adjustment: The monthly billing under this schedule shall be adjusted to include any economic development rate reduction for which customer qualifies, in accordance with Chapter 30, Article II, Section 30-18 of the Code of Ordinances of the City of Natchitoches, Louisiana.
- e. Minimum bill: The minimum monthly billing under this rate shall be equal to the billing demand charge for current billing period, or seventy-five (75) percent of the highest demand charge in the preceding eleven (11) billing periods, whichever is greater, plus any facility charge owed to the City.

(6) *Industrial service—I:*

- a. This schedule is applicable to any commercial, industrial or institutional customer for general lighting or power purposes, and whose total electric load is three hundred (300) KW or greater, but less than one thousand five hundred (1,500) KW, and where all service is supplied at one (1) point of delivery and measured through one (1) meter.
 - b. Type of service: Three-phase, sixty (60) hertz, four hundred eighty (480) or 277/480 volts.
 - c. Rate:
 1. Demand:

First 300 KW	\$1,200.00
Additional KW, per KW	\$ 3.00

The billing demand will be the highest 15-minute KW during the billing period, and shall be adjusted for customer's power factor of service by multiplying the metered demand by a fraction whose numerator is 0.90 and whose denominator is the customer's power factor of service.
 2. Energy: Effective May 1, 2023, all KWH at 2.2 cents per KWH, and effective May 1, 2024, all KWH at 2.8 cents per KWH.
 - d. Economic development rate adjustment: The monthly billing under this schedule shall be adjusted to include any economic development rate reduction for which customer qualifies, in accordance Chapter 30, Article II, Section 30-18 of the Code of Ordinances of the City of Natchitoches, Louisiana.
 - e. Facility charge: Where the installation of excessive new facilities is required, or where the City provides substation facilities to serve the customer, the City may require a facility charge to compensate for the additional expense of facilities.
 - f. Metering: Where the available line voltage is 13,800 volts or higher, metering will be at such voltage, or, at the city's option, metering will be on the low voltage side of the service transformer, and, in such case, the metered quantities will be increased by one and one-half percent for billing purposes.
 - g. Minimum bill: The minimum monthly billing under this rate shall be equal to the billing demand charge for current billing period, or 75% percent of the highest demand charge in the preceding 11 billing periods, whichever is greater, plus any facility charge owed to the city.
- (7) *Industrial (contract) service—IC*: This schedule is applicable to any commercial, industrial or institutional customer for general lighting or power purposes, and whose total electric load is one thousand five hundred (1,500) KW or greater.

The terms and conditions of any agreement for industrial service shall be specified in an agreement executed between said customer and the city.

- (8) *Power cost adjustment:* The following power cost adjustment shall apply to all categories of service rates:

There shall be added to each monthly bill for service an adjustment per kilowatt-hour based upon costs incurred by the city to provide energy into its electrical transmission and distribution system. This factor shall be calculated by a formula designed to capture those costs incurred by the city for the purchase, transmission, generation or monitoring of power for the system. The formula may also account for system losses and over or under recovery of revenue or expenses for the preceding twelve-month period.

The formula shall basically be calculated as follows: The energy charge shall be equal to the average cost per KWH of fuel and/or purchased energy delivered to the city's electric generating plant during the second preceding calendar month, the average cost of fuel and/or purchased energy being based on the net energy supplied to the city's plant bus, adjusted for system losses.

- (9) *Economic development rate adjustment:* The following economic development rate adjustment shall apply to those electrical service customers who fall within the schedule for industrial service or industrial contract service (subsections (6) and (7) above).

The power cost adjustment included in the industrial customer's monthly billing shall be adjusted to reflect the reduction in the low costs wholesale power cost to the city, if any, from its supplier of purchased power and energy, in association with customer's qualification for any economic development rate. The amount of the adjustment and the terms and conditions in connection therewith shall be in accordance with the terms and conditions under which said economic development rate adjustment is provided to the City by its supplier of purchased power and energy, including but not limited to any low cost energy that the City may have available by separate contract which is administered by the supplier of purchased power and energy.

After April 30, 2025, the City shall adjust electric rates annually on May 1 of each calendar year based on the change in the Consumer Price Index (CPI) for electric maintenance for the 12-month period ending in December of the previous calendar year as detailed in Table 2-Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by detailed expenditure category published by the Bureau of Labor Statistics (available at <https://www.bls.gov>).

Rate Covenants

The Issuer, through its Governing Authority, covenants to fix, establish, maintain and collect, so long as any principal and interest is unpaid on the Bonds, such Revenues of the System in each Fiscal Year sufficient to (a) the reasonable and necessary expenses of operating and maintaining the System in each Fiscal Year, (b) the principal and interest and Administrative Fee, if any, of the Department falling due during the Fiscal Year, (c) all other payments required

for such Fiscal Year by the General Bond Ordinance and the applicable Series Ordinance(s); and (d) all other obligations or indebtedness of the City payable out of the Net Revenues for such Fiscal Year, and which in any event will provide Net Revenues, in an amount equal to at least one hundred twenty-five percent (125%) of the required deposits in such Fiscal Year to the Debt Service Fund. Such rates, fees, rents or other charges shall not at any time be reduced so as to be insufficient to provide adequate Revenues of the System for the foregoing purposes.

FINANCIAL INFORMATION

The following table outlines the Statement of Net Position for the Issuer's Proprietary Fund for the fiscal years ending May 31, 2022, 2021, and 2020. The Proprietary Fund includes the Sewer System and Water System.

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Assets			
Current Assets-			
Cash & Cash Equivalents	\$3,150,978	\$3,767,169	\$5,435,534
Receivables	2,882,940	2,176,142	1,795,432
Less, Allowance for Doubtful Accounts	(300,000)	(300,000)	(300,000)
Unbilled Receivables	2,295,843	1,778,291	1,665,927
Inventories at Cost	1,443,497	1,196,419	1,221,919
Prepaid Expenses	40,253	9,624	6,667
Total Current Assets	9,513,511	8,627,645	9,825,479
Restricted Assets-			
Cash & Cash Equivalents	6,080,981	6,073,985	5,619,517
Noncurrent Assets-			
Capital Assets, net	58,032,721	58,414,352	60,404,241
Other Assets-			
Other Receivables	25,520	79,438	25,520
Total Assets	73,652,733	73,195,420	75,874,757
Deferred Outflows of Resources-			
Pensions	807,974	1,341,665	493,604
OPEB	248,788	222,972	257,186
Total Deferred Outflows of	1,056,762	1,564,637	1,750,790
Resources			
Liabilities-			
Accounts Payable	2,191,542	1,397,340	1,123,919
Accrued Payroll	196,791	10,502	162,576
Accrued Expenses	-	18,402	18,401
Accrued Employee	64,216	61,196	60,701
Vacations			
Total Current Liabilities	2,452,549	1,487,440	1,365,597
Liabilities Payable from			
Restricted Assets-			
Current Portion of Revenue	352,083	360,000	195,000
Bonds			
Customer's Deposits	1,146,354	1,115,585	1,053,485
Total Payable from	1,498,437	1,475,585	1,248,485
Restricted Assets			
Noncurrent Liabilities-			
Revenue Bonds Payable	2,757,083	3,255,000	0
Net OPEB Obligation	1,415,163	1,471,533	1,479,694

Net Pension Liability	3,505,736	5,646,444	5,591,810
Accrued Employee Vacations	577,921	550,764	546,306
Total Noncurrent Liabilities	8,255,903	10,923,741	\$7,617,810
Total Liabilities	12,206,889	13,886,766	10,231,892
Deferred Inflows of Resources-			
Pensions	1,193,959	227,016	370,325
OPEB	170,954	47,349	16,743
Total Deferred Inflows of Resources	1,364,913	274,365	387,068
Net Position:			
Net Investment in Capital Assets	54,923,555	54,799,352	60,209,241
Restricted for Debt Service	6,080,981	5,799,574	5,619,517
Unrestricted	133,157	-	1,177,829
Total Net Position	\$61,137,693	\$60,598,926	\$67,006,587

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The following table outlines the statement of revenues, expenses and changes in net position for the Issuer's Proprietary Fund for fiscal years ending May 31, 2022, 2021, and 2020.

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating Revenues:			
Charges for Services-			
Electric	\$27,369,945	\$21,462,157	\$21,835,988
Water	4,687,770	4,302,125	3,873,784
Sewer	2,679,972	2,285,514	2,140,538
Miscellaneous-			
Penalties and Charges	400,711	237,590	313,604
New Account and Reconnect Fees	111,630	84,590	93,680
Bad Debt Recovery	17,334	16,910	1,600
Other	5,389	1,219	1,159
Total Operating Revenues	\$35,272,751	\$28,390,105	\$28,260,353
Operating Expenses:			
Utility Administration-			
Personnel Services	993,760	1,009,780	974,678
Utilities and Telephone	25,588	38,917	22,742
Supplies	489,474	376,464	380,574
Maintenance	112,673	97,648	143,249
Uncollectable Amounts	-	-	57,280
Total Administration	1,621,495	1,522,809	1,578,523
Electric-			
Personnel Services	969,508	1,716,153	1,869,372
Power Purchased	19,754,545	14,040,806	14,143,649
System Maintenance	461,035	615,770	687,237
Depreciation	470,111	540,514	566,528
Supplies and Maintenance	161,775	1,539,224	224,567
Total Electric	21,816,974	18,452,467	17,491,353
Water-			
Personnel Services	731,247	729,221	689,465
Treatment Expenses	1,288,225	1,199,774	1,120,586
System Maintenance	497,300	524,042	365,499
Utilities	235,370	152,674	161,555
Depreciation	951,581	1,066,621	1,112,651
Supplies and Maintenance	351,702	204,734	152,572
Total Water	4,055,425	3,877,066	3,602,328
Sewer-			
Personnel Services	878,484	789,976	961,627
Treatment Expenses	129,304	124,233	99,112
System Maintenance	216,022	233,338	280,904
Utilities	254,337	221,676	250,301
Depreciation	530,086	607,344	635,733
Supplies and Maintenance	194,729	234,582	163,853
Total Sewer	2,202,962	2,211,149	2,391,530
Information Technology Department-			
Personnel Services	129,959	121,266	183,873
Computer Software & Maintenance	183,349	157,497	175,955
Supplies & Maintenance	10,717	26,900	14,223
Total Information Technology Dept	324,025	305,663	374,051
Total Operating Expenses	30,020,881	26,369,154	25,437,785
Income from Operations	5,251,870	2,020,951	2,822,568

Non-Operating Revenues (Expenses):			
Interest Income	19,828	20,976	142,253
Insurance Recoveries	33,003	18,618	35,504
Gain (Loss) on Sale of Assets	33,494	2,068	29,346
Gain (Loss) on Investments	(6,720)	(3,019)	157
Intergovernmental Grant	-	-	34,046
Non-Employer Pension Revenue	94,049	88,601	85,872
Rental Income	106,016	111,145	184,553
Interest Expense	(23,739)	(211,046)	(2,025)
Total Non-Operating Revenues	255,931	27,343	509,706
(Expenses)			
Income Before Contributions and Transfers	5,507,801	2,048,294	3,332,274
Contributions and Transfers-			
Contributed to/from Other Funds	1,082,716	(3,475,000)	-
Transfers Out	(7,430,000)	(6,246,396)	(6,866,689)
Transfers In	1,378,250	<u>1,265,441</u>	1,550,000
Total Contributions and Transfers	(4,969,034)	(8,455,955)	(5,316,689)
Change in Net Position	\$538,767	\$(6,407,661)	\$(1,984,415)
Net Position: Beginning of Year	<u>\$60,598,926</u>	<u>\$67,006,587</u>	<u>\$68,991,002</u>
Net Position: End of Year	<u>\$61,137,693</u>	<u>\$60,598,926</u>	<u>\$67,006,587</u>

THE BONDS

General

The Bonds will be dated as of their date of issuance and will bear interest at the rates per annum and mature on June 1 in the years and in the principal amounts indicated on the inside cover page of this Official Statement. Interest on the Bonds will be payable each June 1 and December 1, commencing December 1, 2023 (each an ***“Interest Payment Date”***).

The Bonds will be issued in fully registered form, without coupons in denominations of \$5,000 or any integral multiple thereof (***“Authorized Denominations”***) and will be numbered from R-1 upwards issued initially as one certificate per maturity, as set forth on the inside cover page hereof. The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company (***“DTC”***), New York, New York, which will act as the securities depository for the Bonds. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. Purchases of the beneficial interests in the Bonds will be made in book-entry only form in authorized denominations by credit to participating broker-dealers and other institutions on the books of DTC as described herein. Any purchaser of beneficial interests in the Bonds must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of, premium, if any, and interest on such Bonds. See ***“BOOK-ENTRY ONLY SYSTEM”*** below.

The principal of and premium, if any, on the Bonds will be payable to the registered owners thereof upon surrender of the Bonds at the corporate trust office of Regions Bank, an Alabama banking corporation having a corporate office located in Baton Rouge, Louisiana, who will serve as the paying agent (the ***“Paying Agent”***) for the Bonds pursuant to a Paying Agent Agreement by and between the Issuer and the Paying Agent dated as of November 1, 2023 (the ***“Paying Agent Agreement”***). The interest on the Bonds, when due and payable, will be paid by

check or draft mailed by the Paying Agent on such due date to each person in whose name a Bond is registered, at the address(es) as they appear on the Bond Register maintained by the Paying Agent at the close of business on the applicable Record Date irrespective of any transfer or exchange of the Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Issuer will default in payment of interest due on such Interest Payment Date, provided that the owners of \$1,000,000 or more in aggregate principal amount of Bonds may request payment by wire transfer if such owners have requested such payment in writing to the Paying Agent, which request will be made no later than the Record Date and will include all relevant bank account information and will otherwise be acceptable to the Paying Agent. Such notice will be irrevocable until a new notice is delivered not later than a Record Date. In the event of any such default, such defaulted interest will be payable on a payment date established by the Paying Agent to the persons in whose names the Bonds are registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed by the Paying Agent to the registered owners of the Bonds not less than fifteen (15) days preceding such special record date. Payment as aforesaid will be made in such coin or currency of the United States of America as, at the respective times of payment, is legal tender for the payment of public and private debts.

Optional Redemption

The Bonds maturing June 1, 2034 and thereafter, are subject to redemption at the option of the Issuer in full or in part, at any time on or after June 1, 2033, and if less than a full maturity, then by lot within such maturity, at a price of 100% of the principal amount thereof plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption

The Bonds maturing on June 1, 2043, shall be redeemed prior to their maturity (and without further notice to the Owner(s) or the Paying Agent) by payment of scheduled installments, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, as follows:

<u>Year (June 1)</u>	<u>Principal Amount</u>
2039	\$360,000
2040	380,000
2041	400,000
2042	420,000
2043*	445,000

* Final Maturity

The Bonds maturing on June 1, 2053, shall be redeemed prior to their maturity (and without further notice to the Owner(s) or the Paying Agent) by payment of scheduled installments, on each of the dates set forth below and in the respective principal amounts set forth opposite each such date, as follows:

<u>Year (June 1)</u>	<u>Principal Amount</u>
2044	\$470,000
2045	495,000
2046	520,000
2047	550,000
2048	585,000
2049	615,000
2050	650,000
2051	690,000
2052	725,000
2053*	770,000

* Final Maturity

Partial Redemption

If less than all of the Bonds of a particular maturity are called for redemption, the Bonds within such maturity to be redeemed will be selected by DTC or any successor security depository pursuant to its rules or procedures or, if the book entry system is discontinued, will be selected by the Paying Agent by lot in such manner as the Paying Agent in its discretion may determine.

In the event a Bond to be redeemed is of a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any multiple thereof) may be redeemed. Any Bond which is to be redeemed only in part will be surrendered at the corporate trust office of the Paying Agent in Baton Rouge, Louisiana and there will be delivered to the Owner of such Bond, a Bond or Bonds of the same maturity and of any authorized denomination or denominations as requested by such Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal for the Bond surrendered.

Upon any partial redemption of any Bond, the same will, except as otherwise permitted by the Paying Agent, be surrendered in exchange for one or more new Bonds of the same maturity and interest rate and in authorized form for the unredeemed portion of principal.

Notice of Redemption

Notice of any optional or mandatory redemption will be given by the Paying Agent by mailing a copy of the redemption notice by first class mail, postage prepaid, not less than thirty (30) days prior to the date fixed for redemption, to the Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books maintained by the Paying Agent.

Effect of Redemption

On the date so designated for redemption, notice having been given in the manner and under the conditions hereinabove provided and money for payment of the Redemption Price being held by the Paying Agent, the Bonds or portions of Bonds so called for redemption will

become and be due and payable at the Redemption Price provided for redemption of such Bonds or portions of Bonds on such date, interest on the Bonds or portions of Bonds so called for redemption will cease to accrue, such Bonds or portions of Bonds will cease to be entitled to any benefit or security under the Ordinance, and the owners of such Bonds or portions of Bonds will not have rights in respect thereof except to receive payment of the Redemption Price thereof and, to the extent provided in the next paragraph, to receive Bonds for any unredeemed portions of Bonds.

Bonds which have been duly called for redemption under the above provisions, or with respect to which irrevocable instructions to call for redemption have been given to the Paying Agent in form satisfactory to it, and for the payment of the Redemption Price for which moneys, or Defeasance Obligations, will be held by the Paying Agent in a segregated account in trust for the owners of the Bonds or portions thereof to be redeemed, will not thereafter be deemed to be outstanding under the provisions of the Ordinance and will cease to be entitled to any security or benefit under the Ordinance other than the right to receive payment from such moneys.

BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company (“**DTC**”), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be delivered for each maturity of the Bonds in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “**banking organization**” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “**clearing corporation**” within the meaning of the New York Uniform Commercial Code, and a “**clearing agency**” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of “**AA+.**” The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (the "**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Direct or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by the Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Paying Agent as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Paying Agent, on each payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "**street name**", and will be the responsibility of such

Participant and not of DTC, nor its nominee, the Paying Agent or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC is the responsibility of the Paying Agent; disbursement of such payments to Direct Participants shall be the responsibility of DTC; and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Paying Agent. Under such circumstances, in the event that a successor depository is not named, Bonds are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

THE ISSUER, THE PAYING AGENT AND THE UNDERWRITER CANNOT AND DO NOT GIVE ANY ASSURANCES THAT THE DIRECT PARTICIPANTS OR THE INDIRECT PARTICIPANTS WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE BONDS; (1) PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS; (2) CERTIFICATES REPRESENTING AN OWNERSHIP INTEREST OR OTHER CONFIRMATION OF BENEFICIAL OWNERSHIP INTERESTS IN BONDS; OR (3) REDEMPTION OR OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS NOMINEE, AS THE REGISTERED OWNERS OF THE BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR THAT DTC OR DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT ***"RULES"*** APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION AND THE CURRENT ***"PROCEDURES"*** OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

THE ISSUER, THE PAYING AGENT, AND THE UNDERWRITER WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO SUCH DTC PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO: (1) THE BONDS; (2) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DTC PARTICIPANT; (3) THE PAYMENT BY ANY DTC PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE BONDS; (4) THE DELIVERY BY ANY DTC PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE TERMS OF THE ORDINANCE TO BE GIVEN TO HOLDERS OF THE BONDS; (5) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF ANY PARTIAL REDEMPTION OF THE BONDS; OR (6) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER OF THE BONDS.

In reading this Official Statement, it should be understood that while the Bonds are in the book-entry only system, references in other sections of this Official Statement to Registered

Owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the book-entry only system, and (ii) except as described above, notices that are to be given to Registered Owners under the Ordinance will be given only to DTC.

SECURITY PROVISIONS AND PROTECTIVE COVENANTS

Pledge of the Net Revenues

The Bonds and Outstanding Parity Bonds are secured by and payable in principal and interest solely by a pledge of the Net Revenues. Pursuant to the Ordinance, the Net Revenues have been irrevocably and irrepealably pledged and dedicated to the payment of principal of and interest on the Bonds and Outstanding Parity Bonds as they shall respectively become due and payable, as set forth in the Ordinance. The Net Revenues shall be set aside in a separate and special fund as provided in the Ordinance and shall be and remain so pledged for the security and payment of the principal and interest on the Bonds until the same are paid in full.

Additional Parity Obligations

The Bonds and Outstanding Parity Bonds will enjoy complete parity of lien on the Net Revenues. The Issuer shall issue no other bonds or obligations of any nature payable from or enjoying a lien on the Net Revenues having priority over or parity with the Bonds and the Outstanding Parity Bonds except that bonds may be hereafter issued on a parity with the Bonds and the Outstanding Parity Bonds under substantially the following conditions:

- (a) If any of the Bonds or any bonds issued under the Ordinance are proposed to be refunded with reduced annual debt service in each Bond Year and no extension of the final maturity date, then the City may issue refunding bonds to effect such refunding, and such refunding bonds shall enjoy complete equality of lien with any portion of the Outstanding Parity Bonds and the Bonds that is still outstanding;
- (b) Additional Parity Obligations may also be issued on parity with the Bonds and the Outstanding Parity Bonds if all of the following conditions are met:
 - (i) The average Net Revenues for the three (3) completed Fiscal Years immediately preceding the issuance of the Parity Obligations must have been not less than one and three-tenths (1.3) times the highest combined principal and interest requirements for any succeeding Fiscal Year period on all Bonds then Outstanding, including any Parity Obligations theretofore issued and then outstanding and any other bonds or obligations whatsoever then outstanding which are payable from the Net Revenues (but not including Bonds which have been refunded or provisions otherwise made for their full and complete payment and prepayment), and the Parity Obligations so proposed to be issued. For the purpose of this calculation, principal maturities shall include mandatory redemption of term bonds and there shall be subtracted from term bond maturities

the amount of such mandatory redemption so that the calculation shall be made assuming retirement of the term bonds according to the schedule of mandatory redemption. Furthermore, if Parity Obligations are being issued as variable rate bonds, this calculation shall be made assuming interest on said variable rate bonds at the maximum or ceiling rate that such bonds may bear; and provided further that this limitation may be waived or modified by the written consent of the owners of any Bonds then outstanding. If a rate increase has been effected prior to the issuance of the Parity Obligations, then the coverage calculations for the preceding three Fiscal Years immediately preceding the issuance of the Parity Obligations may be made as if such rate increase had been in effect during such period.

(ii) There must be no delinquencies in the payments required to be made into the various funds provided in the Ordinance.

(iii) The existence of the facts required by paragraphs (i) and (ii) above must be determined and certified by the Director of Finance of the Issuer or an independent firm of certified public accountants who have previously audited the books of the Issuer, or by such successors thereof as may have been employed for that purpose.

(iv) In making the determination of the facts required by paragraphs (i) above in the event of a rate increase having been effected prior to the issuance of the Parity Obligations, there may be a reliance upon the calculation of the adjustment of Net Revenues as a result of such increase as prepared by a recognized engineer or firm of engineers employed for such purpose.

(v) The proceeds of the Parity Obligations must be used solely for the making of improvements, extensions, renewals, replacements or repairs to the System or to refund any outstanding bonds payable from a pledge of the Net Revenues issued for such purposes.

(vi) No Event of Default under the General Bond Ordinance or under any Series Ordinance (or any event which, once all notice or grace periods have passed, would constitute an event of default under such ordinance) exists unless such default shall be cured upon such issuance, unless otherwise permitted by the provider(s) of any credit enhancement.

Subordinate Lien Bonds

Pursuant to the Ordinance, the Issuer is empowered to issue junior and subordinate lien bonds or other evidence of indebtedness that are secured by a lien or liens on the Net Revenues subordinate and inferior to the lien on the Net Revenues securing the Bonds and the Outstanding Parity Bonds.

SOURCES AND USES OF FUNDS

The following table summarizes the application of the Bond proceeds:

<u>Sources of Funds</u>	
Par Amount of the Bonds	\$11,645,000.00
Less Net Original Issue Discount	<u>(10,290.10)</u>
Total Sources of Funds	\$11,634,709.90
 <u>Uses of Funds</u>	
Deposit to Project Fund	\$11,195,263.50
Pay Costs of Issuance ⁽¹⁾	<u>439,446.40</u>
Total Uses of Funds	\$11,634,709.90

⁽¹⁾ Includes legal and required fees, underwriter's discount, reserve policy premium, municipal bond insurance policy premium, and other issuance costs.

Covenant Against Encumbrances

Except as provided in the Ordinance, the Issuer will not voluntarily create or cause to be created any debt, lien, pledge, mortgage, assignment, encumbrance or any other charge whatsoever having priority over or a parity with the lien of the Bonds, the Outstanding Parity Bonds and the interest thereon upon Net Revenues.

DEBT SERVICE AND COVERAGE

Debt Service

The following table presents the annual debt service on Outstanding Parity Bonds and the annual debt service on the Bonds.

Fiscal Year End (May 31)	Debt Service on Series <u>2021 Bonds</u>	Debt Service on Series <u>2022 Bonds</u>	Principal of Series 2023 <u>Bonds</u>	Interest on Series 2023 <u>Bonds</u>	Total Debt Service on Series 2023 <u>Bonds</u>	Aggregate Debt <u>Service</u>
2024	\$ 376,642.25	\$ 2,103.75	\$ -	\$ 52,955.21	\$ 52,955.21	\$ 431,701.21
2025	392,995.00	47,207.50	160,000	631,062.50	791,062.50	1,231,265.00
2026	392,705.50	47,014.00	165,000	622,125.00	787,125.00	1,226,844.50
2027	387,341.50	46,820.50	175,000	612,775.00	787,775.00	1,221,937.00
2028	381,977.50	47,627.00	185,000	602,875.00	787,875.00	1,217,479.50
2029	386,613.50	47,429.00	195,000	592,425.00	787,425.00	1,221,467.50
2030	381,100.50	48,231.00	205,000	581,425.00	786,425.00	1,215,756.50
2031	380,587.50	48,028.50	220,000	569,737.50	789,737.50	1,218,353.50
2032	-	48,826.00	230,000	557,362.50	787,362.50	836,188.50
2033	-	48,619.00	245,000	544,300.00	789,300.00	837,919.00
2034	-	48,412.00	260,000	530,412.50	790,412.50	838,824.50
2035	-	49,205.00	275,000	515,700.00	790,700.00	839,905.00
2036	-	48,993.50	290,000	500,162.50	790,162.50	839,156.00
2037	-	49,782.00	305,000	483,800.00	788,800.00	838,582.00
2038	-	49,566.00	320,000	466,612.50	786,612.50	836,178.50
2039	-	50,350.00	340,000	448,462.50	788,462.50	838,812.50

2040	-	50,129.50	360,000	429,662.50	789,662.50	839,792.00
2041	-	50,909.00	380,000	410,237.50	790,237.50	841,146.50
2042	-	50,684.00	400,000	389,762.50	789,762.50	840,446.50
2043	-	51,459.00	420,000	368,237.50	788,237.50	839,696.50
2044	-	51,229.50	445,000	345,531.25	790,531.25	841,760.75
2045	-	-	470,000	320,925.00	790,925.00	790,925.00
2046	-	-	495,000	294,387.50	789,387.50	789,387.50
2047	-	-	520,000	266,475.00	786,475.00	786,475.00
2048	-	-	550,000	237,050.00	787,050.00	787,050.00
2049	-	-	585,000	205,837.50	790,837.50	790,837.50
2050	-	-	615,000	172,837.50	787,837.50	787,837.50
2051	-	-	650,000	138,050.00	788,050.00	788,050.00
2052	-	-	690,000	101,200.00	791,200.00	791,200.00
2053	-	-	725,000	62,287.50	787,287.50	787,287.50
2054	-	-	770,000	21,175.00	791,175.00	791,175.00
Total	<u>\$3,079,963.25</u>	<u>\$982,625.75</u>	<u>\$11,645,000</u>	<u>\$12,075,848.96</u>	<u>\$23,720,848.96</u>	<u>\$27,783,437.96</u>

Combined Debt Service Coverage

The following table outlines the maximum annual debt service coverage on the Outstanding Parity Bonds and the Bonds based on the actual Net Revenues received by the Issuer in fiscal year ending May 31, 2022 (viz. \$7,223,476):

Max Annual Debt Service on Outstanding Parity Bonds and the Bonds:	\$1,231,265.00
Debt Service Coverage:	5.87 times

FUNDS AND ACCOUNTS

Upon delivery of and payment for the Bonds, the following special trust funds and accounts will be established and maintained so long as any Bonds issued under the Ordinance are outstanding. The Ordinance provides that the following funds and accounts, either previously established or established under the Ordinance or the Paying Agent Agreement, shall be used in connection with the Bonds:

- The Series 2023 Revenue Bond Proceeds Fund (the “***Bond Fund***”) to be established and maintained with the fiscal agent bank of the Issuer and any successor (the “***Fiscal Agent Bank***”);
- The Costs of Issuance Account (the “***Costs of Issuance Account***”) to be established as a separate account within the Bond Fund for the purpose of paying costs of issuance with respect to the Bonds; and
- The Series 2023 Revenue Bond Project Fund (the “***Project Fund***”) to be established with the Fiscal Agent Bank; and

In addition to the funds and accounts established above, the General Bond Ordinance created a Reserve Fund with respect to any Bonds and Additional Parity Obligations secured by a pledge

of Net Revenues. The Fourth Supplemental Bond Ordinance creates a “Series 2023 Reserve Account” within the Reserve Fund to secure the Series 2023 Bonds (the “**Series 2023 Reserve Account**”). Upon delivery of the Series 2023 Bonds, the Issuer shall cause to be deposited into the Series 2023 Reserve Account a Municipal Bond Debt Service Reserve Insurance Policy (the “**Reserve Fund Policy**”) of AGM in the amount of \$791,200.00, which is an amount equal to the lesser of (i) 100% of the maximum annual principal and interest due on the Series 2023 Bonds, (ii) 10% of the aggregate proceeds of the Series 2023 Bonds, or (iii) 125% of the aggregate average annual debt service on the Series 2023 Bonds (the “**Reserve Fund Requirement**”). The Reserve Fund Requirement may be fulfilled as a cash deposit or in the form a reserve fund surety.

The moneys in the funds and accounts set forth above shall be held separate and apart from all other funds of the Issuer and shall be applied in the manner provided in the Ordinance or the Paying Agent Agreement. Pending such application, the funds held pursuant to the Ordinance shall be subject to a lien and charge in favor and for the security of Owners of the Bonds until paid out or transferred as provided in the Ordinance. Funds held pursuant to the Paying Agent Agreement shall be held solely for the benefit of Owners of the Bonds.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Municipal Corp. (“**AGM**”) will issue its Municipal Bond Insurance Policy for the Bonds (the “**Policy**”). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“**AGL**”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO.” AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM’s financial strength is rated “AA” (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“**S&P**”), “AA+” (stable outlook) by Kroll Bond Rating Agency, Inc. (“**KBRA**”) and “A1” (stable outlook) by Moody’s Investors Service, Inc. (“**Moody’s**”). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such

ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On October 20, 2023, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On July 13, 2023, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On March 18, 2022, Moody's announced it had upgraded AGM's insurance financial strength rating to "A1" (stable outlook) from "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Capitalization of AGM

At June 30, 2023:

- The policyholders' surplus of AGM was approximately \$2,702 million.
- The contingency reserve of AGM was approximately \$894 million.
- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately \$2,089 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AGM, and (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK") and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and net deferred ceding commission income of AGM were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- (i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (filed by AGL with the SEC on March 1, 2023);
- (ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023 (filed by AGL with the SEC on May 10, 2023); and
- (iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 (filed by AGL with the SEC on August 9, 2023).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "**AGM Information**") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and

does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE."

ADDITIONAL PROVISIONS OF THE ORDINANCE

Ordinance a Contract

The provisions of the Ordinance shall constitute a contract between the Issuer and the Owner or Owners from time to time of the Bonds, and any Owner of any Bonds may either at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by the Governing Authority as a result of issuing the Bonds, and may similarly enforce the provisions of the Ordinance.

Amendments to Ordinance

No material modification or amendment of the Ordinance, or of any ordinance amendatory thereof or supplemental thereto, may be made without the consent in writing of the Owners of two-thirds (2/3rds) of the aggregate principal amount of the Bonds then outstanding; provided, however, that no such modification or amendment shall permit a change in the maturity of the Bonds or the redemption provisions thereof, or a reduction in the rate of interest thereon, or the promise of the Issuer to pay the principal of and the interest on the Bonds as the same shall come due from the Net Revenues, or reduce the percentage of owners required to consent to any material modification or amendment of the Ordinance, without the consent of the Owner or Owners of the Bonds.

Records and Accounts Relating to Net Revenues

So long as any of the Bonds are outstanding and unpaid in principal or interest, the Issuer shall maintain and keep proper books of records and accounts separate and apart from all other records and accounts in which shall be made full and correct entries of all transactions relating to the collection and expenditure of the Net Revenues, including specifically but without limitation, all reasonable and necessary costs and expenses of collection.

Not later than six (6) months after the close of each Fiscal Year, the Issuer shall cause an audit of such books and accounts to be made by the Legislative Auditor of the State of Louisiana (or his successor) or by a recognized independent firm of certified public accountants showing the receipts of and disbursements made for the account of the Net Revenues Fund. Such audit shall be available for inspection upon request by the Owners of any of the Bonds. The Issuer further agrees that the Paying Agent and the Owners of any of the Bonds shall have at all reasonable times the right to inspect the records, accounts and data of the Issuer relating to the Net Revenues.

INVESTOR CONSIDERATIONS

Purchasers of the Bonds are advised of certain risk factors with respect to payments under the Ordinance and the payment of principal of, premium, if any, and interest on the Bonds. Prospective purchasers should carefully consider the following risk factors, in addition to the other information appearing elsewhere in or incorporated by reference in this Official Statement, prior to making an investment decision relating to the Bonds offered by this Official Statement.

Special and Limited Obligations of the Issuer

The Bonds constitute special and limited obligations of the Issuer secured by and payable in principal and interest solely by a pledge of the Net Revenues.

Concentration Risk

The top customers for the System are Pilgrim's Pride Corporation, Copeland Corp. (Alliance) and Northwestern State University. For Fiscal Year 2022, Pilgrim's Pride Corporation accounted for 13.8% of the System's water revenues, Copeland Corp. (Alliance) accounted for 10% of the System's electric revenues, and Northwestern State University accounted for 3.2% of the System's sewage revenues. In the event these corporations scaled back operations or shut down, the Net Revenues could be impacted.

Reserve Fund

The Reserve Fund initially will be funded to the Reserve Fund Requirement by the deposit of a debt service reserve fund surety. There can be no assurance that the provider of a debt service reserve fund surety will maintain its current financial condition, that its rating, if any, will not be downgraded, or that an adverse change in its financial condition will not adversely affect the ability to advance funds in the event of a draw on the debt service reserve fund surety. Additionally, under the Ordinance, the Issuer is not required to provide a replacement debt service reserve fund surety in the event of a downgrade of the provider thereof nor in the event the provider thereof fails to honor a draw on the debt service reserve fund surety or becomes insolvent.

Water System

Although the operations of the Water System and the rates established for the use of the Water System are not currently directly regulated by the State or the United States, such operations and rates can be adversely affected at any time by laws enacted by the State Legislature or Congress or by rules, regulations, orders, or determinations by state or federal agencies that may have the effect of increasing expenses of the Water System or impairing the Issuer's ability to generate sufficient revenues to fully operate the Water System and meet the rate covenants as set forth in the Ordinance.

The Water System is subject to a number of federal regulations governing water quality, most notably those promulgated pursuant to the Safe Drinking Water Act of 1974, as amended in 1986 and 1996 by the United States Congress (the "*Safe Drinking Water Act*"). The 1986

amendments to the Safe Drinking Water Act extended the regulatory agenda of the United States Environmental Protection Agency (“**EPA**”) to include, among other things, the development of drinking water standards for several possible contaminants, filtration performance standards, and the prohibition of materials in distribution systems.

In addition, the Water System is subject to various state requirements promulgated and governed by the Louisiana Department of Health (“**LDH**”). In addition to various other regulations, LDH recently established a new temporary emergency rule focused on minimizing the opportunity for pathogenic amoeba to colonize within the water distribution systems within the State. The rule requires systems to maintain minimum disinfection levels, and to conduct additional disinfectant residual sampling in certain areas.

The Issuer reports that the Water System is currently in compliance with the provisions of the Safe Drinking Water Act, the regulations of the EPA and other federal agencies, state law and the regulations of various state agencies and is not subject to any order, consent decree, agreement or current investigation; however, there can be no guaranty that the Issuer will maintain compliance with said laws and regulations or that the Issuer will be able to reasonably control the cost of maintaining compliance with said laws and regulations.

Sewer System

The Sewer System is operating in compliance with the rules and regulations promulgated by LDH and the Louisiana Department of Environmental Quality (“**LDEQ**”). The collection and treatment works are not under Federal or State compliance order nor administrative order as of the date of this Official Statement.

The Clean Water Act requires that every discharger of pollutants into navigable waters acquire a National Pollution Discharge Elimination System (“**NPDES**”) permit from the EPA, or from a state or interstate agency delegated permit program responsibility by the EPA. NPDES permits control the type and quantity of discharge which will be allowed while the discharger is moving toward compliance with the two-step clean up schedule.

LDEQ has jurisdiction over matters affecting the regulation of air quality, water pollution control, solid waste disposal, radiation, the protection and preservation of scenic rivers and streams, and the management of hazardous waters. The Secretary of LDEQ is authorized to establish pollution standards for waters of the State and to control or prohibit the discharge of polluting substances into State waters and to otherwise promulgate rules and regulations for the protection of the environment.

LDEQ has adopted water quality criteria, approved by the EPA under the Clean Water Act, which regulate the temperature, chemical and bacteriological content of waterways in the State. Specific criteria are established for various zones. The regulations provide that the failure of any stream or other waterway to meet the criteria shall not be the result of the discharge of waste to the water body. Violators are subject to prohibiting orders enforceable in the courts and to criminal penalties. Civil damages are recoverable by LDEQ for violations resulting in the idling of fish or other wildlife or the rendering of a water body unfit to support such wildlife.

The Issuer has obtained all permits required for the points of discharge of sewage, and all permits are currently in effect.

Electric System

Electric Utility Industry Generally. The electric utility industry has been, and in the future may be, affected by a number of factors which could impact the financial condition and competitiveness of electric utilities, such as that operated as part of the Electric System. Such factors include, among others, (i) effects of compliance with rapidly changing environmental, safety, licensing, regulatory and legislative requirements, (ii) changes resulting from conservation and demand-side management programs on the timing and use of electric energy, (iii) other federal and state legislative changes, (iv) effects of competition from other electric utilities (including increased competition resulting from mergers, acquisitions, and “strategic alliances” of competing electric (and gas) utilities and from competitors transmitting less expensive electricity from much greater distances over an interconnected system) and new methods of producing low cost electricity, (v) increased competition from independent power producers and marketers and brokers, (vi) “self-generation” by certain industrial and commercial customers, (vii) issues relating to the ability to issue tax-exempt obligations, (viii) severe restrictions on the ability to sell to nongovernmental entities electricity from generation projects financed with outstanding tax-exempt obligations, (ix) changes from projected future load requirements, (x) increases in costs, (xi) shifts in the availability and relative costs of different fuels, (xii) inadequate risk management procedures and practices with respect to, among other things, the purchase and sale of energy and transmission capacity, and (xiii) effects of possible manipulation of electric markets. Any of these general factors and the factors discussed below (as well as other factors) could have an effect on the financial condition of the Electric System. Electric utilities are subject to various federal and state laws requiring compliance with environmental rules and regulations. In addition, the operation of the Electric System is also subject to various federal and state laws which affect the construction and operation of its facilities.

Environmental Issues. The Issuer is subject to federal and state laws and regulations governing the protection of the environment. The State, through the Louisiana Department of Environmental Quality (the “**LDEQ**”) establishes standards of performance and requires permits for the generating units of the Issuer. In addition, the LDEQ has been delegated authority over and implements certain programs established by EPA. The Issuer is in compliance with any applicable permit conditions. The Issuer also actively follows proposed and new environmental regulations, legislation and major environmental court decisions.

The Issuer cannot predict whether any future environmental measure will be adopted or imposed, or the extent to which such measures, if adopted or imposed, will actually impact the Issuer or the operation of the Electric System.

Energy Policy Act of 2005. The Energy Policy Act of 2005 (“**EPAct 2005**”) covers many components that may affect the Electric System and related energy markets in the future. This legislation was signed into law in August 2005 and addresses, among other things, energy efficiency; renewable energy; nuclear energy; electricity related reforms; provides incentives for oil and gas production; and encourages the deployment of clean coal technology. A summary of

the reforms made by EAct 2005 relating to electricity and renewable energy and certain relevant Federal Energy Regulatory Commission (“*FERC*”) actions related thereto follows.

Electricity — Title XII. Title XII of EAct 2005 covers electricity, with the majority of the provisions requiring implementation by FERC, some of which have already been acted on or are in process as discussed below.

EAct 2005 creates a self-regulating reliability organization that is charged with developing electric reliability rules that are mandatory and subject to enforcement penalties for all market participants, including the Electric System, with FERC having oversight over the rules and their enforcement. FERC issued a final rule implementing the new organization titled “Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval, and Enforcement of Electric Reliability Standards” on November 16, 2006.

EAct 2005 repeals the Public Utility Holding Company Act and transfers consumer protection authorities from the SEC to FERC and the states. In March 2007, FERC issued Order No. 693 entitled “Mandatory Reliability Standards for the Bulk-Power System” or “Reliability Standards Order.”

In February 2007, FERC issued Order No. 890 reforming its pro forma Open Access Transmission Tariff (“*OATT*”) adopted in 1996 pursuant to Order Nos. 888 and 889. Order No. 890’s reforms include: (1) greater consistency and transparency in available transmission capacity calculations; (2) open, coordinated and transparent planning; (3) reforms of energy imbalance penalties; (4) reform of rollover rights policy; (5) clarification of tariff ambiguities; and (6) increased transparency and customer access to information. FERC reaffirmed many of the core elements of the Order No. 888 proforma OATT in Order No. 890 including: (1) the comparability requirement wherein third party users of the transmission system must receive service in a manner comparable to the transmission owner’s use of the system; (2) the continuance of protections for native load customer’s transmission service rights; and (3) FERC’s approach to reciprocity for non-jurisdictional transmission owners. All public utilities, including RTOs (e.g., SPP) and Independent System Operators are required to file revisions to their OATT to conform to Order No. 890 pursuant to a compliance schedule established by FERC. Order No. 890 became effective May 17, 2007.

Louisiana Legislation. Deregulation of the electric utility industry at the retail level is currently not an issue of significance in the State. Although retail deregulation is in place in neighboring Texas and in other states across the country, the movement has lost much political and public interest in the last several years. Crises in the California market, as well as a significant weakening in the financial condition of the electric utilities across the country, have caused regulators and consumers to rethink the benefits of retail deregulation.

Difficulties in Enforcing Remedies

The remedies available to the owners of the Bonds upon an event of default under the Ordinance are in many respects dependent upon judicial actions which are often subject to

discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically in the United States Bankruptcy Code, 11 U.S.C. §101, et seq. (the ***“Bankruptcy Code”***), the remedies provided in the Ordinance may not be readily available or may be limited. The various legal opinions delivered concurrently with the delivery of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by general principles of equity and by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

The enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the Issuer in issuing the Bonds, are subject to the Bankruptcy Code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditors’ rights generally, now or hereafter in effect to the extent constitutionally applicable; equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the exercise of the sovereign police powers of the State or its governmental bodies. Consistent with the Contracts Clauses of the Louisiana and United States Constitutions, in a bankruptcy proceeding or due to the exercise of powers by the federal or State government, bondowners could be subject to judicial discretion and the interpretation of their rights in bankruptcy or otherwise, which consequently may entail risks of delay, limitation, or modification of their rights. Under current State law, no political subdivision of the State, including the Issuer, may file for protection under Chapter 9 of the Bankruptcy Code unless such filing is approved by the Louisiana State Bond Commission and the Governor and Attorney General of the State. Further, no political subdivision of the State, after filing for bankruptcy protection, may carry out a plan of readjustment of debts approved by the bankruptcy court until such plan is approved by the Louisiana State Bond Commission and the Governor and Attorney General of the State.

The obligations of the Issuer under the Ordinance are currently secured and may in the future be secured on a parity with other obligations of the Issuer so that any proceeds that might be derived from the exercise of remedies would be required to be shared among the owners of the Bonds, and the holders of any Additional Parity Obligations.

The pledge of the Net Revenues by the Issuer to secure its obligations with respect to the Bonds and the Outstanding Parity Bonds may be ineffective as to certain revenues or under certain circumstances and payment of the Bonds and the Outstanding Parity Bonds is dependent upon the generation of sufficient Net Revenues. If the System, or any part of it, were to become inoperable due to damage, destruction, or environmental restriction or for any other reason, if the Issuer is unable to increase rates and charges for any reason or if the Issuer incurs unanticipated expenses or reduced revenues for any reason, the Issuer may be unable to generate adequate Revenues of the System to pay debt service on the Bonds and the Outstanding Parity Bonds. See ***“SECURITY PROVISIONS AND PROTECTIVE COVENANTS”*** and ***“THE SYSTEM.”***

Cybersecurity

The Issuer is dependent on electronic information technology systems to operate the day to day business activities of the System. Such information technology systems may contain sensitive information or support critical operational functions which may be valued for

unauthorized puposes. As a result, the electronic systems and networks of the Issuer may be the target of a cyberattack. The Issuer has taken, and continues to take, measures to protect its information technology systems, and the private, confidential information that those systems contain, against cyberattack. While the Issuer employs operational safeguards, including cybersecurity software, that are tested periodcially, no assurance can be given that such measures will protect the Issuer against all cybersecurity threats or attacks or the severity or consequences of any such attack.

Additionally, the availability of funds to pay debt service on the Bonds is likewise dependent upon technology systems of various third parties, including financial institutions, over with the Issuer has no control.

Environmental Risks

The Issuer is located in an area that has in the past been periodically susceptible to damaging storms and other weather events. The risk of tornados or other major weather events affecting the Issuer is a material risk that could negatively affect the financial condition of the Issuer and is associated with higher insurance premiums than may be required of communities not located in areas susceptible to such risks. Further, storm and flooding-related risks are likely to intensify over time if scientific projections about climate change and sea-level rise are correct. Although the Issuer believes that it maintains adequate insurance to cover losses arising from such weather events and other natural disasters, there can be no assurance that in severe circumstances such insurance will be adequate to rebuild the System or other property of the Issuer. Additionally, there can be no assurance that, after experiences with severe weather events or natural disasters, residents will continue to choose to live in the area where the Issuer is located. Such decisions could have an adverse impact on the financial success of the Issuer and its ability to pay debt service.

Environmental, Conservation and Other Regulations and Permitting Requirements

The operations of the System are subject to continuing environmental, conservation and other regulation and permitting requirements by federal, state and local authorities. The Issuer believes that its operations are currently in substantial compliance with the provisions with all such regulations and permitting requirements. Federal and State standards and procedures that govern the control of the environment, conservation, and system operations can change. These changes may arise from continuing legislative, regulatory, and judicial action regarding the standards, procedures and requirements for compliance and the issuance of permits. Therefore, there is no assurance that the portions of the System in operation, under construction, or contemplated in the future will remain subject to the regulations that are currently in effect. Furthermore changes in clean air laws and environmental standards may result in increased capital and operating costs.

Financial Information

Certain financial information relating to the Issuer is set forth herein and in the Appendices hereto. There can be no assurance that the financial results achieved by the Issuer in the future (including, but not limited to, the amount of Net Revenues collected by the Issuer) will be similar to historical results. Such future results will vary from historical results and actual variations may be material.

Secondary Market

There is no guarantee that a secondary trading market will develop for the Bonds. Consequently, prospective bond purchasers should be prepared to hold their Bonds to maturity or prior redemption. Subject to applicable securities laws and prevailing market conditions, the Underwriter intends, but is not obligated, to make a market in the Bonds. As a result, Owners of the Bonds may be unable to dispose of the Bonds should they no longer desire to own the Bonds. The Underwriter cannot guaranty the liquidity of the Bonds; consequently, prospective purchasers of the Bonds should be prepared to hold such bonds until maturity.

If such secondary market exists after the issuance of the Bonds, events such as decreases in benchmark interest rate indices, downward revisions or withdrawals of ratings on the Bonds or the Issuer, and general market turmoil, among others, may adversely affect the value of the Bonds on such secondary market. The Underwriter cannot guaranty that the owner of a Bond will not experience a loss of value of such Bond prior to maturity.

Other Risks

Various circumstances and developments, most of which are beyond the control of the City, may have an adverse effect on the future level of the Revenues of the System and, therefore, the Net Revenues available for debt service on the Bonds. Such circumstances may include, among others: national pandemics or other federal- or State-declared emergencies; adverse changes in national and local economic and financial conditions generally; reductions in the rates of employment and economic growth in the City, the Parish of Natchitoches, the State, and the region; a decrease in rates of population growth and rates of residential and commercial development in the City, the Parish of Natchitoches, the State, and the region, and various other factors. See “FINANCIAL INFORMATION” herein and “THE ISSUER’S UNAUDITED PROFIT & LOSS FOR THE UTILITY FUND FOR THE YEAR ENDED MAY 31, 2023” in Appendix C attached hereto.

Failure to Provide Ongoing Disclosure

The failure of the Issuer to comply with the continuing disclosure agreement described herein may adversely affect the transferability and liquidity of the Bonds and their market price. See “*CONTINUING DISCLOSURE*” herein.

Book-Entry

Persons who purchase Bonds through DTC Participants become creditors of the DTC Participant with respect to the Bonds. Records of the investors' holdings are maintained only by the DTC Participant and the investor. In the event of the insolvency of the DTC Participant, the investor would be required to look to the DTC Participant's estate and to any insurance maintained by the DTC Participant, to make good the investor's loss. Neither the Issuer nor the Underwriter are responsible for failures to act by, or insolvencies of, the Securities Depository or any DTC Participant. See ***"BOOK-ENTRY ONLY SYSTEM"*** herein.

THE BONDS INVOLVE A DEGREE OF RISK. POTENTIAL INVESTORS IN THE BONDS ARE RESPONSIBLE FOR CONDUCTING AN INDEPENDENT INVESTIGATION OF MATTERS RELATING TO THE FINANCIAL ASPECTS OF THE BONDS, THE ISSUER AND THE SECURITY FOR THE BONDS TO DETERMINE IF AN INVESTMENT IN THE BONDS, AND THE RISKS ASSOCIATED THEREWITH, IS CONSISTENT WITH THEIR INVESTMENT OBJECTIVES. POTENTIAL INVESTORS SHOULD NOT RELY ON ANY PARTY TO THE TRANSACTION WITH RESPECT TO THE INVESTIGATION OF ANY SUCH MATTERS. PROSPECTIVE PURCHASERS SHOULD CONFER WITH THEIR OWN LEGAL AND FINANCIAL ADVISORS BEFORE CONSIDERING A PURCHASE OF THE BONDS.

FORWARD-LOOKING STATEMENTS

The statements contained in this Section, and in this Official Statement and other information provided by the Issuer, are forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Issuer on the date hereof, and the Issuer does not assume any obligation to update any such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates that are inherently subject to numerous risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and validity of the Bonds are subject to the approval of Washington & Wells, LLC, Shreveport, Louisiana, Bond Counsel, copies of which approving opinion will be attached to the Bonds and the form of which is included in APPENDIX D attached hereto. Certain legal matters will be passed upon for the

Underwriter by its counsel, Butler Snow LLP, Shreveport, Louisiana, and for the Issuer by its counsel Boles & Shafto, LLC, Monroe, Louisiana.

The compensation of Bond Counsel is contingent upon the sale and delivery of the Bonds.

TAX MATTERS

Federal

In the opinion of Bond Counsel, assuming the accuracy of the City's representations and its continuing compliance with certain covenants relating to pertinent requirements of the Code, under existing laws, regulations, rulings and court decisions, interest on the Bonds is excludable from gross income of the holders thereof for federal income tax purposes and is not a specific preference item for purposes of the alternative minimum tax imposed under the Code on individuals. However, for tax years beginning after December 31, 2022, interest on the Bonds may affect the federal alternative minimum tax imposed on corporations.

In rendering its opinion, Bond Counsel assumes compliance by the City with the covenants contained in the Indenture and the Resolution that are intended to comply with the requirements of the Code relating to actions to be taken by the City in respect of the Bonds after the issuance thereof to the extent necessary to effect or maintain the federal exclusion from gross income of the interest on the Bonds. These covenants relate to, inter alia, the use of and investment of proceeds of the Bonds and the rebate to the Treasury of specified arbitrage earnings, if required. Failure of the City to comply with such covenants could result in the interest on the Bonds becoming included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel expresses no opinion as of any date subsequent thereto or with respect to any proposed or pending legislation, regulatory initiatives or litigation.

The proposed form of opinion to be rendered by Bond Counsel in connection with the issuance of the Bonds is contained in Appendix D hereto.

Original Issue Discount. As set forth on the cover page hereof, certain Bonds were sold at an initial public offering price that is less than the stated amount to be paid at maturity and, accordingly, constitute "Discount Bonds." The difference between the initial public offering price of any Discount Bond and the stated amount to be paid at maturity constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes to the same extent as interest on such Bond.

The amount of original issue discount which is treated as having accrued with respect to such Discount Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such a Bond which is a Discount Bond (including its

sale, redemption or payment at maturity). Amounts received upon disposition of such Discount Bond which amounts are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount which would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less the amount of any interest payable for such Discount Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount which would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond.

Original Issue Premium. As set forth on the cover page hereof, certain Bonds were sold at a premium over their principal amount (“***Premium Bonds***”). For federal income tax purposes, such premium is amortizable periodically over the term of the bond (or, in the case of a Bond callable prior to maturity, by amortizing the premium to the call date, based upon the purchaser's yield to the call date and giving effect to any call premium) through reductions in the holder's tax basis for the bond for determining taxable gain and loss from the sale or from redemption prior to maturity. Amortization of premium does not create a deductible expense or loss. Holders of Premium Bonds should contact their tax advisors for an explanation of amortization rules.

Other Federal Tax Consequences. The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of the owners of the Bonds. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel expresses no opinion regarding any such consequences, as to which purchasers of the Bonds, corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their own tax advisors.

Louisiana Taxes

Bond Counsel is also of the opinion that, under the existing laws of the State of Louisiana, interest on the Bonds is exempt from Louisiana income tax. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Bonds under the laws of the State of Louisiana or any other state or jurisdiction.

UNDERWRITING

The Bonds are being purchased by the Underwriter at a purchase price of \$11,489,147.40 (representing the principal amount of the Bonds of \$11,645,000, less an original issue discount of \$10,290.10, and less Underwriter's discount of \$145,562.50). The Bond Purchase Agreement executed by the Underwriter provides that the Underwriter will purchase all of the Bonds, if any are purchased. The Underwriter intends to offer the Bonds to the public initially at the offering price set forth on the inside cover page of this Official Statement, which may subsequently change without any requirement of prior notice. The Underwriter reserves the right to join with dealers and other underwriters in offering the Bonds to the public. In connection with this offering, the Underwriter may overallocate or effect transactions which stabilize or maintain the market price of the Bonds offered hereby at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

RATINGS

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("**S&P**") has assigned an insured rating of "AA" (stable outlook) to the Bonds with the understanding that upon issuance and delivery of the Bonds, a bond insurance policy guaranteeing payment when due of principal of and interest on the Bonds will be issued by AGM. Further, S&P has assigned a long-term underlying rating of "BBB-" (stable outlook) to the Bonds. Any definitive explanation of the significance of such rating may be obtained only from such rating agency. Such rating reflects only the views of such organization and is not a recommendation to buy, sell or hold the Bonds. Any desired explanation of the significance of such rating should be obtained from the rating agency furnishing the same.

Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance either or both such ratings will continue for any given period of time or that either or both such ratings will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

MUNICIPAL ADVISOR

This Official Statement has been prepared under the direction of the Issuer and with the assistance of Government Consultants, Inc., Baton Rouge, Louisiana, which has been employed by the Issuer to perform professional services in the capacity of independent registered municipal

advisor (the ***“Municipal Advisor”***). The Municipal Advisor has reviewed and commented on certain legal documentation, including the Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other information available to the Issuer, with respect to the appropriateness, accuracy or completeness of disclosure of such information or other information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting such accuracy and completeness of information or any other matter related to such information and the Official Statement.

CONTINUING DISCLOSURE

The Issuer will enter into an undertaking (the ***“Undertaking”***), pursuant to a Continuing Disclosure Agreement, for the benefit of Bondholders to provide, or cause its Dissemination Agent to provide, certain financial information and operating data and notice of material events to the internet based portal referred to as the Electronic Municipal Market Access system (***“EMMA”***) operated by the Municipal Securities Rulemaking Board, pursuant to the requirements of Section (b)(5) of Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. Part 240, 240.15c-2) (the ***“Rule”***), not later than March 1 following the end of the Issuer’s fiscal year, commencing, March 1, 2024 (the ***“Annual Report”***). The Annual Report will be filed by the Issuer or its Dissemination Agent with EMMA. Any notices of material events will be filed by the Issuer or its Dissemination Agent with the Municipal Securities Rulemaking Board through EMMA. The specific nature of the information to be contained in the Annual Report or the notices of material events is set forth in their respective captions in ***“FORM OF CONTINUING DISCLOSURE AGREEMENT”*** contained in APPENDIX E attached hereto. The covenants have been made in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12 (b) (5).

During the previous five (5) years, the Issuer has not been a party to any undertakings. The Issuer has established procedures to ensure proper filing of the reports and notices required by the Continuing Disclosure Agreement with the MSRB. Furthermore, Act 463 of the 2014 Regular Session of the Louisiana Legislature, provides additional procedures designed to ensure compliance with the Continuing Disclosure Agreement by (i) requiring public entities, such as the Issuer, to keep certain records demonstrating compliance with the Continuing Disclosure Agreement, and (ii) mandating the Issuer’s auditor, as part of the preparation of the Issuer’s annual financial audit, review the Issuer’s compliance with its continuing disclosure undertakings and record keeping requirements.

The Issuer’s initial Dissemination Agent for the above information is the Director of Finance, Clarissa Brown-Smith, 700 Second Street, Natchitoches, Louisiana; telephone (318) 357-3825.

ABSENCE OF LITIGATION

There is no litigation, proceedings or investigations pending, or to the knowledge of the Issuer, threatened against the Issuer seeking to restrain, enjoin, or in any way limit the approval or delivery of the Bonds or which would in any manner, challenge, or adversely affect the

existence or powers of the Issuer. Neither the creation, organization or existence, nor the titles of the officers of the Issuer to their offices, is being challenged or questioned. There is no action, suit, proceeding or investigation, at law or in equity before or by any court, public body or other body pending or, to its knowledge, threatened against or affecting the Issuer, wherein an unfavorable decision, ruling or finding would materially and adversely affect the transactions contemplated under the Ordinance or the performance of the obligations of the Issuer under the Ordinance.

MISCELLANEOUS

Investments

Potential purchasers of the Bonds should consult their own tax advisors as to the consequences of investing in the Bonds. See also ***“LEGAL MATTERS”*** herein.

ADDITIONAL INFORMATION

For any additional information concerning the Issuer, please address Mayor Ronnie Williams, Jr., 700 Second Street, Natchitoches, Louisiana 71457 (telephone: (318)-352-2772). For additional information concerning the Bonds now offered for sale, please address Nnamdi Thompson, Government Consultants, Inc., 700 North 10th Street, Annex Building, in Baton Rouge, Louisiana 70802 (telephone: (225)-344-2098).

CERTIFICATION AS TO OFFICIAL STATEMENT

At the time of payment for and delivery of the Bonds, the Governing Authority will furnish the Underwriter a certificate, signed by one of the Executive Officers, to the effect that (i) the descriptions and statements, including financial data, of or pertaining to the Issuer, on the date of the Preliminary Official Statement, on the date of the Official Statement, on the date of the sale of the Bonds, and on the date of the delivery thereof, were and are true in all material respects, and, insofar as such matters are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) insofar as to the descriptions and statements, including financial data, of or pertaining to governmental entities and/or non-governmental entities other than the Issuer and their activities contained in the Official Statement are concerned, such descriptions, statements, and data have been obtained from sources which the Governing Authority believes to be reliable and the Governing Authority has no reason to believe that they are untrue or incomplete in any material respect, and (iii) there has been no adverse material change in the affairs of the Issuer between the date of the Official Statement and the date of delivery of the Bonds.

**CITY OF NATCHITOCHEs, STATE OF
LOUISIANA**

/s/ Ronnie Williams, Jr.

Ronnie Williams, Jr., Mayor

APPENDIX A

FINANCIAL AND STATISTICAL DATA RELATING TO THE ISSUER AND THE PARISH OF NATCHITOCHES, STATE OF LOUISIANA

The City of Natchitoches (the “***City***”), the oldest permanent settlement in the Louisiana Purchase, was established in 1714. The City is located along the Cane River Lake on Interstate 49 in the northwestern portion of Louisiana and is the Parish seat of Natchitoches Parish. The City is approximately 65 miles southeast of Shreveport, Louisiana (center to center), and 194 miles northeast of Houston, Texas. According to the United States Census Bureau, as of 2020 the city has a total area of 22.69 square miles. Major highways include US 71, US 84, and LA 1, 6, 9, 117, 126, 153, 156, and 1226. The nearby Natchitoches Parish Port provides Class 1 rail service and access to deep water transportation via the only slack water port on the Red River. The Natchitoches Regional Airport serves agricultural needs, provides a base for Med-Evac helicopters, is a home to the state Fire Patrol, and serves corporate and private aircraft.

The City is home to the Natchitoches Regional Medical Center (NRMC), the largest rural healthcare system in the state, and serves as a regional healthcare hub for neighboring parishes.

The City has a large education community which includes Northwestern State University, Bossier Parish Community College’s Natchitoches Campus, and the nationally recognized residential high school, Louisiana School for Math, Science and the Arts.

According to US Government Data compiled by Data USA that largest industries in Natchitoches are Manufacturing followed by Health Care & Social Assistance and Education. Major employers located in Natchitoches or Natchitoches Parish include Alliance Compressors, International Paper, Roy O. Martin, Weyerhaeuser, and Pilgrim’s Pride.

The National Historic Landmark District in downtown Natchitoches attracts tourists from across the country and world. The brick-lined Front Street and parallel Rue Beauport riverbank of Cane River Lake are home to the national award-winning Natchitoches Christmas Festival as well as dozens of other community festivals, concerts, farmer’s markets and other entertainment options.

According to the U.S. Census Bureau, the population trend of the City is as follows:

<u>YEAR</u>	<u>POPULATION</u>
1980	16,664
1990	16,609
2000	17,865
2010	18,323
2020	18,039

ECONOMIC INDICATORS

Personal Income

Revised Estimates of Personal Income were published by the Bureau of Economic Analysis of the U.S. Department of Commerce. The most recent multi-year trend in revised per capita income for the nation, Louisiana and Natchitoches Parish is as follows:

<u>Year</u>	<u>United States</u>	<u>Louisiana</u>	<u>Parish</u>
2011	\$42,453	\$38,506	\$32,601
2012	44,266	40,527	32,705
2013	44,438	40,819	32,787
2014	46,049	42,030	33,555
2015	48,940	42,832	35,422
2016	49,831	42,581	36,053
2017	51,640	43,660	37,932
2018	64,090	46,057	39,755
2019	66,120	47,668	41,118
2020	64,210	50,809	43,373
2021	70,480	54,217	46,579

Source: U.S. Department of Commerce, Bureau of Economic Analysis; November 2022.

Employment

The Louisiana Workforce Commission has issued revised not seasonally adjusted annual average statistics for various employment areas within Louisiana. The annual average figures for Natchitoches Parish and the State of Louisiana were reported as follows:

<u>Year</u>	<u>Labor Force</u>	<u>Employment</u>	<u>Unemployment</u>	<u>Parish Rate</u>	<u>State Unemployment Rate</u>
2013	16,827	15,425	1,402	8.3%	6.4%
2014	16,818	15,539	1,279	7.6%	6.2%
2015	16,501	15,256	1,245	7.5%	6.3%
2016	16,733	15,606	1,127	6.7%	6.1%
2017	16,368	15,390	978	6.0%	5.1%
2018	16,480	15,530	950	5.8%	4.8%
2019	16,413	15,456	957	5.8%	4.7%
2020	16,083	14,903	1,180	7.3%	8.6%
2021	16,341	15,575	766	4.7%	5.6%

Source: Louisiana Workforce Commission

Largest Employers

The names of the largest employers located within the boundaries of the Parish are as follows:

<u>Name of Employer</u>	<u>Approximate Number of Employees</u>
Natchitoches Regional Medical Center	879
Northwestern State University	815
Natchitoches Parish School Board	765
RoyOMartin	684
Pilgrim's Pride	659
Alliance Compressors	657
International Paper Company	480

Source: Natchitoches Area Chamber of Commerce Employment Survey, 2023

There can be no assurance that any employer listed will continue to be located in the Parish at the employment levels stated above.

APPENDIX B

**ANNUAL FINANCIAL STATEMENTS FOR THE
YEAR ENDED MAY 31, 2022**

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

MAY 31, 2022

City of Natchitoches, Louisiana
Annual Financial Report
May 31, 2022

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City of Natchitoches, Louisiana
Annual Financial Report
May 31, 2022

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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, 2022. 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 \$106,204,669 (net position).
- As of the close of the current fiscal year, the City of Natchitoches' governmental funds reported combined ending fund balances of 21,043,334.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$3,868,512 or 25% of the total general fund expenditures.
- The City's bond and notes payable totaled \$15,831,636.

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 NATCHITOCHE, LOUISIANA**Management's Discussion and Analysis
For Year Ended May 31, 2022**

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, 2022

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 76.

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 \$106,204,669 as of May 31, 2022, which is an increase of \$8,452,615 from May 31, 2021.

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, 2022			As of May 31, 2021		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Current and other assets	\$31,518,012	\$15,620,012	\$ 47,138,024	\$24,750,990	\$14,781,068	\$ 39,532,058
Capital assets	<u>57,359,098</u>	<u>58,032,721</u>	<u>115,391,819</u>	<u>57,661,038</u>	<u>58,414,352</u>	<u>116,075,390</u>
Total Assets	<u>\$88,877,110</u>	<u>\$73,652,733</u>	<u>\$162,529,843</u>	<u>\$82,412,028</u>	<u>\$73,195,420</u>	<u>\$155,607,448</u>
Deferred outflows of resources	<u>\$ 4,458,039</u>	<u>\$ 1,056,762</u>	<u>\$ 5,514,801</u>	<u>\$ 6,350,254</u>	<u>\$ 1,564,637</u>	<u>\$ 7,914,891</u>
Long term liabilities	\$30,897,926	\$ 9,818,556	\$ 40,716,842	\$40,455,191	\$12,460,522	\$ 52,915,713
Other liabilities	<u>10,656,999</u>	<u>2,388,333</u>	<u>13,045,332</u>	<u>9,536,324</u>	<u>1,426,244</u>	<u>10,962,568</u>
Total Liabilities	<u>\$41,554,925</u>	<u>\$12,206,889</u>	<u>\$ 53,761,814</u>	<u>\$49,991,515</u>	<u>\$13,886,766</u>	<u>\$ 63,878,281</u>
Deferred inflows of Resources	<u>\$ 6,713,248</u>	<u>\$ 1,364,913</u>	<u>\$ 8,078,161</u>	<u>\$ 1,617,639</u>	<u>\$ 274,365</u>	<u>\$ 1,892,004</u>
Net Position:						
Net investment in capital assets	\$44,626,628	\$54,923,555	\$ 99,560,183	\$43,738,206	\$54,799,352	\$ 98,537,558
Restricted	0	6,080,981	6,080,981	0	5,799,574	5,799,574
Unrestricted	<u>430,348</u>	<u>133,157</u>	<u>563,505</u>	<u>(6,585,078)</u>	<u>0</u>	<u>(6,585,078)</u>
Total Net Position	<u>\$45,066,976</u>	<u>\$61,137,693</u>	<u>\$106,204,669</u>	<u>\$37,153,128</u>	<u>\$60,598,926</u>	<u>\$ 97,752,054</u>

CITY OF NATCHITOCHES, LOUISIANA

Management's Discussion and Analysis
For Year Ended May 31, 2022

The following table provides a summary of the City's operations for year ended May 31, 2022 and May 31, 2021.

City of Natchitoches' Changes in Net Position

	As of May 31, 2022			As of May 31, 2021		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Program Revenues:						
Fees, fines and charges for services	\$ 3,683,679	\$35,272,751	\$ 38,956,430	\$ 2,725,051	\$28,390,105	\$31,115,156
Operating grants and contributions	1,616,655	0	1,616,655	3,887,586	0	3,887,586
Capital grants and contributions	2,582,692	0	2,582,692	568,826	0	568,826
General Revenues:						
Taxes-						
Ad valorem taxes	2,315,706	0	2,315,706	2,344,999	0	2,344,999
Sales and use tax	13,092,111	0	13,092,111	12,248,041	0	12,248,041
Franchise fees	383,578	0	383,578	376,965	0	376,965
Video bingo	588,118	0	588,118	428,729	0	428,729
Licenses and permits	1,114,408	0	1,114,408	926,131	0	926,131
Interest income	58,784	19,828	78,612	69,689	20,976	90,665
Gain (loss) on sale/retirement of fixed assets	103,784	33,494	137,278	143,425	2,068	145,493
Gain (loss) on Investments	(254,790)	(6,720)	(261,510)	0	(3,019)	(3,019)
Rental income	398,740	106,016	504,756	383,639	111,145	494,784
Insurance recoveries	268,068	33,003	301,071	531,640	18,618	550,258
Nonemployer Pension Revenue	543,491	94,049	637,540	530,958	88,601	619,559
Miscellaneous	139,684	0	139,684	144,150	0	144,150
Contributed Capital	<u>0</u>	<u>1,082,716</u>	<u>1,082,716</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$26,634,708</u>	<u>\$36,635,137</u>	<u>\$ 63,269,845</u>	<u>\$25,309,829</u>	<u>\$28,628,494</u>	<u>\$53,938,323</u>
Expenses:						
General government	\$ 4,872,581	\$ 0	\$ 4,872,581	\$ 7,414,786	\$ 0	\$ 7,414,786
Public safety	10,304,621	0	10,304,621	10,045,534	0	10,045,534
Streets and sanitation	3,617,540	0	3,617,540	4,477,597	0	4,477,597
Water, sewer, and utilities	836,673	30,044,620	30,881,293	662,113	26,580,200	27,242,313
Economic development	3,291,416	0	3,291,416	4,041,321	0	4,041,321
Health and welfare	285,118	0	285,118	255,821	0	255,821
Recreation and cultural	1,183,398	0	1,183,398	1,019,054	0	1,019,054
Interest on long-term debt	<u>381,305</u>	<u>0</u>	<u>381,305</u>	<u>576,924</u>	<u>0</u>	<u>576,924</u>
Total Expenses	<u>\$24,772,652</u>	<u>\$30,044,620</u>	<u>\$ 54,817,272</u>	<u>\$28,493,150</u>	<u>\$26,580,200</u>	<u>\$55,073,350</u>
Increases in net position before transfers	\$ 1,862,056	\$ 6,590,517	\$ 8,452,573	\$ (3,183,321)	\$ 2,048,294	\$ (1,135,027)
Transfers/Contributed Capital	<u>6,051,750</u>	<u>(6,051,750)</u>	<u>0</u>	<u>8,455,955</u>	<u>(8,455,955)</u>	<u>0</u>
Increase in net position	\$ 7,913,806	\$ 538,767	\$ 8,452,573	\$ 5,272,634	\$ (6,407,661)	\$ (1,135,027)
Net Position-June 1, 2021	<u>37,153,170</u>	<u>60,598,926</u>	<u>97,752,096</u>	<u>31,880,494</u>	<u>67,006,587</u>	<u>98,887,081</u>
Net Position-May 31, 2022	<u>\$45,066,976</u>	<u>\$61,137,693</u>	<u>\$106,204,669</u>	<u>\$37,153,128</u>	<u>\$60,598,926</u>	<u>\$97,752,054</u>

CITY OF NATCHITOCHES, LOUISIANA

Management's Discussion and Analysis
For Year Ended May 31, 2022

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, 2022 amounts to \$115,391,819 (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 City Streets.

**Capital Assets at Year-end
Net of Accumulated Depreciation
As of May 31, 2022**

	<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	2,381,507	0	2,381,507
Capital Assets, depreciated:			
Buildings	11,764,164	780,755	12,544,919
Other Infrastructure	26,782,250	0	26,782,250
Machinery & Equipment	1,486,621	574,258	2,060,879
Vehicles	922,722	37,309	960,031
Streets	2,382,337	0	2,382,337
Sidewalks	224,464	0	224,464
Electric System	0	14,459,873	14,459,873
Water System	0	26,941,410	26,941,410
Sewer System	0	14,301,121	14,301,121
Total	<u>\$57,359,098</u>	<u>\$58,032,721</u>	<u>\$115,391,819</u>

Additional information on the City of Natchitoches' capital assets can be found on pages 41-43 of this report.

CITY OF NATCHITOCHES, LOUISIANA

Management's Discussion and Analysis
For Year Ended May 31, 2022

Debt Administration

At the end of the current fiscal year, the City of Natchitoches had total long term debt of \$39,752,449. 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, 2022**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Obligation Debt	\$ 402,470	\$ 0	\$ 402,470
Net Other Post Employment Obligation	4,737,720	1,415,163	6,152,883
Net Pension Liability	11,519,663	3,505,736	15,025,399
Accrued Employee Vacations	2,100,394	642,137	2,742,531
Revenue Bonds Payable	<u>12,320,000</u>	<u>3,109,166</u>	<u>15,429,166</u>
Total	<u>\$31,080,247</u>	<u>\$ 8,672,202</u>	<u>\$39,752,449</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 43-44 of this report.

Economic Factors and Next Year's Budgets and Rates

In the fiscal year 2021-2022 budget, general fund revenues are budgeted at a 18% increase from the 2020-2021 budget year. Taxes make up about 53% of the general fund budgeted revenues, and transfers make up about 48%. The 2022-2023 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.

T | C | B | T
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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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2022, 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, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 on pages 1 through 6 and 68-72 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 18, 2022 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 18, 2022, 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.

A handwritten signature in blue ink that reads "Thomas, Cunningham, Broadway & Todtenbier, CPA's".

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

November 18, 2022

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

City of Natchitoches, Louisiana
Government-Wide Statement of Net Position
May 31, 2022

	Governmental Activities	Business Type Activities	Total
Assets:			
Cash & Cash Equivalents	\$ 28,410,271	\$ 3,150,978	\$ 31,561,249
Receivables Net	2,936,480	4,878,783	7,815,263
Other Receivables	-	25,520	25,520
Inventories at Cost	-	1,443,497	1,443,497
Prepaid Expenses	171,261	40,253	211,514
Restricted Assets-			
Cash & Cash Equivalents	-	6,080,981	6,080,981
Capital Assets, net	57,359,098	58,032,721	115,391,819
Total Assets	<u>\$ 88,877,110</u>	<u>\$ 73,652,733</u>	<u>\$ 162,529,843</u>
Deferred Outflows of Resources:			
Pensions	\$ 3,625,140	\$ 807,974	\$ 4,433,114
OPEB	832,899	248,788	1,081,687
Total Deferred Outflows of Resources	<u>\$ 4,458,039</u>	<u>\$ 1,056,762</u>	<u>\$ 5,514,801</u>
Liabilities:			
Cash Overdrafts	\$ 5,761,197	\$ -	\$ 5,761,197
Accounts Payable	619,831	2,191,542	2,811,373
Accrued Payroll	581,048	196,791	777,839
Accrued Expenses	604,250	-	604,250
Deferred Revenue	2,908,352		2,908,352
Payable from Restricted Assets-			
Bond Principal	12,320,000	3,109,166	15,429,166
Customer Deposits	-	1,146,354	1,146,354
Long Term Debt-			
Due within One Year	182,321	-	182,321
Due in More than one year	220,149	-	220,149
Net OPEB Obligation	4,737,720	1,415,163	6,152,883
Net Pension Liability	11,519,663	3,505,736	15,025,399
Accrued Employee Vacations	2,100,394	642,137	2,742,531
Total Liabilities	<u>\$ 41,554,925</u>	<u>\$ 12,206,889</u>	<u>\$ 53,761,814</u>
Deferred Inflows of Resources:			
Pensions	\$ 6,140,924	\$ 1,193,959	\$ 7,334,883
OPEB	572,324	170,954	743,278
Total Deferred Inflows of Resources	<u>\$ 6,713,248</u>	<u>\$ 1,364,913</u>	<u>\$ 8,078,161</u>
Net Position:			
Net Investment in Capital Assets	\$ 44,636,628	\$ 54,923,555	\$ 99,560,183
Restricted for Debt Service	-	6,080,981	6,080,981
Unrestricted	430,348	133,157	563,505
Total Net Position	<u>\$ 45,066,976</u>	<u>\$ 61,137,693</u>	<u>\$ 106,204,669</u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Government-Wide Statement of Activities
For the Year Ended May 31, 2022

Program Activities	Expenses	Fees, Fines & Charges for Service	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business- Type Activities	Total
Governmental Activities:							
General Government	\$ 4,872,581	\$ -	\$ 923,323	\$ -	\$ (3,949,258)	\$ -	\$ (3,949,258)
Public Safety	10,304,621	83,722	265,527	-	(9,955,372)	-	(9,955,372)
Streets & Sanitation	3,617,540	2,079,224	-	-	(1,538,316)	-	(1,538,316)
Water, Sewer & Utilities	836,673	541,566	-	-	(295,107)	-	(295,107)
Economic Development	3,291,416	863,639	113,883	2,496,692	182,798	-	182,798
Health & Welfare	285,118	-	-	-	(285,118)	-	(285,118)
Recreation & Culture	1,183,398	115,528	313,922	86,000	(667,948)	-	(667,948)
Interest on Long-Term Debt	381,305	-	-	-	(381,305)	-	(381,305)
Total Governmental Activities	\$ 24,772,652	\$ 3,683,679	\$ 1,616,655	\$ 2,582,692	\$ (16,889,626)	\$ -	\$ (16,889,626)
Business-Type Activities:							
Utilities Administration	\$ 1,621,495	\$ -	\$ -	\$ -	\$ -	\$ (1,621,495)	\$ (1,621,495)
Electric	21,816,974	27,669,945	-	-	-	5,852,971	5,852,971
Water	4,055,425	4,822,834	-	-	-	767,409	767,409
Sewer	2,202,962	2,779,972	-	-	-	577,010	577,010
Information Technology	324,025	-	-	-	-	(324,025)	(324,025)
Interest on Long-Term Debt	23,739	-	-	-	-	(23,739)	(23,739)
Total Business-Type Activities	30,044,620	35,272,751	-	-	-	5,228,131	5,228,131
Total Government	\$ 54,817,272	\$ 38,956,430	\$ 1,616,655	\$ 2,582,692	\$ (16,889,626)	\$ 5,228,131	\$ (11,661,495)
General Revenues:							
Taxes-							
Ad Valorem					\$ 2,315,706	\$ -	\$ 2,315,706
Sales & Use					13,092,111	-	13,092,111
Franchise Fees					383,578	-	383,578
Video Bingo					588,118	-	588,118
Licenses & Permits					1,114,408	-	1,114,408
Interest Income					58,784	19,828	78,612
Gain (Loss) on Sale of Assets					103,784	33,494	137,278
Gain (Loss) on Investments					(254,790)	(6,720)	(261,510)
Rental Income					398,740	106,016	504,756
Insurance Recoveries					268,068	33,003	301,071
Nonemployer Pension Revenue					543,491	94,049	637,540
Miscellaneous					139,684	-	139,684
Contributed Capital					-	1,082,716	1,082,716
Transfers					6,051,750	(6,051,750)	-
Total General Revenues & Transfers					\$ 24,803,432	\$ (4,689,364)	\$ 20,114,068
Change in Net Position					\$ 7,913,806	\$ 538,767	\$ 8,452,573
Net Position, Beginning					37,153,170	60,598,926	97,752,096
Net Position, End					\$ 45,066,976	\$ 61,137,693	\$ 106,204,669

See independent auditors' report and notes to the financial statements.

FUND FINANCIAL STATEMENTS

City of Natchitoches, Louisiana
Balance Sheet - Governmental Funds
May 31, 2022

	Major Funds					
	General Fund	Sales Tax Rededication	Capital Projects Utility Improvements Fund	Capital Projects Sales Tax Fund	Nonmajor Funds	Total Governmental Funds
<u>Assets</u>						
Cash & Cash Equivalents	\$ 4,141,433	\$ 3,323,878	\$ 3,764,079	\$ 3,553,021	\$ 13,627,860	\$ 28,410,271
Revenue Receivables	995,316	390,976	-	390,976	1,159,212	2,936,480
Due from Other Funds	-	-	-	-	36,489	36,489
Prepaid Expenses	4,836	-	10,545	-	155,880	171,261
Total Assets	<u>\$ 5,141,585</u>	<u>\$ 3,714,854</u>	<u>\$ 3,774,624</u>	<u>\$ 3,943,997</u>	<u>\$ 14,979,441</u>	<u>\$ 31,554,501</u>
<u>Liabilities</u>						
Cash Overdraft	\$ -	\$ -	\$ -	\$ 787,922	\$ 4,973,275	\$ 5,761,197
Accounts Payable	415,505	-	5,070	3,970	195,286	619,831
Accrued Expense	281,173	-	-	133,575	189,502	604,250
Deferred Revenue	-	-	-	-	2,908,352	2,908,352
Due to Other Funds	16,559	-	-	-	19,930	36,489
Accrued Payroll	555,000	-	-	-	26,048	581,048
Total Liabilities	<u>\$ 1,268,237</u>	<u>\$ -</u>	<u>\$ 5,070</u>	<u>\$ 925,467</u>	<u>\$ 8,312,393</u>	<u>\$ 10,511,167</u>
<u>Fund Balances</u>						
Nonspendable	\$ 4,836	\$ -	\$ 14,143	\$ -	\$ 143,470	\$ 162,449
Restricted	-	-	-	-	2,937,302	2,937,302
Committed	-	3,714,854	3,755,411	3,018,530	8,600,101	19,088,896
Unassigned	3,868,512	-	-	-	(5,013,825)	(1,145,313)
Total Fund Balance	<u>\$ 3,873,348</u>	<u>\$ 3,714,854</u>	<u>\$ 3,769,554</u>	<u>\$ 3,018,530</u>	<u>\$ 6,667,048</u>	<u>\$ 21,043,334</u>
Total Liabilities & Fund Balances	<u>\$ 5,141,585</u>	<u>\$ 3,714,854</u>	<u>\$ 3,774,624</u>	<u>\$ 3,943,997</u>	<u>\$ 14,979,441</u>	<u>\$ 31,554,501</u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Reconciliation of Governmental Funds Balance Sheet
to the Statement of Net Position
May 31, 2022

Total Fund Balance of Governmental Funds	\$ 21,043,334
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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	57,359,098
Deferred Outflows of Resources	4,458,039

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	(12,722,470)
Net OPEB Obligation	(4,737,720)
Net Pension Liability	(11,519,663)
Accrued Compensated Absences	(2,100,394)
Deferred Inflows of Resources	<u>(6,713,248)</u>

Total Net Position of Governmental Activities	<u>\$ 45,066,976</u>
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City of Natchitoches, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
Year Ended May 31, 2022

	General Fund	Sales Tax Rededication	Capital Projects Utility Improvements Fund	Capital Projects Sales Tax Fund	Nonmajor Funds	Total Governmental Funds
REVENUES:						
Taxes	\$ 6,262,300	\$ 2,456,661	\$ -	\$ 2,456,661	\$ 5,203,889	\$ 16,379,511
Licenses & Permits	1,114,408	-	-	-	-	1,114,408
Intergovernmental	1,756,925	-	-	-	3,064,775	4,821,700
Charges for Services	125,931	-	541,566	-	2,959,888	3,627,385
Fines & Forfeits	27,781	-	-	-	28,298	56,079
Miscellaneous	97,363	-	1,563	34,729	709,496	843,151
Total Revenues	<u>\$ 9,384,708</u>	<u>\$ 2,456,661</u>	<u>\$ 543,129</u>	<u>\$ 2,491,390</u>	<u>\$ 11,966,346</u>	<u>\$ 26,842,234</u>
EXPENDITURES:						
Current-						
General Government	\$ 3,949,491	\$ -	\$ 33,876	\$ 202,360	\$ 1,257,754	\$ 5,443,481
Public Safety	9,143,638	-	-	-	759,350	9,902,988
Streets & Sanitation	1,365,134	-	-	-	1,831,956	3,197,090
Water, Sewer & Utilities	-	-	361,372	378,238	97,062	836,672
Economic Development	238,248	162,621	-	-	5,417,873	5,818,742
Recreation & Culture	785,078	-	-	-	47,518	832,596
Health & Welfare	284,835	-	-	-	-	284,835
Debt Service	-	-	-	-	1,441,864	1,441,864
Total Expenditures	<u>\$ 15,766,424</u>	<u>\$ 162,621</u>	<u>\$ 395,248</u>	<u>\$ 580,598</u>	<u>\$ 10,853,377</u>	<u>\$ 27,758,268</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (6,381,716)</u>	<u>\$ 2,294,040</u>	<u>\$ 147,881</u>	<u>\$ 1,910,792</u>	<u>\$ 1,112,969</u>	<u>\$ (916,034)</u>
OTHER FINANCING SOURCES (USES):						
Operating Transfers In	\$ 7,511,618	\$ -	\$ -	\$ 795,000	\$ 5,348,578	\$ 13,655,196
Operating Transfers Out	(1,539,018)	(1,177,046)	-	(1,350,000)	(3,537,382)	(7,603,446)
Sale of Assets	1,960	-	-	-	11,294	13,254
Loss on Investments	-	-	-	(160,697)	-	(160,697)
Debt Proceeds	-	-	-	-	-	-
Total Other Financing	<u>\$ 5,974,560</u>	<u>\$ (1,177,046)</u>	<u>\$ -</u>	<u>\$ (715,697)</u>	<u>\$ 1,822,490</u>	<u>\$ 5,904,307</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (407,156)</u>	<u>\$ 1,116,994</u>	<u>\$ 147,881</u>	<u>\$ 1,195,095</u>	<u>\$ 2,935,459</u>	<u>\$ 4,988,273</u>
Fund Balances-						
Beginning of Year	<u>4,280,504</u>	<u>2,597,860</u>	<u>3,621,673</u>	<u>1,823,435</u>	<u>3,731,589</u>	<u>16,055,061</u>
Fund Balances-						
End of Year	<u>\$ 3,873,348</u>	<u>\$ 3,714,854</u>	<u>\$ 3,769,554</u>	<u>\$ 3,018,530</u>	<u>\$ 6,667,048</u>	<u>\$ 21,043,334</u>

See independent auditors' report and notes to the financial statements.

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

Net Change in Fund Balance - Governmental Funds	\$	4,988,273
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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		2,943,508
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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		(3,174,417)
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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		1,200,360
Non-Employer Pension Revenue		543,491
Net OPEB Obligation		(138,670)
Pension Expense		1,602,590
Accrued Compensated Absences		19,703

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

Decrease of Capital Assets		(695,347)
Decrease of Accumulated Depreciation		624,315

Change in Net Position of Governmental Activities	\$	7,913,806
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See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Statement of Net Position
Proprietary Fund
Year Ending May 31, 2022

Assets-		
Current Assets-		
Cash & Cash Equivalents	\$	3,150,978
Receivables		2,882,940
Less, Allowance for Doubtful Accounts		(300,000)
Unbilled Receivables		2,295,843
Inventories at Cost		1,443,497
Prepaid Expenses		40,253
Total Current Assets	\$	<u>9,513,511</u>
Restricted Assets-		
Cash & Cash Equivalents	\$	<u>6,080,981</u>
Noncurrent Assets-		
Capital Assets, net	\$	<u>58,032,721</u>
Other Assets-		
Other Receivables	\$	<u>25,520</u>
Total Assets	\$	<u>73,652,733</u>
Deferred Outflows of Resources-		
Pensions	\$	807,974
OPEB		248,788
Total Deferred Outflows of Resources	\$	<u>1,056,762</u>
Liabilities-		
Accounts Payable	\$	2,191,542
Accrued Payroll		196,791
Accrued Employee Vacations		64,216
Total Current Liabilities	\$	<u>2,452,549</u>
Liabilities Payable from Restricted Assets-		
Current Portion of Revenue Bonds	\$	352,083
Customer's Deposits		1,146,354
Total Payable from Restricted Assets	\$	<u>1,498,437</u>

Continued on next page.

City of Natchitoches, Louisiana
Statement of Net Position
Proprietary Fund
Year Ending May 31, 2022

Noncurrent Liabilities-	
Revenue Bonds Payable	\$ 2,757,083
Net OPEB Obligation	1,415,163
Net Pension Liability	3,505,736
Accrued Employee Vacations	<u>577,921</u>
Total Noncurrent Liabilities	<u>\$ 8,255,903</u>
 Total Liabilities	 <u>\$ 12,206,889</u>
Deferred Inflows of Resources-	
Pensions	\$ 1,193,959
OPEB	<u>170,954</u>
Total Deferred Inflows of Resources	<u>\$ 1,364,913</u>
Net Position:-	
Net Investment in Capital Assets	\$ 54,923,555
Restricted for Debt Service	6,080,981
Unrestricted	<u>133,157</u>
Total Net Position	<u><u>\$ 61,137,693</u></u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
Year Ended May 31, 2022

Operating Revenues:

Charges for Services-	
Electric	\$ 27,369,945
Water	4,687,770
Sewer	2,679,972
Miscellaneous-	
Penalties and Charges	400,711
New Account and Reconnect Fees	111,630
Bad Debt Recovery	17,334
Other	5,389
Total Operating Revenues	<u>\$ 35,272,751</u>

Operating Expenses:

Utility Administration-	
Personnel Services	\$ 993,760
Utilities and Telephone	25,588
Supplies	489,474
Maintenance	112,673
Total Administration	<u>\$ 1,621,495</u>

Electric-

Personnel Services	\$ 969,508
Power Purchased	19,754,545
System Maintenance	461,035
Depreciation	470,111
Supplies and Maintenance	161,775
Total Electric	<u>\$ 21,816,974</u>

Water-

Personnel Services	\$ 731,247
Treatment Expenses	1,288,225
System Maintenance	497,300
Utilities	235,370
Depreciation	951,581
Supplies and Maintenance	351,702
Total Water	<u>\$ 4,055,425</u>

Continued on next page.

City of Natchitoches, Louisiana
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
Year Ended May 31, 2022

Sewer-	
Personnel Services	\$ 878,484
Treatment Expenses	129,304
System Maintenance	216,022
Utilities	254,337
Depreciation	530,086
Supplies and Maintenance	194,729
Total Sewer	<u>\$ 2,202,962</u>
Information Technology Department-	
Personnel Services	\$ 129,959
Computer Software & Maintenance	183,349
Supplies & Maintenance	10,717
Total Information Technology Dept	<u>\$ 324,025</u>
Total Operating Expenses	<u>\$ 30,020,881</u>
Income from Operations	<u>\$ 5,251,870</u>
Non-Operating Revenues (Expenses):	
Interest Income	\$ 19,828
Insurance Recoveries	33,003
Gain (Loss) on Sale of Assets	33,494
Gain (Loss) on Investments	(6,720)
Non-Employer Pension Revenue	94,049
Rental Income	106,016
Interest Expense	(23,739)
Total Non-Operating Revenues (Expenses)	<u>\$ 255,931</u>
Income Before Contributions and Transfers	<u>\$ 5,507,801</u>
Contributions and Transfers-	
Contributed from Other Funds	\$ 1,082,716
Transfers Out	(7,430,000)
Transfers In	1,378,250
Total Contributions and Transfers	<u>\$ (4,969,034)</u>
Change in Net Position	\$ 538,767
Net Position Beginning of Year	<u>60,598,926</u>
Net Position End of Year	<u>\$ 61,137,693</u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Statement of Cash Flows
Proprietary Fund
Year Ended May 31, 2022

	Business-Type Activities <u>Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 34,133,087
Cash Payments to Employees	(3,996,544)
Cash Payments to Suppliers for Goods and Services	<u>(23,849,649)</u>
Net Cash Provided by Operating Activities	<u>\$ 6,286,894</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Rental Income	\$ 106,016
Transfers to Other Funds	(7,430,000)
Transfers from Other Funds	<u>1,378,250</u>
Net Cash Provided by Capital & Related Financing Activities	<u>\$ (5,945,734)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Gain on Sale of Assets	\$ 33,494
Insurance Recoveries	33,003
Acquisition of Capital Assets	(487,431)
Principal Paid on Capital Debt	(505,834)
Interest Paid on Capital Debt	<u>(36,695)</u>
Net Cash Provided by Capital & Related Financing Activities	<u>\$ (963,463)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income	\$ 19,828
Debt Proceeds	-
Loss on Investments	<u>(6,720)</u>
Net Cash Provided by Investing Activities	<u>\$ 13,108</u>
Net Increase in Cash & Cash Equivalents	\$ (609,195)
Cash & Cash Equivalents - Beginning of Year	<u>9,841,154</u>
Cash & Cash Equivalents - End of Year	<u><u>\$ 9,231,959</u></u>

Continued on next page.

City of Natchitoches, Louisiana
Statement of Cash Flows
Proprietary Fund
Year Ended May 31, 2022

Business-Type
Activities
Enterprise Fund

RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES:

Operating Income	\$ <u>5,251,870</u>
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ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH
PROVIDED (USED) BY OPERATING ACTIVITIES:

Depreciation	\$ 1,951,778
Changes in Assets & Liabilities:	
(Increase) Decrease in Accounts Receivable	(1,224,350)
(Increase) Decrease in Inventory	(247,078)
(Increase) Decrease in Prepaid Expenses	(30,629)
(Increase) Decrease in Other Receivables	53,918
Increase (Decrease) in Accounts Payable	794,202
Increase (Decrease) in Accrued Payroll	186,289
Increase (Decrease) in Compensated Absences	30,177
Increase (Decrease) in Net OPEB	(56,368)
Increase (Decrease) in Net Pension Liability	(453,684)
Increase (Decrease) in Customer Deposits	<u>30,769</u>
Total Adjustments	<u>\$ 1,035,024</u>
 Net Cash Provided (used) by Operating Activities	 <u>\$ 6,286,894</u>

RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS:

Current Assets-	
Cash and Cash Equivalents	\$ 3,150,978
Restricted Assets-	
Cash and Cash Equivalents	<u>6,080,981</u>
Total Cash and Cash Equivalents	<u>\$ 9,231,959</u>

City of Natchitoches, Louisiana
Statement of Fiduciary Net Position
Agency Fund
Cash Bond Fund
Year Ended May 31, 2022

Assets

Cash	\$ 63,660
Accounts Receivable	<u>39,757</u>
Total Assets	<u>\$ 103,417</u>

Liabilities

Due to Others	<u>\$ 103,417</u>
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City of Natchitoches, Louisiana
 Fiduciary Fund - Agency Fund
 Statement of Changes in Fiduciary Net Position
 Year Ended May 31, 2022

	Police Bond Fund
	<hr/>
Unsettled Balances - Beginning of Year	\$ 83,574
ADDITIONS:	
Fines & Forfeitures	340,147
DEDUCTIONS:	
Deposits Settled to Marshal	<hr/> (320,304)
Unsettled Balances - End of Year	<hr/> <hr/> \$ 103,417

See independent auditors' report and notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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 utilities 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, 2022

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
- 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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

B. Basis of Presentation (continued)

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, 2022

B. Basis of Presentation (continued)

Fiduciary Fund-

Agency Funds

Agency 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. Agency 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, 2022

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. Sales Tax Rededication-To account for the revenues received from the rededication of sales tax 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, 2022

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, 2022 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

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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	\$ 7,511,618	\$ 1,539,018
Special Revenue Funds-		
Sales Tax Rededication	0	1,177,046
Events City Operations	306,749	0
Hazard Tax	0	823,089
Sales Tax Police	0	1,313,899
Airport Operations	55,217	0
Employee Benefits	800,000	0
Liability Insurance	1,187,726	0
Workman's Compensation Fund	260,775	116,880
Economic Development District	248,534	186,000
Miss Merry Christmas	12,300	0
Community Program	0	10,000
2015 Revenue Note Reserve Fund	186,000	0
Cane River Green Market	45,500	0
Sales Tax- District A	0	191,648
Sales Tax- District C	0	30,332
Economic Development District TIF A	0	140,534
BJA Byrne Jag-Tech Upgrade	18,501	0
Domestic Violence	250	0
Capital Projects Funds-		
Capital Improvements-Special	302,000	725,000
Capital Projects-Sales Tax	795,000	1,350,000
Capital Improvements - Streets	1,477,296	0
LWCF – PARC Natchitoches	225,000	0
Sports Complex Construction	222,730	0

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

J. Interfund Transactions (continued)

	<u>Transfers In</u>	<u>Transfers Out</u>
Enterprise Fund-		
Utility	<u>1,378,250</u>	<u>7,430,000</u>
Totals	<u>\$15,033,446</u>	<u>\$15,033,446</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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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 9, for more information on the individual retirement systems.

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 \$3,868,512. 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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

P. Fund Equity (continued)

The purpose of nonspendable, restricted, and committed fund balances is as follows:

	Prepaid Items	Debt Service	Acquisition of Capital Assets	Public Safety	Recreation & Culture	Economic Development	Employee Benefits	Liability Insurance	Water, Sewer & Utilities	Total
Nonspendable:										
General Fund	\$ 4,836	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,836
Hazard Tax	1,833	0	0	0	0	0	0	0	0	1,833
Airport	45	0	0	0	0	0	0	0	0	45
Eagle Building Project	135	0	0	0	0	0	0	0	0	135
Cane River Green Market	44	0	0	0	0	0	0	0	0	44
Sales Tax - Police	24,369	0	0	0	0	0	0	0	0	24,369
Chaplain's Lake	12,275	0	0	0	0	0	0	0	0	12,275
Water Treatment Plant	117,179	0	0	0	0	0	0	0	0	117,179
Capital Proj.-Utility Imp.	14,143	0	0	0	0	0	0	0	0	14,143
Total	<u>\$162,449</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 162,249</u>
Restricted:										
Hazard Tax	\$ 0	\$ 0	\$ 0	\$1,003,850	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,003,850
Multi-Drug Task Force	0	0	0	13,246	0	0	0	0	0	13,246
Prisoner Bond Release	0	0	0	71,620	0	0	0	0	0	71,620
Sales Tax Police	0	0	0	1,834,945	0	0	0	0	0	1,834,945
CSEF-Federal Funds	0	0	0	13,641	0	0	0	0	0	13,641
Total	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$2,937,302</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,937,302</u>
Committed:										
Sales Tax Reduction	\$ 0	\$ 0	\$3,714,854	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,714,854
Capital Proj.-Utility Imp.	0	0	0	0	0	0	0	0	3,755,411	3,755,411
Capital Proj.-Sales Tax	0	0	0	0	0	3,018,530	0	0	0	3,018,530
Airport Fund	0	0	0	0	0	3,601	0	0	0	3,601
Employee Benefits	0	0	0	0	0	0	871,902	0	0	871,902
Workman's Compensation	0	0	0	0	0	0	507,488	0	0	507,488
Drug Recovery	0	0	0	65,483	0	0	0	0	0	65,483
911 Grant Fire	0	0	0	65,713	0	0	0	0	0	65,713
Animal Shelter	0	0	0	80,188	0	0	0	0	0	80,188
Liability Insurance	0	0	0	0	0	0	0	427,442	0	427,442
Main Street Promotions	0	0	0	0	0	94,321	0	0	0	94,321
Cane River Green Market	0	0	0	0	15,130	0	0	0	0	15,130
911-Police Grant	0	0	0	31,775	0	0	0	0	0	31,775
NW Law Enforcement	0	0	0	3,060	0	0	0	0	0	3,060
Economic Development Dist.	0	0	0	0	0	388,725	0	0	0	388,725
Garbage Service	0	0	0	0	0	0	0	0	863,203	863,203
Miss Merry Christmas	0	0	0	0	11,287	0	0	0	0	11,287
Keep Louisiana Beautiful	0	0	0	0	0	500	0	0	0	500
LAC/Traffic Enforcement	0	0	0	1,743	0	0	0	0	0	1,743
Community Program Fund	0	0	0	0	0	16,605	0	0	0	16,605
NHDDC Projects Fund	0	0	0	0	0	4,258	0	0	0	4,258
2015 Revenue Note Reserve	0	0	0	0	0	12,026	0	0	0	12,026
Equitable Sharing Program	0	0	0	0	0	22,783	0	0	0	22,783
Sports Complex Construction	0	0	0	0	0	35,240	0	0	0	35,240
Sports Complex Sponsorship	0	0	0	0	0	445,292	0	0	0	445,292
Sales Tax District C	0	0	0	0	0	143,724	0	0	0	143,724
Sales Tax District D	0	0	0	0	0	5,690	0	0	0	5,690
Economic Development Dist. TIF C	0	0	0	0	0	588,232	0	0	0	588,232
Hobby Lobby	0	0	0	0	0	1,500	0	0	0	1,500
Capital Improvements	0	0	911,496	0	0	0	0	0	0	911,496
Water Treatment Plant	0	0	1,367,252	0	0	0	0	0	0	1,367,252
Parking Lot	0	0	40,237	0	0	0	0	0	0	40,237
Chateau St. Denis	0	0	0	0	0	10,143	0	0	0	10,143
Debt Service-General Oblig.	0	1,266,892	0	0	0	0	0	0	0	1,266,892
Debt Service-Sinking Fund	0	297,170	0	0	0	0	0	0	0	297,170
Total	<u>\$ 0</u>	<u>\$1,564,062</u>	<u>\$2,318,985</u>	<u>\$ 247,962</u>	<u>\$26,417</u>	<u>\$4,791,170</u>	<u>\$1,379,390</u>	<u>\$427,442</u>	<u>\$4,618,614</u>	<u>\$19,088,896</u>

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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.
- 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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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, 2022, taxes of 17.03 mills were levied on property with an assessed valuation totaling \$138,180,510 and were dedicated as follows:

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

Total taxes collected were \$2,315,706 after small adjustments were made to the original tax roll. A tax sale was held on May 15, 2022, 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, 2022

4. Receivables

The following is a summary of receivables at May 31, 2022:

Sales Tax	\$2,141,987
Licenses	110,191
Ad Valorem Tax	10,405
Utility Revenue	4,878,783
Miscellaneous	<u>699,417</u>
Total	<u>\$7,840,783</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, 2022, 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	628,128	2,381,507	628,128	2,381,507
Capital Assets; depreciated-				
Buildings	19,927,702	20,673	0	19,948,375
Other Infrastructure	33,852,424	643,661	0	34,496,085
Other Assets	827,117	0	0	827,117
Furniture & Fixtures	15,104	0	0	15,104
Machinery & Equipment	4,603,547	413,748	183,022	4,834,273
Firearms	71,032	0	71,032	0
Vehicles	5,437,777	112,047	441,292	5,108,532
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>\$174,887,043</u>	<u>\$3,571,636</u>	<u>\$1,323,474</u>	<u>\$177,135,205</u>
Accumulated Depreciation-				
Buildings	\$ 7,603,661	\$ 580,550	\$ 0	\$ 8,184,211
Other Infrastructure	6,331,760	1,382,075	0	7,713,835
Other Assets	798,859	28,256	0	827,115
Furniture & Fixtures	15,104	0	0	15,104
Machinery & Equipment	3,208,080	322,594	183,022	3,347,652
Vehicles	4,240,660	386,443	441,293	4,185,810
Streets	89,756,265	422,712	0	90,178,977
Sidewalks	<u>5,271,616</u>	<u>51,787</u>	<u>0</u>	<u>5,323,403</u>
Total Accumulated Depr.	<u>\$117,226,005</u>	<u>\$3,174,417</u>	<u>\$ 624,315</u>	<u>\$119,776,107</u>
Total Capital Assets, Net	<u>\$ 57,661,038</u>	<u>\$ 397,219</u>	<u>\$ 669,159</u>	<u>\$ 57,359,098</u>

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

5. Capital Assets (continued)

Depreciation expense of \$3,174,417 for the year ended May 31, 2022, was charged to the following governmental functions:

General Fund-	
Finance Department	\$ 58,517
Community Development Department	880,707
Planning & Zoning	1,434
Fire Department	248,454
Recreation Department	412,854
Public Works Department	549,954
Purchasing Department	9,007
Police Department	253,111
Airport Fund	456,247
Convention Center	241,623
Industrial Park South	<u>62,509</u>
Total	<u>\$3,174,417</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	\$ 854,995	\$ 83,000	\$ 0	\$ 937,995
Capital Assets; depreciated-				
Buildings	1,912,581	0	0	1,912,581
Furniture & Fixtures	310,366	0	0	310,366
Machinery & Equipment	10,792,178	106,156	7,065	10,891,269
Vehicles	2,098,245	108,607	0	2,206,852
Electric System	24,741,549	179,733	52,195	24,869,087
Water System	43,858,802	902,983	0	44,771,785
Sewer System	<u>26,639,000</u>	<u>189,669</u>	<u>0</u>	<u>26,828,669</u>
Total Assets	<u>\$111,207,716</u>	<u>\$ 1,570,148</u>	<u>\$ 59,260</u>	<u>\$112,728,604</u>
Accumulated Depreciation-				
Buildings	\$ 1,093,575	\$ 38,251	\$ 0	\$ 1,131,826
Furniture & Fixtures	310,366	0	0	310,366
Machinery & Equipment	10,273,899	50,177	7,065	10,317,011
Vehicles	2,169,543	0	0	2,169,543
Electric System	10,063,803	397,606	52,195	10,409,214
Water System	16,888,731	941,644	0	17,830,375
Sewer System	<u>12,003,446</u>	<u>524,101</u>	<u>0</u>	<u>12,527,548</u>
Total Accumulated Depr.	<u>\$ 52,803,363</u>	<u>\$ 1,951,779</u>	<u>\$ 59,260</u>	<u>\$ 54,695,883</u>
Total Net Assets	<u>\$ 58,414,352</u>	<u>\$ (381,631)</u>	<u>\$ 0</u>	<u>\$ 58,032,721</u>

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

5. Capital Assets (continued)

Depreciation expense of \$1,951,779 for the year ended May 31, 2022, was charged to the following business-type functions:

Electric System	\$ 470,111
Water System	951,581
Sewer System	<u>530,087</u>
Total Utility Fund	<u>\$1,951,779</u>

6. Long-Term Debt

General Obligation- At May 31, 2022, 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.
- 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.

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 2015 Revenue Refunding
- 2) Series 2018 Sales Tax Revenue
- 3) Series 2019 Sales Tax Revenue
- 4) Series 2021 Utilities Revenue

General Obligation and Revenue Bonds Outstanding at May 31, 2022, 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%	\$ 134,203
Carbecca, LLC	09-01-2018	08-31-2023	0.00%	50,000
BB&T Governmental Finance	10-15-2018	10-15-2023	3.84%	<u>218,267</u>
Total General Obligation Debt				<u>\$ 402,470</u>

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

6. Long-Term Debt (continued)

Revenue Bonds-

Series 2015 Refunding	12-01-2015	12-01-2029	4.30%	1,335,000
Series 2018 Sales Tax Revenue	02-01-2018	02-01-2033	3.29%	9,735,000
Series 2019 Sales Tax Revenue	03-01-2019	03-01-2033	3.70%	1,250,000
Series 2021 Utilities Revenue	03-01-2021	12-01-2030	1.49%	<u>3,109,166</u>

Total Revenue Bonds \$15,429,166

Total General Obligation and Revenue Bonds Payable \$15,831,636

The annual debt service requirements to maturity of general obligation debt and revenue bonds outstanding at May 31, 2022, excluding interest payments of \$2,974,206 are as follows:

Year Ending <u>May 31</u>	<u>General Obligation</u>	<u>Revenue Bonds</u>	<u>Total</u>
2023	\$182,322	\$ 1,321,083	\$ 1,503,405
2024	137,264	1,359,000	1,496,264
2025	26,817	1,397,083	1,423,900
2026	27,621	1,461,000	1,488,621
2027	28,446	1,498,000	1,526,446
2028-2032	0	7,218,000	7,218,000
2033-2037	<u>0</u>	<u>1,175,000</u>	<u>1,175,000</u>
Total	<u>\$402,470</u>	<u>\$15,429,166</u>	<u>\$15,831,636</u>

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, 2022:

	<u>Balance 06-01-21</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 05-31-22</u>
General Obligation	\$ 669,832	\$ 0	\$ 267,362	\$ 402,470
Revenue Bonds	16,868,000	0	1,438,834	15,429,166
Compensated Absences (Note 1.I)	2,732,056	10,475	0	2,742,531
Net OPEB	6,397,971	0	245,088	6,152,883
Net Pension Liability	<u>25,972,631</u>	<u>0</u>	<u>10,947,232</u>	<u>15,025,399</u>
Total	<u>\$52,640,490</u>	<u>\$10,475</u>	<u>\$12,898,516</u>	<u>\$39,752,449</u>

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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.

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

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.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

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.

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

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.

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

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, 2021, the employer contribution rate was 29.50% of member's earnings for Plan A.

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 \$200,104.

The City's contractually required composite contribution rate for the year ended May 31, 2022 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 \$1,560,614 for the year ended May 31, 2022.

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

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 or 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.

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

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.

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

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.

For the year ended June 30, 2021, 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 \$186,926 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, 2022 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 \$745,192 for the year ended May 31, 2022.

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

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.

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 or 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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

Disability Benefits

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

Death Benefits

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

Deferred Retirement Option Plan (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

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

A. General Information about the Plans (continued)

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, 2021, 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.

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 \$250,510 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, 2022 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 \$745,860 for the year ended May 31, 2022.

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

At May 31, 2022, 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, 2021	June 30, 2020
MERS	\$ 7,459,013	\$12,013,711
MPERS	4,458,789	7,789,871
FRS	3,107,597	6,118,929
LASERS	0	50,120
Total	\$15,025,399	\$25,972,631

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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

The Net Pension Liabilities were measured as of June 30, 2021, 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, 2021	June 30, 2020
MERS	2.68165%	2.77876%
MPERS	0.83646%	0.84285%
FRS	0.87689%	0.88276%
Total	4.39480%	4.50498%

For the year ended May 31, 2022 and 2021, 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, 2021	June 30, 2020
MERS	\$398,859	\$1,886,545
MPERS	285,341	1,281,126
FRS	285,098	997,893
Total	\$969,298	\$4,169,698

At May 31, 2022, 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	\$ 2,688	\$ 85,296	\$ 0	\$ 137,317	\$ 44,348	\$ 279,069	\$ 47,036	\$ 501,682
Changes in Assumptions	272,581	0	493,787	127,191	673,394	0	1,439,762	127,191
Net Difference between projected and actual earnings on pension plan	0	2,101,586	0	2,081,903	0	1,885,871	0	6,069,360
Changes in employer's proportion of beg NPL	0	334,505	7,603	87,089	121,520	178,265	129,123	599,859
Difference between employer and proportionate share of contributions	0	18,953	42	12,405	855	5,434	822	36,972
Subsequent measurement contributions	1,443,824	0	680,970	0	691,500	0	2,816,294	0
Total	\$1,719,093	\$2,540,340	\$1,182,360	\$2,445,905	\$1,531,617	\$2,348,639	\$4,433,037	\$7,335,064

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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

The deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date in the amount of \$2,816,294 will be recognized as a reduction of the Net Pension Liabilities in the year May 31, 2022. 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	\$1,551,928
2024	692,933
2025	537,029
2026	35,499
2027	(1,095)
Total	<u>\$2,816,294</u>

Actuarial Assumptions

A summary of the actuarial methods and assumptions used in determining the total pension liabilities for the valuation date of June 30, 2021 are as follows:

<u>Assumptions</u>	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>
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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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

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.

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, 2021 are summarized in the following table:

<u>Asset Class</u>	MERS		MPERS		FRS	
	Target Asset Alloc.	Long-Term Expected Portfolio Real Rate of Return	Target Asset Alloc.	Long-Term Expected Portfolio Real Rate of Return	Target Asset Alloc.	Long-Term Expected Portfolio Real Rate of Return
Public Equity	53.00%	2.31%	55.5%	3.47%	56.00%	27.34%
Public Fixed Income	38.00%	1.65%	30.5%	0.59%	26.00%	4.12%
Alternatives	9.00%	0.39%	14.0%	1.01%	18.00%	14.84%
Other	0.00%	0.00%	0.0%	0.00%	0.00%	8.34%
Totals	100.00%	4.35%	100.0%	5.08%	100.00%	54.64%
Inflation		2.60%		2.22%		2.50%
Expected Nominal Rate of Return		6.95%		7.30%		6.90%

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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

The discount rate used to measure the total pension liability was 6.95% for MERS, 7.30% 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.

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	\$11,047,178	\$7,459,013	\$4,428,309
MPERS	\$ 7,770,965	\$4,458,789	\$1,694,240
FRS	\$ 5,961,695	\$3,107,597	\$ 727,309

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

These financial statements include a payable to the pension plan of \$233,859, which is the legally required contribution due at May 31, 2022. This amount is recorded in accrued expenses.

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.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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.

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, 2022, cash and investments totaled \$31,944,693 (book balances), including \$4,265 cash on hand. Bank account and investment balances at May 31, 2022, totaled \$35,117,400, and of this amount \$4,088,548 was secured by government securities. The remaining amount was secured as follows: \$943,607 with FDIC insurance and \$30,085,245 with pledged securities.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

11. Compensation of City Councilmen

A detail of compensation paid to individual council members for the year ended May 31, 2022 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, 2022:

<u>Fund</u>	<u>Deficit Amount</u>
Special Revenue Funds-	
Events City	\$ 79,373
Knock-Knock Grant	18,323
CESF – State	5,091
BJA-Byrne JAG-Police & NPSO	15
Rapides Foundation 2022	3,632
Sales Tax – District A	139,395
Economic Development District-TIF A	65,766
Capital Projects Funds-	
Capital Improvements-Streets	1,843,435
Pilgrim’s Industrial Park	74,034
Airport Maintenance	246,676
Airport Hangar	87,521
LCDBG Sibley Lake Fund	113,520
Community Water Enrichment	20,236
Chaplain’s Lake Water System	9,897
LWCF – PARC Natchitoches	276,951
Rue Beauport Riverfront	213,251
Eagle Building Project	894,724
Debt Service-	
Sales Tax	<u>921,985</u>
 Total	 <u>\$5,013,825</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 \$4,973,275 (a decrease of \$2,036,421 from prior year) will be funded by interfund transfers in future years.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

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	\$ 12,000
City Police Department	258,591
City Fire Department	<u>234,783</u>
Total	<u>\$505,374</u>

14. Postemployment Health Care and Life Insurance Benefits

General Information about the OPEB Plan

Plan description – The City of Natchitoches (the 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.

Employees covered by benefit terms – As of the measurement date May 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	16
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>225</u>
	<u>241</u>

Total OPEB Liability

The City's total OPEB liability of \$6,152,883 was measured as of May 31, 2022 and was determined by an actuarial valuation as of that date.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

14. Postemployment Health Care and Life Insurance Benefits, (continued)

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

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.26% annually (Beginning of Year to Determine ADC)
	3.16%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually for ten years, 4.5% thereafter
Mortality	SOA RP-2000 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of May 31, 2022, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Combined Table.

The actuarial assumptions used in the May 31, 2022 valuation were based on the results of ongoing evaluations of the assumptions from October 1, 2009 to May 31, 2022.

Changes in the Total OPEB Liability

Balance at May 31, 2021	<u>\$6,397,972</u>
Changes for the year:	
Service cost	143,929
Interest	142,723
Differences between expected and actual experience	313,192
Changes in assumptions	(679,346)
Benefit payments and net transfers	<u>(165,587)</u>
Net changes	<u>\$ (245,089)</u>
Balance at May 31, 2022	<u>\$6,152,883</u>

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 (2.16%) or 1-percentage-point higher (4.16%) than the current discount rate:

	1.0% Decrease (2.16%)	Current Discount Rate (3.16%)	1.0% Increase (4.16%)
Total OPEB liability	\$7,436,087	\$6,152,883	\$5,162,415

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

14. Postemployment Health Care and Life Insurance Benefits, (continued)

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

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$5,287,006	\$6,152,883	\$7,284,862

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

For the year ended May 31, 2022, the City recognized OPEB expense of \$345,668. At May 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$460,322	\$ (93,557)
Changes in assumptions	<u>621,365</u>	<u>(649,721)</u>
Total	<u>\$ 81,687</u>	<u>\$(743,278)</u>

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>	
2023	\$ 59,016
2024	59,016
2025	59,016
2026	59,016
2027	59,016
Thereafter	<u>43,338</u>
Total	<u>\$338,418</u>

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

15. Bonds

- 1) 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, 2022. Therefore, the outstanding principal balance at May 31, 2022, is \$25,000,000.
- 2) The City, for the year ended May 31, 2016, 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.

- 3) The City, for the year ended May 31, 2018, authorized the issuance of sales tax bonds, in the amount of \$12,500,000 to construct, acquire, and improve recreation facilities. The bonds are to be repaid with the existing one percent sales and use tax.
- 4) The City, for the year ended May 31, 2019, authorized the issuance of sales tax bonds, series 2019 in the amount of \$1,500,000 for the purposes of 1) 50% for constructing, acquiring, improving, operating and maintaining sewers and sewerage disposal works, and 2) 50% for constructing, acquiring and improving public streets, drainage, parks and recreation facilities and buildings.
- 5) As of March 1, 2022, the City authorized issuance of utilities revenue refunding bonds, series 2022 in the amount of \$3,615,000 to fund the redemption of the following bonds: a) series 2009A utilities revenue bond, b) series 2009B utilities revenue bond, and c) 2015 taxable utilities revenue bond.

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 \$6,466,868. The City received \$3,233,434 in current year, but only expended \$325,082. As a result, \$2,908,352 is recorded as deferred revenue.

City of Natchitoches, Louisiana
Notes to Financial Statements
May 31, 2022

17. Subsequent Events

Management has evaluated events through November 18, 2022, 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
Year Ended May 31, 2022

	Budgeted Amounts			Variance- Favorable
	Original	Final	2022 Actual	(Unfavorable)
Revenues:				
Taxes	\$ 5,229,502	\$ 5,229,502	\$ 6,262,300	\$ 1,032,798
Licenses & Permits	889,893	889,893	1,114,408	224,515
Intergovernmental	3,066,315	3,066,315	1,756,925	(1,309,390)
Charges for Services	117,557	117,557	125,931	8,374
Fines & Forfeits	70,514	70,514	27,781	(42,733)
Miscellaneous	198,089	198,089	97,363	(100,726)
Total Revenues	<u>\$ 9,571,870</u>	<u>\$ 9,571,870</u>	<u>\$ 9,384,708</u>	<u>\$ (187,162)</u>
Expenditures:				
Current-				
General Government	\$ 4,984,380	\$ 5,410,193	\$ 3,949,491	\$ 1,460,702
Public Safety	9,721,240	9,793,001	9,143,638	649,363
Streets & Sanitation	1,708,761	1,666,790	1,365,134	301,656
Economic Development	174,290	121,828	238,248	(116,420)
Health & Welfare	273,977	281,772	785,078	(503,306)
Recreation & Culture	873,093	915,799	284,835	630,964
Total Expenditures	<u>\$ 17,735,741</u>	<u>\$ 18,189,383</u>	<u>\$ 15,766,424</u>	<u>\$ 2,422,959</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (8,163,871)</u>	<u>\$ (8,617,513)</u>	<u>\$ (6,381,716)</u>	<u>\$ 2,235,797</u>
Other Financing Sources (Uses):				
Operating Transfers In	\$ 8,341,318	\$ 8,341,318	\$ 7,511,618	\$ (829,700)
Operating Transfers Out	(267,300)	(267,300)	(1,539,018)	(1,271,718)
Sale of Assets	12,507	12,507	1,960	(10,547)
Total Other Financing	<u>\$ 8,086,525</u>	<u>\$ 8,086,525</u>	<u>\$ 5,974,560</u>	<u>\$ (2,111,965)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (77,346)</u>	<u>\$ (530,988)</u>	<u>\$ (407,156)</u>	<u>\$ 123,832</u>
Fund Balance - Beginning of Year	<u>4,280,504</u>	<u>4,280,504</u>	<u>4,280,504</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 4,203,158</u>	<u>\$ 3,749,516</u>	<u>\$ 3,873,348</u>	<u>\$ 123,832</u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Major Fund
Sales Tax Rededication
Statement of Revenues, Expenditures and Changes in Fund Balance-
Budget (GAAP Basis) and Actual
Year Ended May 31, 2022

	<u>Budgeted Amounts</u>		Variance-
	<u>Original/Final</u>	<u>2022 Actual</u>	<u>Favorable (Unfavorable)</u>
Revenues:			
Taxes	\$ 1,905,663	\$ 2,456,661	\$ 550,998
Expenditures:			
Current-			
Economic Development	<u>\$ 130,925</u>	<u>\$ 162,621</u>	<u>\$ (31,696)</u>
Excess (Deficiency) of Revenues over Expenditures	\$ 1,774,738	\$ 2,294,040	\$ 582,694
Other Financing Sources (Uses):			
Operating Transfers Out	<u>(2,113,033)</u>	<u>(1,177,046)</u>	<u>935,987</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ (338,295)	\$ 1,116,994	\$ 1,518,681
Fund Balance - Beginning of Year	<u>2,597,860</u>	<u>2,597,860</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 2,259,565</u>	<u>\$ 3,714,854</u>	<u>\$ 1,518,681</u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Schedule of Employer Contributions
For the Year Ended May 31, 2022

<u>Fiscal Year*</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
<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%
<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%
<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%

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

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Schedule of Employer's Share of Net Pension Liability
For the Year Ended May 31, 2022

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%
<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%
<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%

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

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended May 31, 2022

	2019	2020	2021	2022
Total OPEB Liability				
Service Cost	\$ 117,694	\$ 126,907	\$ 133,890	\$ 143,929
Interest	189,383	182,144	157,503	142,723
Changes in Benefit Terms	-	-	-	-
Differences between expected and actual experience	(83,992)	318,928	(44,746)	313,192
Changes of Assumptions	192,335	768,511	(117,039)	(679,346)
Benefit Payments	<u>(150,761)</u>	<u>(159,053)</u>	<u>(165,092)</u>	<u>(165,587)</u>
Net Change in Total OPEB Liability	\$ 264,659	\$ 1,237,437	\$ (35,484)	\$ (245,089)
Total OPEB Liability - Beginning	<u>4,931,358</u>	<u>5,196,017</u>	<u>6,433,455</u>	<u>6,397,972</u>
Total OPEB Liability - Ending	<u>\$ 5,196,017</u>	<u>\$ 6,433,454</u>	<u>\$ 6,397,971</u>	<u>\$ 6,152,883</u>
Covered-employee Payroll	<u>\$ 9,086,471</u>	<u>\$ 9,449,930</u>	<u>\$ 9,664,081</u>	<u>\$ 10,050,645</u>
Net OPEB Liability as a percentage of covered employee payroll	57.18%	68.08%	66.20%	61.22%
Notes to Schedule:				
<i>Benefit Changes:</i>	None	None	None	None
<i>Changes in Assumptions:</i>				
Discount Rate:	3.56%	2.48%	2.26%	3.16%
Mortality:	RP-2000	RP-2000	RP-2000	RP-2000
Trend:	4%	4%	Variable	Variable

See independent auditors' report and notes to the financial statements.

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, 2022

Agency Head Name: Ronnie Williams, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 96,769
Benefits-Insurance	6,848
Benefits-Retirement	28,369
Cell phone	1,399
Dues	3,947
Per Diem	359
Travel	<u>3,506</u>
Total	<u>\$ 141,197</u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session
May 31, 2022

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

Cash Basis Presentation

Beginning Balance of Amounts Collected (i.e. cash on hand)

First Six Month Period Ended 11/30/21	Second Six Month Period Ended 5/31/22
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\$ 83,600	\$ 97,589
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Add: Collections (Please enter zeros if no activity within a certain collection type)

Civil Fees (including refundable amounts such as garnishments or advance deposits)

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 (do not include collections that fit into more specific categories above)

-	-
239,803	100,343

Subtotal Collections

239,803	100,343
---------	---------

Less: Disbursements To Governments & Nonprofits: (Must include one agency name and one

Natchitoches City Marshal - Bond Fees

225,814	94,516
---------	--------

Less: Amounts Retained by Collecting Agency

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)

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)

-	-
---	---

Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies (Please enter zeros if

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

-	-
---	---

Subtotal Disbursements/Retainage

225,814	94,516
---------	--------

Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)

97,589	103,416
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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.

-	-
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Other Information:

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)

-	-
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See independent auditors' report.

City of Natchitoches
Justice System Funding Schedule - Receiving Entity
As Required by Act 87 of the 2020 Regular Legislative Session
May 31, 2022

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

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

Cash Basis Presentation

First Six Month Period Ended 11/30/21	Second Six Month Period Ended 5/31/22
---	---

Receipts From: *(Must include one agency name and one collection type - see below - on each*

Natchitoches City Court - Civil Fees

39,536 16,543

Subtotal Receipts

39,536 16,543

Ending Balance of Amounts Assessed but Not Received *(only applies to those agencies that assess on behalf of themselves, such as courts)*

- -

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 *(do not include collections that fit into more specific categories above)*

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

Special Revenue Funds					
	Event Center Operations	Hazard Tax	Airport	Employee Benefits	Workman's Compensation
Assets					
Cash & Cash Equivalents	\$ -	\$ 997,174	\$ 21,324	\$ 870,954	\$ 508,641
Revenue Receivables	-	7,975	1,309	948	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	1,833	45	-	-
Total Assets	<u>\$ -</u>	<u>\$ 1,006,982</u>	<u>\$ 22,678</u>	<u>\$ 871,902</u>	<u>\$ 508,641</u>
Liabilities					
Cash Overdraft	\$ 60,863	\$ -	\$ -	\$ -	\$ -
Accounts Payable	7,505	1,299	11,884	-	1,153
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	11,005	-	7,148	-	-
Total Liabilities	<u>\$ 79,373</u>	<u>\$ 1,299</u>	<u>\$ 19,032</u>	<u>\$ -</u>	<u>\$ 1,153</u>
Fund Balances					
Nonspendable	\$ -	\$ 1,833	\$ 45	\$ -	\$ -
Restricted	-	1,003,850	-	-	-
Committed	-	-	3,601	871,902	507,488
Unassigned	(79,373)	-	-	-	-
Total Fund Balances	<u>\$ (79,373)</u>	<u>\$ 1,005,683</u>	<u>\$ 3,646</u>	<u>\$ 871,902</u>	<u>\$ 507,488</u>
Total Liabilities & Fund Balances	<u>\$ -</u>	<u>\$ 1,006,982</u>	<u>\$ 22,678</u>	<u>\$ 871,902</u>	<u>\$ 508,641</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

Special Revenue Funds					
	Multi-Drug Task				
	Drug Recovery	Force	Prisoner Bond	911 Grant Fire	Animal Shelter
Assets					
Cash & Cash Equivalents	\$ 67,819	\$ 13,304	\$ 72,198	\$ 65,713	\$ 80,978
Revenue Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 67,819</u>	<u>\$ 13,304</u>	<u>\$ 72,198</u>	<u>\$ 65,713</u>	<u>\$ 80,978</u>
Liabilities					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	2,336	-	578	-	790
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	58	-	-	-
Total Liabilities	<u>\$ 2,336</u>	<u>\$ 58</u>	<u>\$ 578</u>	<u>\$ -</u>	<u>\$ 790</u>
Fund Balances					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	13,246	71,620	-	-
Committed	65,483	-	-	65,713	80,188
Unassigned	-	-	-	-	-
Total Fund Balances	<u>\$ 65,483</u>	<u>\$ 13,246</u>	<u>\$ 71,620</u>	<u>\$ 65,713</u>	<u>\$ 80,188</u>
Total Liabilities & Fund Balances	<u>\$ 67,819</u>	<u>\$ 13,304</u>	<u>\$ 72,198</u>	<u>\$ 65,713</u>	<u>\$ 80,978</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

	Special Revenue Funds				
	Liability Insurance	Main Street Promotions	Cane River Green Market	American Rescue Plan	911-Police Grant
Assets					
Cash & Cash Equivalents	\$ 427,442	\$ 94,383	\$ 20,201	\$ 2,908,352	\$ 31,775
Revenue Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	44	-	-
Total Assets	<u>\$ 427,442</u>	<u>\$ 94,383</u>	<u>\$ 20,245</u>	<u>\$ 2,908,352</u>	<u>\$ 31,775</u>
Liabilities					
Cash Overdraft	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	62	2,917	-	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	2,908,352	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	2,154	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 62</u>	<u>\$ 5,071</u>	<u>\$ 2,908,352</u>	<u>\$ -</u>
Fund Balances					
Nonspendable	\$ -	\$ -	\$ 44	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	427,442	94,321	15,130	-	31,775
Unassigned	-	-	-	-	-
Total Fund Balances	<u>\$ 427,442</u>	<u>\$ 94,321</u>	<u>\$ 15,174</u>	<u>\$ -</u>	<u>\$ 31,775</u>
Total Liabilities & Fund Balances	<u>\$ 427,442</u>	<u>\$ 94,383</u>	<u>\$ 20,245</u>	<u>\$ 2,908,352</u>	<u>\$ 31,775</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

	Special Revenue Funds				
	NW Law Enforcement Grant	Knock Knock Grant	Economic Development District	CESF State	Garbage Service
Assets					
Cash & Cash Equivalents	\$ 3,060	\$ -	\$ 228,949	\$ -	\$ 458,669
Revenue Receivables	-	-	159,776	-	404,534
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 3,060</u>	<u>\$ -</u>	<u>\$ 388,725</u>	<u>\$ -</u>	<u>\$ 863,203</u>
Liabilities					
Cash Overdraft	\$ -	\$ 17,849	\$ -	\$ 5,091	\$ -
Accounts Payable	-	-	-	-	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	474	-	-	-
Total Liabilities	<u>\$ -</u>	<u>\$ 18,323</u>	<u>\$ -</u>	<u>\$ 5,091</u>	<u>\$ -</u>
Fund Balances					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	3,060	-	388,725	-	863,203
Unassigned	-	(18,323)	-	(5,091)	-
Total Fund Balances	<u>\$ 3,060</u>	<u>\$ (18,323)</u>	<u>\$ 388,725</u>	<u>\$ (5,091)</u>	<u>\$ 863,203</u>
Total Liabilities & Fund Balances	<u>\$ 3,060</u>	<u>\$ -</u>	<u>\$ 388,725</u>	<u>\$ -</u>	<u>\$ 863,203</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

		Special Revenue Funds				
		Sales Tax Police	Miss Merry Christmas	Keep Louisiana Beautiful	LAC/ Traffic Enforcement	Community Program
Assets						
Cash & Cash Equivalents	\$	1,510,757	\$ 11,287	\$ 500	\$ 1,743	\$ 16,649
Revenue Receivables		390,976	-	-	-	-
Due from Other Funds		-	-	-	-	-
Prepaid Expenses		24,369	-	-	-	-
Total Assets	\$	<u>1,926,102</u>	<u>\$ 11,287</u>	<u>\$ 500</u>	<u>\$ 1,743</u>	<u>\$ 16,649</u>
Liabilities						
Cash Overdraft	\$	-	\$ -	\$ -	\$ -	\$ -
Accounts Payable		-	-	-	-	44
Accrued Expense		66,788	-	-	-	-
Deferred Revenue		-	-	-	-	-
Due to Other Funds		-	-	-	-	-
Accrued Payroll		-	-	-	-	-
Total Liabilities	\$	<u>66,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44</u>
Fund Balances						
Nonspendable	\$	24,369	\$ -	\$ -	\$ -	\$ -
Restricted		1,834,945	-	-	-	-
Committed		-	11,287	500	1,743	16,605
Unassigned		-	-	-	-	-
Total Fund Balances	\$	<u>1,859,314</u>	<u>\$ 11,287</u>	<u>\$ 500</u>	<u>\$ 1,743</u>	<u>\$ 16,605</u>
Total Liabilities & Fund Balances	\$	<u>1,926,102</u>	<u>\$ 11,287</u>	<u>\$ 500</u>	<u>\$ 1,743</u>	<u>\$ 16,649</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

	Special Revenue Funds				
	BJA Byrne Jag - Police & NPSO	NHDDC Projects	2015 Revenue Note Reserve	Rapides Foundation	Equitable Sharing Program
Assets					
Cash & Cash Equivalents	\$ -	\$ 4,258	\$ 92,500	\$ -	\$ 22,783
Revenue Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 4,258</u>	<u>\$ 92,500</u>	<u>\$ -</u>	<u>\$ 22,783</u>
Liabilities					
Cash Overdraft	\$ 15	\$ -	\$ 80,474	\$ 2,198	\$ -
Accounts Payable	-	-	-	500	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	934	-
Total Liabilities	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ 80,474</u>	<u>\$ 3,632</u>	<u>\$ -</u>
Fund Balances					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	-	4,258	12,026	0	22,783
Unassigned	(15)	-	-	(3,632)	-
Total Fund Balances	<u>\$ (15)</u>	<u>\$ 4,258</u>	<u>\$ 12,026</u>	<u>\$ (3,632)</u>	<u>\$ 22,783</u>
Total Liabilities & Fund Balances	<u>\$ -</u>	<u>\$ 4,258</u>	<u>\$ 92,500</u>	<u>\$ -</u>	<u>\$ 22,783</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

Special Revenue Funds					
	Sports Complex Construction	Sports Complex Sponsorship	Sales Tax - District A	Sales Tax - District C	Sales Tax - District D
Assets					
Cash & Cash Equivalents	\$ 38,399	\$ 445,292	\$ -	\$ 182,990	\$ -
Revenue Receivables	-	-	7,210	75,075	5,759
Due from Other Funds	-	-	1,227	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 38,399</u>	<u>\$ 445,292</u>	<u>\$ 8,437</u>	<u>\$ 258,065</u>	<u>\$ 5,759</u>
Liabilities					
Cash Overdraft	\$ -	\$ -	\$ 135,870	\$ -	\$ 69
Accounts Payable	1,293	-	11,962	94,411	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	19,930	-
Accrued Payroll	1,866	-	-	-	-
Total Liabilities	<u>\$ 3,159</u>	<u>\$ -</u>	<u>\$ 147,832</u>	<u>\$ 114,341</u>	<u>\$ 69</u>
Fund Balances					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	35,240	445,292	0	143,724	5,690
Unassigned	-	-	(139,395)	-	-
Total Fund Balances	<u>\$ 35,240</u>	<u>\$ 445,292</u>	<u>\$ (139,395)</u>	<u>\$ 143,724</u>	<u>\$ 5,690</u>
Total Liabilities & Fund Balances	<u>\$ 38,399</u>	<u>\$ 445,292</u>	<u>\$ 8,437</u>	<u>\$ 258,065</u>	<u>\$ 5,759</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

	Special Revenue Funds				Capital Projects Funds
	Economic Development District - TIF A	Economic Development District - TIF C	CSEF - Federal Funds	Hobby Lobby	Capital Improvements
Assets					
Cash & Cash Equivalents	\$ -	\$ 505,921	\$ 13,641	\$ 1,500	\$ 916,705
Revenue Receivables	11,753	50,238	-	-	-
Due from Other Funds	3,189	32,073	-	-	-
Prepaid Expenses	-	-	-	-	-
Total Assets	<u>\$ 14,942</u>	<u>\$ 588,232</u>	<u>\$ 13,641</u>	<u>\$ 1,500</u>	<u>\$ 916,705</u>
Liabilities					
Cash Overdraft	\$ 80,708	\$ -	\$ -	\$ -	\$ -
Accounts Payable	-	-	-	-	2,800
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	2,409
Total Liabilities	<u>\$ 80,708</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,209</u>
Fund Balances					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	13,641	-	-
Committed	0	588,232	-	1,500	911,496
Unassigned	(65,766)	-	-	-	-
Total Fund Balances	<u>\$ (65,766)</u>	<u>\$ 588,232</u>	<u>\$ 13,641</u>	<u>\$ 1,500</u>	<u>\$ 911,496</u>
Total Liabilities & Fund Balances	<u>\$ 14,942</u>	<u>\$ 588,232</u>	<u>\$ 13,641</u>	<u>\$ 1,500</u>	<u>\$ 916,705</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

Capital Projects Funds					
	CIF Streets	Water Treatment Plant	Pilgrim's Industrial Park	Airport Hangar	Airport Maintenance
Assets					
Cash & Cash Equivalents	\$ -	\$ 1,417,794	\$ -	\$ -	\$ -
Revenue Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	117,179	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 1,534,973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities					
Cash Overdraft	\$ 1,843,435	\$ -	\$ 24,034	\$ 87,521	\$ 190,768
Accounts Payable	-	-	-	-	55,908
Accrued Expense	-	50,542	50,000	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Total Liabilities	<u>\$ 1,843,435</u>	<u>\$ 50,542</u>	<u>\$ 74,034</u>	<u>\$ 87,521</u>	<u>\$ 246,676</u>
Fund Balances					
Nonspendable	\$ -	\$ 117,179	\$ -	\$ -	\$ -
Restricted	0	-	-	-	-
Committed	-	1,367,252	-	-	-
Unassigned	(1,843,435)	-	(74,034)	(87,521)	(246,676)
Total Fund Balances	<u>\$ (1,843,435)</u>	<u>\$ 1,484,431</u>	<u>\$ (74,034)</u>	<u>\$ (87,521)</u>	<u>\$ (246,676)</u>
Total Liabilities & Fund Balances	<u>\$ -</u>	<u>\$ 1,534,973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

	Capital Projects Funds				
	Parking Lot	LCDBG Sibley Lake	Community Water Enrichment	Chaplain's Lake	Chateau St. Denis Fund
Assets					
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 10,143
Revenue Receivables	43,659	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	-	12,275	-
Total Assets	<u>\$ 43,659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,275</u>	<u>\$ 10,143</u>
Liabilities					
Cash Overdraft	\$ 3,422	\$ 113,520	\$ 20,236	\$ -	\$ -
Accounts Payable	-	-	-	-	-
Accrued Expense	-	-	-	22,172	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Total Liabilities	<u>\$ 3,422</u>	<u>\$ 113,520</u>	<u>\$ 20,236</u>	<u>\$ 22,172</u>	<u>\$ -</u>
Fund Balances					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	40,237	-	-	-	10,143
Unassigned	-	(113,520)	(20,236)	(9,897)	-
Total Fund Balances	<u>\$ 40,237</u>	<u>\$ (113,520)</u>	<u>\$ (20,236)</u>	<u>\$ (9,897)</u>	<u>\$ 10,143</u>
Total Liabilities & Fund Balances	<u>\$ 43,659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,275</u>	<u>\$ 10,143</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

	Capital Projects Funds			Debt Service Funds	
	Rue Beauport				
	LWCF- PARC	Riverfront	Eagle Building	Sales Tax	General
	Natchitoches	Project	Project		Obligation
Assets					
Cash & Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 1,266,892
Revenue Receivables	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Prepaid Expenses	-	-	135	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135</u>	<u>\$ -</u>	<u>\$ 1,266,892</u>
Liabilities					
Cash Overdraft	\$ 276,951	\$ 213,251	\$ 895,015	\$ 921,985	\$ -
Accounts Payable	-	-	(156)	-	-
Accrued Expense	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Accrued Payroll	-	-	-	-	-
Total Liabilities	<u>\$ 276,951</u>	<u>\$ 213,251</u>	<u>\$ 894,859</u>	<u>\$ 921,985</u>	<u>\$ -</u>
Fund Balances					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	0	-	-	0	1,266,892
Unassigned	(276,951)	(213,251)	(894,724)	(921,985)	-
Total Fund Balances	<u>\$ (276,951)</u>	<u>\$ (213,251)</u>	<u>\$ (894,724)</u>	<u>\$ (921,985)</u>	<u>\$ 1,266,892</u>
Total Liabilities & Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135</u>	<u>\$ -</u>	<u>\$ 1,266,892</u>

Continued on next page.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Balance Sheet
May 31, 2022

	Debt Service Funds	
	Sinking Fund	Total
Assets		
Cash & Cash Equivalents	\$ 297,170	\$ 13,627,860
Revenue Receivables	-	1,159,212
Due from Other Funds	-	36,489
Prepaid Expenses	-	155,880
Total Assets	<u>\$ 297,170</u>	<u>\$ 14,979,441</u>
Liabilities		
Cash Overdraft	\$ -	\$ 4,973,275
Accounts Payable	-	195,286
Accrued Expense	-	189,502
Deferred Revenue	-	2,908,352
Due to Other Funds	-	19,930
Accrued Payroll	-	26,048
Total Liabilities	<u>\$ -</u>	<u>\$ 8,312,393</u>
Fund Balances		
Nonspendable	\$ -	\$ 143,470
Restricted	-	2,937,302
Committed	297,170	8,600,101
Unassigned	-	(5,013,825)
Total Fund Balances	<u>\$ 297,170</u>	<u>\$ 6,667,048</u>
Total Liabilities & Fund Balances	<u>\$ 297,170</u>	<u>\$ 14,979,441</u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
Year Ended May 31, 2022

	Special Revenue Funds				
	Event Center Operations	Hazard Tax	Airport	Employee Benefits	Workman's Compensation
Revenues:					
Taxes	\$ -	\$ 1,350,305	\$ -	\$ -	\$ -
Intergovernmental	-	23,304	53,883	-	-
Charges for Services	207,661	-	631,441	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	96,193	477	111,936
Total Revenues	<u>\$ 207,661</u>	<u>\$ 1,373,609</u>	<u>\$ 781,517</u>	<u>\$ 477</u>	<u>\$ 111,936</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ 265,013	\$ -
Public Safety	-	52,054	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	376,786	-	904,773	-	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	144,877	-	-	-
Total Expenditures	<u>\$ 376,786</u>	<u>\$ 196,931</u>	<u>\$ 904,773</u>	<u>\$ 265,013</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (169,125)</u>	<u>\$ 1,176,678</u>	<u>\$ (123,256)</u>	<u>\$ (264,536)</u>	<u>\$ 111,936</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	306,749	-	55,217	800,000	260,775
Transfer Out	-	(823,089)	-	-	(116,880)
Total Other Financing	<u>\$ 306,749</u>	<u>\$ (823,089)</u>	<u>\$ 55,217</u>	<u>\$ 800,000</u>	<u>\$ 143,895</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 137,624</u>	<u>\$ 353,589</u>	<u>\$ (68,039)</u>	<u>\$ 535,464</u>	<u>\$ 255,831</u>
Fund Balances - Beginning of Year	<u>(216,997)</u>	<u>652,094</u>	<u>71,685</u>	<u>336,438</u>	<u>251,657</u>
Fund Balances - End of Year	<u>\$ (79,373)</u>	<u>\$ 1,005,683</u>	<u>\$ 3,646</u>	<u>\$ 871,902</u>	<u>\$ 507,488</u>

Continued on next page.

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
Year Ended May 31, 2022

	Special Revenue Funds				
	Drug Recovery	Multi-Drug Task Force	Prisoner Bond	911 Grant Fire	Animal Shelter
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	18,766	-	-	-
Charges for Services	-	-	-	-	14,884
Fines & Forfeits	-	-	28,298	-	-
Miscellaneous	34,082	-	4,319	767	-
Total Revenues	<u>\$ 34,082</u>	<u>\$ 18,766</u>	<u>\$ 32,617</u>	<u>\$ 767</u>	<u>\$ 14,884</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	33,215	39,343	10,628	36,768	2,149
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 33,215</u>	<u>\$ 39,343</u>	<u>\$ 10,628</u>	<u>\$ 36,768</u>	<u>\$ 2,149</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 867</u>	<u>\$ (20,577)</u>	<u>\$ 21,989</u>	<u>\$ (36,001)</u>	<u>\$ 12,735</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 867</u>	<u>\$ (20,577)</u>	<u>\$ 21,989</u>	<u>\$ (36,001)</u>	<u>\$ 12,735</u>
Fund Balances - Beginning of Year	<u>64,616</u>	<u>33,823</u>	<u>49,631</u>	<u>101,714</u>	<u>67,453</u>
Fund Balances - End of Year	<u>\$ 65,483</u>	<u>\$ 13,246</u>	<u>\$ 71,620</u>	<u>\$ 65,713</u>	<u>\$ 80,188</u>

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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, 2022

	Special Revenue Funds				
	Liability Insurance	Main Street Promotions	Cane River Green Market	American Rescue Plan	911-Police Grant
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	5,000	325,082	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	152,531	1,120	21,842	-	-
Total Revenues	<u>\$ 152,531</u>	<u>\$ 1,120</u>	<u>\$ 26,842</u>	<u>\$ 325,082</u>	<u>\$ -</u>
Expenditures:					
Current-					
General Government	\$ 981,589	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	325,082	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	79,127	-	-
Recreation & Culture	-	8,442	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 981,589</u>	<u>\$ 8,442</u>	<u>\$ 79,127</u>	<u>\$ 325,082</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (829,058)</u>	<u>\$ (7,322)</u>	<u>\$ (52,285)</u>	<u>\$ -</u>	<u>\$ -</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	1,187,726	-	45,500	-	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ 1,187,726</u>	<u>\$ -</u>	<u>\$ 45,500</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 358,668</u>	<u>\$ (7,322)</u>	<u>\$ (6,785)</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances - Beginning of Year	<u>68,774</u>	<u>101,643</u>	<u>21,959</u>	<u>-</u>	<u>31,775</u>
Fund Balances - End of Year	<u>\$ 427,442</u>	<u>\$ 94,321</u>	<u>\$ 15,174</u>	<u>\$ -</u>	<u>\$ 31,775</u>

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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, 2022

	Special Revenue Funds				
	NW Law Enforcement Grant	Knock Knock Grant	Economic Development District	CESF State	Garbage Service
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	2,446	-	6,061	-
Charges for Services	-	-	-	-	2,069,917
Fines & Forfeits	-	-	-	-	-
Miscellaneous	4,183	-	166,088	-	-
Total Revenues	<u>\$ 4,183</u>	<u>\$ 2,446</u>	<u>\$ 166,088</u>	<u>\$ 6,061</u>	<u>\$ 2,069,917</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ 11,152	\$ -
Public Safety	6,720	8,739	-	-	-
Streets & Sanitation	-	-	-	-	1,817,731
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 6,720</u>	<u>\$ 8,739</u>	<u>\$ -</u>	<u>\$ 11,152</u>	<u>\$ 1,817,731</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (2,537)</u>	<u>\$ (6,293)</u>	<u>\$ 166,088</u>	<u>\$ (5,091)</u>	<u>\$ 252,186</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	-	248,534	-	-
Transfer Out	-	-	(186,000)	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,534</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (2,537)</u>	<u>\$ (6,293)</u>	<u>\$ 228,622</u>	<u>\$ (5,091)</u>	<u>\$ 252,186</u>
Fund Balances - Beginning of Year	<u>5,597</u>	<u>(12,030)</u>	<u>160,103</u>	<u>-</u>	<u>611,017</u>
Fund Balances - End of Year	<u>\$ 3,060</u>	<u>\$ (18,323)</u>	<u>\$ 388,725</u>	<u>\$ (5,091)</u>	<u>\$ 863,203</u>

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, 2022

	Special Revenue Funds				
	Sales Tax Police	Miss Merry Christmas	Keep Louisiana Beautiful	LAC/ Traffic Enforcement	Community Program
Revenues:					
Taxes	\$ 2,456,661	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	9,790	1,275	-	-	-
Total Revenues	<u>\$ 2,466,451</u>	<u>\$ 1,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	232,096	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	1,188
Recreation & Culture	-	12,916	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 232,096</u>	<u>\$ 12,916</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,188</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 2,234,355</u>	<u>\$ (11,641)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,188)</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	11,294	-	-	-	-
Transfer In	-	12,300	-	-	-
Transfer Out	(1,313,899)	-	-	-	(10,000)
Total Other Financing	<u>\$ (1,302,605)</u>	<u>\$ 12,300</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,000)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 931,750</u>	<u>\$ 659</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,188)</u>
Fund Balances - Beginning of Year	<u>927,564</u>	<u>10,628</u>	<u>500</u>	<u>1,743</u>	<u>27,793</u>
Fund Balances - End of Year	<u>\$ 1,859,314</u>	<u>\$ 11,287</u>	<u>\$ 500</u>	<u>\$ 1,743</u>	<u>\$ 16,605</u>

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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, 2022

	Special Revenue Funds				
	BJA Byrne Jag - Police & NPSO	NHDDC Projects	2015 Revenue Note Reserve	Rapides Foundation	Equitable Sharing Program
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	12,541	-	-	25,000	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>\$ 12,541</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ -</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	12,556	-	-	-	-
Streets & Sanitation	-	-	-	2,190	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	-
Recreation & Culture	-	-	-	26,160	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	185,694	-	-
Total Expenditures	<u>\$ 12,556</u>	<u>\$ -</u>	<u>\$ 185,694</u>	<u>\$ 28,350</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (15)</u>	<u>\$ -</u>	<u>\$ (185,694)</u>	<u>\$ (3,350)</u>	<u>\$ -</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	18,501	-	186,000	250	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ 18,501</u>	<u>\$ -</u>	<u>\$ 186,000</u>	<u>\$ 250</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 18,486</u>	<u>\$ -</u>	<u>\$ 306</u>	<u>\$ (3,100)</u>	<u>\$ -</u>
Fund Balances - Beginning of Year	<u>(18,501)</u>	<u>4,258</u>	<u>11,720</u>	<u>(532)</u>	<u>22,783</u>
Fund Balances - End of Year	<u>\$ (15)</u>	<u>\$ 4,258</u>	<u>\$ 12,026</u>	<u>\$ (3,632)</u>	<u>\$ 22,783</u>

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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, 2022

	Special Revenue Funds				
	Sports Complex Construction	Sports Complex Sponsorship	Sales Tax - District A	Sales Tax - District C	Sales Tax - District D
Revenues:					
Taxes	\$ -	\$ -	\$ 55,328	\$ 383,156	\$ 41,097
Intergovernmental	-	86,000	-	-	-
Charges for Services	35,985	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	1,971	16,850	-	-	-
Total Revenues	<u>\$ 37,956</u>	<u>\$ 102,850</u>	<u>\$ 55,328</u>	<u>\$ 383,156</u>	<u>\$ 41,097</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	173,036	15,000	11,961	247,787	52,810
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 173,036</u>	<u>\$ 15,000</u>	<u>\$ 11,961</u>	<u>\$ 247,787</u>	<u>\$ 52,810</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (135,080)</u>	<u>\$ 87,850</u>	<u>\$ 43,367</u>	<u>\$ 135,369</u>	<u>\$ (11,713)</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	222,730	-	-	-	-
Transfer Out	-	-	(191,648)	(30,332)	-
Total Other Financing	<u>\$ 222,730</u>	<u>\$ -</u>	<u>\$ (191,648)</u>	<u>\$ (30,332)</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 87,650</u>	<u>\$ 87,850</u>	<u>\$ (148,281)</u>	<u>\$ 105,037</u>	<u>\$ (11,713)</u>
Fund Balances - Beginning of Year	<u>(52,410)</u>	<u>357,442</u>	<u>8,886</u>	<u>38,687</u>	<u>17,403</u>
Fund Balances - End of Year	<u>\$ 35,240</u>	<u>\$ 445,292</u>	<u>\$ (139,395)</u>	<u>\$ 143,724</u>	<u>\$ 5,690</u>

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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, 2022

	Special Revenue Funds				Capital Projects Funds
	Economic Development District - TIF A	Economic Development District - TIF C	CSEF - Federal Funds	Hobby Lobby	Capital Improvements
Revenues:					
Taxes	\$ 65,853	\$ 263,371	\$ -	\$ -	\$ 588,118
Intergovernmental	-	-	-	-	10,000
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>\$ 65,853</u>	<u>\$ 263,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 598,118</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	223,511
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 223,511</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 65,853</u>	<u>\$ 263,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,607</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	-	-	-	302,000
Transfer Out	(140,534)	-	-	-	(725,000)
Total Other Financing	<u>\$ (140,534)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (423,000)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (74,681)</u>	<u>\$ 263,371</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (48,393)</u>
Fund Balances - Beginning of Year	<u>8,915</u>	<u>324,861</u>	<u>13,641</u>	<u>1,500</u>	<u>959,889</u>
Fund Balances - End of Year	<u>\$ (65,766)</u>	<u>\$ 588,232</u>	<u>\$ 13,641</u>	<u>\$ 1,500</u>	<u>\$ 911,496</u>

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See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
Year Ended May 31, 2022

	Capital Projects Funds				
	CIF Streets	Water Treatment Plant	Pilgrim's Industrial Park	Airport Hangar	Airport Maintenance
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	2,496,692
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	377	-	2,837	-
Total Revenues	<u>\$ -</u>	<u>\$ 377</u>	<u>\$ -</u>	<u>\$ 2,837</u>	<u>\$ 2,496,692</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	12,035	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	-	-	-	-	2,503,795
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ 12,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,503,795</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (12,035)</u>	<u>\$ 377</u>	<u>\$ -</u>	<u>\$ 2,837</u>	<u>\$ (7,103)</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	1,477,296	-	-	-	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ 1,477,296</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 1,465,261</u>	<u>\$ 377</u>	<u>\$ -</u>	<u>\$ 2,837</u>	<u>\$ (7,103)</u>
Fund Balances - Beginning of Year	<u>(3,308,696)</u>	<u>1,484,054</u>	<u>(74,034)</u>	<u>(90,358)</u>	<u>(239,573)</u>
Fund Balances - End of Year	<u>\$ (1,843,435)</u>	<u>\$ 1,484,431</u>	<u>\$ (74,034)</u>	<u>\$ (87,521)</u>	<u>\$ (246,676)</u>

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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, 2022

	Capital Projects Funds				
	Parking Lot	LCDBG Sibley Lake	Community Water Enrichment	Chaplain's Lake	Chateau St. Denis Fund
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	20,000	-	-	-	1
Total Revenues	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	97,062	-	-	-
Economic Development	-	-	-	-	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ 97,062</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 20,000</u>	<u>\$ (97,062)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	-	-	-	-	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 20,000</u>	<u>\$ (97,062)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1</u>
Fund Balances - Beginning of Year	<u>20,237</u>	<u>(16,458)</u>	<u>(20,236)</u>	<u>(9,897)</u>	<u>10,142</u>
	-	-	-	-	-
Fund Balances - End of Year	<u>\$ 40,237</u>	<u>\$ (113,520)</u>	<u>\$ (20,236)</u>	<u>\$ (9,897)</u>	<u>\$ 10,143</u>

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, 2022

	Capital Projects Funds			Debt Service Funds	
	Rue Beauport				
	LWCF- PARC Natchitoches	Riverfront Project	Eagle Building Project	Sales Tax	General Obligation
Revenues:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines & Forfeits	-	-	-	-	-
Miscellaneous	-	-	62,857	-	-
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,857</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
Current-					
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Streets & Sanitation	-	-	-	-	-
Water, Sewer & Utilities	-	-	-	-	-
Economic Development	599,198	-	228,901	-	-
Recreation & Culture	-	-	-	-	-
Health & Welfare	-	-	-	-	-
Debt Service	-	-	-	1,111,293	-
Total Expenditures	<u>\$ 599,198</u>	<u>\$ -</u>	<u>\$ 228,901</u>	<u>\$ 1,111,293</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (599,198)</u>	<u>\$ -</u>	<u>\$ (166,044)</u>	<u>\$ (1,111,293)</u>	<u>\$ -</u>
Other Financing Sources (Uses):					
Insurance Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Proceeds	-	-	-	-	-
Sale of Assets	-	-	-	-	-
Transfer In	225,000	-	-	-	-
Transfer Out	-	-	-	-	-
Total Other Financing	<u>\$ 225,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ (374,198)</u>	<u>\$ -</u>	<u>\$ (166,044)</u>	<u>\$ (1,111,293)</u>	<u>\$ -</u>
Fund Balances - Beginning of Year	<u>97,247</u>	<u>(213,251)</u>	<u>(728,680)</u>	<u>189,308</u>	<u>1,266,892</u>
Fund Balances - End of Year	<u>\$ (276,951)</u>	<u>\$ (213,251)</u>	<u>\$ (894,724)</u>	<u>\$ (921,985)</u>	<u>\$ 1,266,892</u>

Continued on next page.

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Nonmajor Governmental Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance
Year Ended May 31, 2022

	Debt Service Funds	
	Sinking Fund	Total
Revenues:		
Taxes	\$ -	\$ 5,203,889
Intergovernmental	-	3,064,775
Charges for Services	-	2,959,888
Fines & Forfeits	-	28,298
Miscellaneous	-	709,496
Total Revenues	<u>\$ -</u>	<u>\$ 11,966,346</u>
Expenditures:		
Current-		
General Government	\$ -	\$ 1,257,754
Public Safety	-	759,350
Streets & Sanitation	-	1,831,956
Water, Sewer & Utilities	-	97,062
Economic Development	-	5,417,873
Recreation & Culture	-	47,518
Health & Welfare	-	-
Debt Service	-	1,441,864
Total Expenditures	<u>\$ -</u>	<u>\$ 10,853,377</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ -</u>	<u>\$ 1,112,969</u>
Other Financing Sources (Uses):		
Insurance Proceeds	\$ -	\$ -
Debt Proceeds	-	-
Sale of Assets	-	11,294
Transfer In	-	5,348,578
Transfer Out	-	(3,537,382)
Total Other Financing	<u>\$ -</u>	<u>\$ 1,822,490</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ -</u>	<u>\$ 2,935,459</u>
Fund Balances - Beginning of Year	<u>297,170</u>	<u>3,731,589</u>
Fund Balances - End of Year	<u>\$ 297,170</u>	<u>\$ 6,667,048</u>

See independent auditors' report and notes to the financial statements.

City of Natchitoches, Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended May 31, 2022

<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	21.019	\$ 3,233,434	\$ 325,082
Department of Transportation			
Federal Aviation Administration	20.106	2,118,053	2,118,053
Federal Aviation Administration - Cares Act	20.106	13,000	13,000
Department of Homeland Security			
Federal Emergency Management Agency	97.036	<u>623,933</u>	<u>623,933</u>
Total		<u>\$ 5,988,420</u>	<u>\$ 3,080,068</u>

City of Natchitoches, Louisiana
Notes to the Expenditures of Federal Awards
May 31, 2022

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, 2022. 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

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

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, 2022, 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 18, 2022.

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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
Natchitoches, Louisiana

November 18, 2022

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**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, 2022. 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, 2022.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of 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 18, 2022

City of Natchitoches, Louisiana
Schedule of Findings and Questioned Costs
Year Ended May 31, 2022

I. SUMMARY OF AUDIT RESULTS

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

1. 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; however, 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, 2022.
2. The audit disclosed no material weaknesses in internal control.
3. The audit disclosed no instances 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 program was major for the year ended December 31, 2021:
 - Federal Aviation Administration – CFDA# 20.106
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.

II. FINDINGS IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

None.

III. PRIOR YEAR FINDINGS

2021-001 Cash Balance Unsecured

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

Status - This condition is cleared as of May 31, 2022.

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**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, 2021 through May 31, 2022. 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, 2021 through May 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user 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

1. We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories (or noted that the entity does not have any written policies and procedures), as applicable:
 - ***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 City fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, City fund forfeiture monies confirmation.)

- ***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 City fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, City 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 schedule.
- ***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, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ***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) City responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

a) Procedure Results - We noted no exceptions.

Board or Finance Committee

2. We obtained and inspected the board 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 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 monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.

- Obtained the prior year audit report and observed the unassigned fund balance in the General Fund. If the General Fund had a negative ending unrestricted fund balance 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 unassigned fund balance in the General Fund.

a) Procedure Results - We noted no exceptions.

Bank Reconciliations

3. We obtained a listing of client 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, and 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 include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g. initialed and dated, electronically logged); and
- 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.

a) Procedure Results - We noted one exception. Bank reconciliations did not include evidence that they were prepared within two months of the related statement closing date.

Collections (excluding electronic funds transfers)

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/check/money order (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, 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 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 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 City 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 enforced 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.
- a) Procedure Results - We noted no exceptions.

Non-Payroll Disbursements – General (excluding card purchases/payments, 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 (up to five).
9. For each location selected under #8 above, obtain 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 City has no written policies and procedures, inquire 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/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.
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 matched the related original itemized invoice and that documentation indicates that deliverables included on the invoice were received by the entity.

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

a) Procedure Results - We noted no exceptions.

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

11. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
12. 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.
13. 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 (1) an original itemized receipt that identified precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, 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.

a) Procedure Results - We noted no exceptions.

Travel and Expense Reimbursement

14. 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 five 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 five 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).
 - 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 #1h).

- We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

a) Procedure Results - We noted no exceptions.

Contracts

15. We obtained from management a listing of all agreements/contracts for professional services, materials, and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. We obtained management's representation that the listing is complete. We randomly selected the required amount of contracts (up to five) 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 that 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 was approval documented).
- 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.

a) Procedure Results - We noted no exceptions.

Payroll and Personnel

16. 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 five employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

17. We randomly selected one pay period during the fiscal period. For the five employees/officials selected under #16 above, we obtained attendance 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/officials.
- We observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

18. We observed that the rate paid to the employees or officials agree to the authorized salary/pay rate found with the personnel file. 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 policy on termination payments. If applicable, we agreed the hours to the employees or officials' cumulative leave records, and the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and the termination payment to entity policy.

19. 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, workers' compensation premiums, etc.) have been paid, and associated forms have been filed, by required deadlines.

a) Procedure Results - We noted no exceptions.

Ethics

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

- We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- 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.

a) Procedure Results - We noted no exceptions.

Debt Service

21. 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 bond/note issued.
22. 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).

a) Procedure Results - We noted no exceptions.

Fraud Notice

23. 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.
24. 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.

a) Procedure Results - We noted no exceptions.

Information Technology Disaster Recovery/Business Continuity

25. 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 occurred within the past week. If backups are stored on the physical medium (e.g., tapes, CDs), we observed that backups are encrypted before being transported.

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

a) Procedure Results - We performed the procedures and discussed the results with management.

Sexual Harassment

26. We randomly selected the employees/officials from procedure #16 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.
27. 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).
28. 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 City who have completed the training requirements;
 - Number of sexual harassment complaints received by the City;
 - 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.

a) Procedure Results - We noted no exceptions.

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

We are required to be independent of the City 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

November 18, 2022

MANAGEMENT'S RESPONSE TO EXCEPTIONS:

Exception - Bank reconciliations did not include evidence that they were prepared within two months of the related statement closing date.

Response - We will ensure that bank reconciliation are performed within the required time limit.

APPENDIX C

**UNAUDITED PROFIT & LOSS FOR THE CITY'S UTILITY FUND
(FISCAL YEAR ENDING MAY 31, 2023)**

CITY OF NATCHITOCHEs

FUND 002 UTILITY		ACCOUNT	*****	CURRENT	*****	*****	YEAR-TO-DATE	*****	ANNUAL	UNREALIZED
ACCOUNT		DESCRIPTION	ESTIMATED	ACTUAL	%REV	ESTIMATED	ACTUAL	%REV	ESTIMATE	BALANCE
430		STATE								
431		LOCAL								
431	**	LOCAL	0	.00		0	.00		0	.00
432		STATE								
432	**	STATE	0	.00		0	.00		0	.00
433		FEDERAL								
433	**	FEDERAL	0	.00		0	.00		0	.00
430	***	STATE	0	.00		0	.00		0	.00
440		CHARGES FOR SERVICES								
442		RECREATION								
442	**	RECREATION	0	.00		0	.00		0	.00
449		CHARGES FOR SERVICES								
449	**	CHARGES FOR SERVICES	0	.00		0	.00		0	.00
440	***	CHARGES FOR SERVICES	0	.00		0	.00		0	.00
460		RENT & USE OF PROPERTY								
460	04 02	HAY LEASE	0	.00		0	1,250.00		0	1,250.00-
	04 *	RENT & USE OF PROPERTY	0	.00		0	1,250.00		0	1,250.00-
	09 01	CENTENNIAL	1,350	.00		16,200	.00		16,200	16,200.00
	09 02	AT&T (CINGULAR)	3,337	3,815.96	114	40,000	45,140.75	113	40,000	5,140.75-
	09 03	VERIZON (ALLTELL)	3,337	1,500.00	45	40,000	43,242.28	108	40,000	3,242.28-
	09 04	CLEARVIEW (F&D TOWER)	924	.00		11,000	11,353.39	103	11,000	353.39-
	09 07	CONTERRA ULTRA BROADBAND	0	32,389.56		0	32,389.56		0	32,389.56-
	09 *	TOWER LEASE	8,948	37,705.52	421	107,200	132,125.98	123	107,200	24,925.98-
460	**		8,948	37,705.52	421	107,200	133,375.98	124	107,200	26,175.98-
461		UTILITY								
	01 01	ELECTRIC SALES - PUBLIC	2,166,674	1,312,290.01	61	26,000,000	30,194,220.40	116	26,000,000	4,194,220.40-
	01 02	ELECTRIC SALES-MUNICIPAL	41,674	32,373.13	78	500,000	583,724.49	117	500,000	83,724.49-
	01 04	ELECTRIC SALES - MISC.	87	.00		1,000	.00		1,000	1,000.00
	01 07	ELECTRIC CONNECTION FEE	424	125.00	30	5,000	9,544.65	191	5,000	4,544.65-
	01 *	UTILITY	2,208,859	1,344,788.14	61	26,506,000	30,787,489.54	116	26,506,000	4,281,489.54-

CITY OF NATCHITOCHES
REVENUE REPORT
100% OF YEAR LAPSED

ACCOUNTING PERIOD 12/2023

CITY OF NATCHITOCHES

FUND 002 UTILITY									
ACCOUNT	ACCOUNT DESCRIPTION	***** ESTIMATED	CURRENT ACTUAL	***** %REV	***** ESTIMATED	YEAR-TO-DATE ACTUAL	***** %REV	ANNUAL ESTIMATE	UNREALIZED BALANCE
02 00	SECURITY LIGHTS	5,837	6,614.55	113	70,000	76,440.94	109	70,000	6,440.94-
02 01	POLE & FIXTURE SALES	49	32.00	65	500	1,921.42	384	500	1,421.42-
02 *	SECURITY LIGHTS	5,886	6,646.55	113	70,500	78,362.36	111	70,500	7,862.36-
03 01	WATER SALES	391,674	312,250.67	80	4,700,000	4,909,666.90	105	4,700,000	209,666.90-
03 02	WATER METER SALES	1,674	1,790.00	107	20,000	35,908.50	180	20,000	15,908.50-
03 05	BULK WATER SALES	625	679.99	109	7,500	18,177.84	242	7,500	10,677.84-
03 06	DEPT OF HEALTH & HOSPITAL	9,174	9,265.00	101	110,000	111,380.00	101	110,000	1,380.00-
03 07	WATER SALES-MUNICIPAL	2,087	3,372.50	162	25,000	27,278.00	109	25,000	2,278.00-
03 08	WATER LINE LEASE	125	.00		1,500	.00		1,500	1,500.00
03 09	SPRINKLER - MUNICIPAL	25	9.50	38	300	114.00	38	300	186.00
03 *	UTILITY	405,384	327,367.66	81	4,864,300	5,102,525.24	105	4,864,300	238,225.24-
05 01	SEWER SALES	208,337	163,195.28	78	2,500,000	2,709,989.08	108	2,500,000	209,989.08-
05 02	SEWER SALES - MISC.	299	.00		3,500	.00		3,500	3,500.00
05 *	UTILITY	208,636	163,195.28	78	2,503,500	2,709,989.08	108	2,503,500	206,489.08-
06 00	ELECTRIC LINE/POLE RENTAL	4,174	.00		50,000	110,412.06	221	50,000	60,412.06-
06 *	ELECTRIC LINE/POLE RENTAL	4,174	.00		50,000	110,412.06	221	50,000	60,412.06-
07 00	SEWER SALES-MUNICIPAL	337	1,358.50	403	4,000	6,439.50	161	4,000	2,439.50-
461 **	UTILITY	2,833,276	1,843,356.13	65	33,998,300	38,795,217.78	114	33,998,300	4,796,917.78-
462	UTILITY								
01 00	NEW ACCOUNT SERVICE CHG	2,087	1,800.00	86	25,000	22,090.00	88	25,000	2,910.00
02 00	MISC. SERVICE CHARGES	0	.00		0	100.00		0	100.00-
03 00	PENALTY	25,000	32,487.15	130	300,000	469,965.76	157	300,000	169,965.76-
04 00	RECONNECT FEES	5,000	7,950.00	159	60,000	94,480.00	158	60,000	34,480.00-
05 00	TRANSFER SERVICE CHARGE	674	675.00	100	8,000	7,200.00	90	8,000	800.00
06 00	BILLING HISTORY CHARGE	87	.00		1,000	1,300.00	130	1,000	300.00-
07 00	TAMPERING FEES	87	200.00	230	1,000	1,800.00	180	1,000	800.00-
08 00	NSF CHECK CHARGE	125	1,125.00	900	1,500	4,600.00	307	1,500	3,100.00-
10 00	AFTER HOUR FEE	0	.00		0	455.00		0	455.00-
462 **	UTILITY	33,060	44,237.15	134	396,500	601,990.76	152	396,500	205,490.76-
460 ***	RENT & USE OF PROPERTY	2,875,284	1,925,298.80		34,502,000	39,530,584.52		34,502,000	5,028,584.52-
470	REVENUE								
471	NON-EMPL PENSION REVENUE								
471 **	NON-EMPL PENSION REVENUE	0	.00		0	.00		0	.00
470 ***	REVENUE	0	.00		0	.00		0	.00

PREPARED 10/11/2023, 16:37:21
PROGRAM: GM259L

CITY OF NATCHITOCHESES
REVENUE REPORT
100% OF YEAR LAPSED

PAGE 3

ACCOUNTING PERIOD 12/2023

CITY OF NATCHITOCHESES

FUND 002		UTILITY								
ACCOUNT		ACCOUNT DESCRIPTION	***** ESTIMATED	CURRENT ACTUAL	***** %REV	***** ESTIMATED	YEAR-TO-DATE ACTUAL	***** %REV	ANNUAL ESTIMATE	UNREALIZED BALANCE
480		MISCELLANEOUS INCOME								
481		MISCELLANEOUS INCOME								
	00 00	MISCELLANEOUS INCOME	49	.00		500	215.87	43	500	284.13
	03 00	BAD DEBTS RECOVERED	174	.00		2,000	1,815.96	91	2,000	184.04
	04 00	SALE OF CITY PROPERTY	0	.00		0	25.00		0	25.00-
481	**	MISCELLANEOUS INCOME	223	.00		2,500	2,056.83	82	2,500	443.17
482		INTEREST								
	00 00	INTEREST	1,750	1,860.21	106	21,000	19,856.92	95	21,000	1,143.08
	01 01	BOND PROCEEDS	0	27,174.33		0	112,099.33		0	112,099.33-
482	**	INTEREST	1,750	29,034.54	1659	21,000	131,956.25	628	21,000	110,956.25-
483		INSURANCE RECOVERY								
	00 00	INSURANCE RECOVERY	1,250	250.00	20	15,000	4,321.50	29	15,000	10,678.50
	01 01	WORKMANS COMP RECOVERY	174	.00		2,000	.00		2,000	2,000.00
483	**	INSURANCE RECOVERY	1,424	250.00	18	17,000	4,321.50	25	17,000	12,678.50
484		HEALTH INSURANCE								
484	**	HEALTH INSURANCE	0	.00		0	.00		0	.00
487		GAIN IN ASSETS								
487	**	GAIN IN ASSETS	0	.00		0	.00		0	.00
488		CONTRIBUTIONS/OTHER FUNDS								
488	**	CONTRIBUTIONS/OTHER FUNDS	0	.00		0	.00		0	.00
480	***	MISCELLANEOUS INCOME	3,397	29,284.54		40,500	138,334.58		40,500	97,834.58-
490		TRANSFERS								
491		TRANSFERS								
	02 00	UTILITY FUND	382,305	.00		4,617,865	.00		4,617,865	4,617,865.00
	02 *	UTILITY FUND	382,305	.00		4,617,865	.00		4,617,865	4,617,865.00
	03 12	Workmens' Compensation	0	.00		0	27,025.00		0	27,025.00-
	74 00	WATER/SEWER PROJ SALES TX	112,500	.00		1,350,000	1,237,500.00	92	1,350,000	112,500.00
491	**	TRANSFERS	494,805	.00		5,967,865	1,264,525.00	21	5,967,865	4,703,340.00
490	***	TRANSFERS	494,805	.00		5,967,865	1,264,525.00		5,967,865	4,703,340.00
FUND TOTAL	UTILITY		3,373,486	1,954,583.34		40,510,365	40,933,444.10		40,510,365	423,079.10-
GRAND TOTAL			3,373,486	1,954,583.34		40,510,365	40,933,444.10		40,510,365	423,079.10-

REPORT SELECTIONS

Fiscal year : 2023
Fund : 002
All Departments
All Divisions
Suppress accounts with zero balances : Y

FUND 002 UTILITY											
DEPT/DIV 6000 UTILITY ADMINISTRATION/											
*****CURRENT***** YEAR-TO-DATE*****											
BA ELE OBJ	ACCOUNT								ANNUAL	UNENCUMB.	%
SUB SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT
60	UTILITY ADMINISTRATION										
600	UTILITY ADMINISTRATION										
10	WAGES AND SALARIES										
10 01	ADMINISTRATIVE	14243	21121.70	148	170850	162774.50	95	.00	170850	8075.50	95
10 02	NON-ADMINISTRATIVE	15819	24870.66	157	189740	189662.61	100	.00	189740	77.39	100
10 13	SAFETY AWARDS	337	.00	0	4000	3551.52	89	.00	4000	448.48	89
10 25	STANDBY/DRIVE TIME	500	672.78	135	6000	6226.59	104	.00	6000	226.59	104
10 50	OVERTIME	424	540.11	127	5000	3821.02	76	.00	5000	1178.98	76
10 51	SEPERATION PAY	3250	.00	0	39000	.00	0	.00	39000	39000.00	0
10 **	WAGES AND SALARIES	34573	47205.25	137	414590	366036.24	88	.00	414590	48553.76	88
11	BENEFITS										
11 01	MUNICIPAL RETIREMENT	8337	11840.70	142	100000	102241.86	102	.00	100000	2241.86	102
11 12	FICA/MEDICARE	443	631.73	143	5250	4899.20	93	.00	5250	350.80	93
11 13	GROUP HEALTH INSURANCE	6585	7251.78	110	78987	57485.27	73	.00	78987	21501.73	73
11 14	WORKERS COMPENSATION	250	383.93	154	3000	2952.89	98	.00	3000	47.11	98
11 16	LIFE INSURANCE	125	205.46	164	1500	1503.79	100	.00	1500	3.79	100
11 **	BENEFITS	15740	20313.60	129	188737	169083.01	90	.00	188737	19653.99	90
20	CONTRACTUAL SERVICES										
20 15	PEST CONTROL	87	38.73	45	1000	536.92	54	.00	1000	463.08	54
20 17	COMPUTER / SOFTWARE	299	613.80	205	3500	2447.13	70	.00	3500	1052.87	70
20 99	OTHER	1784	600.00	34	14500	10490.00	72	.00	14500	4010.00	72
20 **	CONTRACTUAL SERVICES	2170	1252.53	58	19000	13474.05	71	.00	19000	5525.95	71
25	UTILITIES										
25 01	TELECOMMUNICATIONS	500	685.95	137	6000	4264.51	71	26.17	6000	1709.32	72
25 02	ELECTRIC	500	527.78	106	6000	7093.33	118	.00	6000	1093.33	118
25 **	UTILITIES	1000	1213.73	121	12000	11357.84	95	26.17	12000	615.99	95
26	REPAIRS AND MAINTENANCE										
26 01	VEHICLES	31	.00	0	350	.00	0	.00	350	350.00	0
26 03	BUILDINGS AND GROUNDS	3750	.00	0	0	.00	0	.00	0	.00	0
26 04	OFFICE EQUIPMENT	750	.00	0	0	.00	0	.00	0	.00	0
26 22	OTHER EQUIPMENT	49	.00	0	500	.00	0	.00	500	500.00	0
26 24	MAINTENANCE CONTRACTS	174	366.52	211	2000	1991.99	100	.00	2000	8.01	100
26 **	REPAIRS AND MAINTENANCE	4246	366.52	9	2850	1991.99	70	.00	2850	858.01	70
30	MATERIALS AND SUPPLIES										
30 01	OFFICE SUPPLIES	250	27.59	11	3000	1489.29	50	.00	3000	1510.71	50
30 02	POSTAGE	50	22.92	46	600	125.83	21	.00	600	474.17	21
30 03	FUEL EXPENSE	500	704.94	141	6000	3735.68	62	.00	6000	2264.32	62
30 06	UNIFORMS	174	101.91	59	2000	899.75	45	.00	2000	1100.25	45
30 11	CHEMICALS	492	.00	0	0	.00	0	.00	0	.00	0
30 13	BUILDINGS & GROUNDS MAINT	750	.00	0	2	1.07	54	.00	2	.93	54
30 15	VEHICLE	25	.00	0	300	.00	0	.00	300	300.00	0
30 16	TOOLS & EQUIPMENT	87	199.99	230	1000	219.42	22	.00	1000	780.58	22
30 17	JANITORIAL	576	119.00	21	500	280.44	56	.00	500	219.56	56
30 21	FOOD & FOOD SUPPLIES	174	297.70	171	2000	1546.09	77	.00	2000	453.91	77
30 22	MEDICAL	12	8.12	68	100	8.12	8	.00	100	91.88	8

FUND 002 UTILITY			DEPT/DIV 6000 UTILITY ADMINISTRATION/									
BA ELE OBJ			*****CURRENT*****			*****YEAR-TO-DATE*****				ANNUAL	UNENCUMB.	%
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT

60		UTILITY ADMINISTRATION										
600		UTILITY ADMINISTRATION										
	30 24	FURNITURE-NON ASSET	375-	.00	0	0	.00	0	.00	0	.00	0
	30 25	MACHINE & EQUIP-NON-ASSET	375-	.00	0	0	.00	0	.00	0	.00	0
	30 29	COMPUTER SOFTWARE	625-	.00	0	0	.00	0	.00	0	.00	0
	30 31	DATA PROCESSING EQUIPMENT	424	1260.79	297	5000	4539.88	91	.00	5000	460.12	91
	30 **	MATERIALS AND SUPPLIES	1497-	2742.96	183-	20502	12845.57	63	.00	20502	7656.43	63
	35	OPERATING SERVICES										
	35 16	PROMOTIONAL	12	.00	0	100	.00	0	.00	100	100.00	0
	35 17	MEDICAL/DRUG TESTING/PHYS	12	.00	0	100	.00	0	.00	100	100.00	0
	35 37	DUES	201-	.00	0	0	.00	0	.00	0	.00	0
	35 38	PRINTING & BINDING	49	.00	0	500	102.45	21	.00	500	397.55	21
	35 42	LICENSES & PERMITS	18	.00	0	150	25.88	17	.00	150	124.12	17
	35 60	RENTALS/EQUIP/MACHINERY	622-	.00	0	0	.00	0	.00	0	.00	0
	35 **	OPERATING SERVICES	732-	.00	0	850	128.33	15	.00	850	721.67	15
	40	OTHER EXPENSES										
	40 02	TRAVEL/PER DIEM/HOTEL	375-	.00	0	500	.00	0	.00	500	500.00	0
	40 **	OTHER EXPENSES	375-	.00	0	500	.00	0	.00	500	500.00	0
600	** **	UTILITY ADMINISTRATION	46633	73094.59	157	659029	574917.03	87	26.17	659029	84085.80	87
60	** **	UTILITY ADMINISTRATION	46633	73094.59	157	659029	574917.03	87	26.17	659029	84085.80	87
DIV	6000	TOTAL *****										
		UTILITY ADMINISTRATION	46633	73094.59	157	659029	574917.03	87	26.17	659029	84085.80	87
DEPT	60	TOTAL *****										
		UTILITY ADMINISTRATION	46633	73094.59	157	659029	574917.03	87	26.17	659029	84085.80	87

FUND 002 UTILITY		DEPT/DIV 6100 WATER/										
BA	ELE	OBJ	ACCOUNT	*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT

61		WATER										
610		WATER										
	10	WAGES AND SALARIES										
	10 01	ADMINISTRATIVE	6418	9064.57	141	76950	71138.10	92	.00	76950	5811.90	92
	10 02	NON-ADMINISTRATIVE	35601	46950.62	132	427091	369597.74	87	.00	427091	57493.26	87
	10 09	PART TIME	1674	.00	0	20000	.00	0	.00	20000	20000.00	0
	10 13	SAFETY AWARDS	424	.00	0	5000	4558.88	91	.00	5000	441.12	91
	10 22	HOLIDAY-PLANT	1250	181.10	15	15000	13691.34	91	.00	15000	1308.66	91
	10 25	STANDBY/DRIVE TIME	837	1299.95	155	10000	10294.41	103	.00	10000	294.41	103
	10 50	OVERTIME	4174	9061.17	217	50000	65333.54	131	.00	50000	15333.54	131
	10 51	SEPERATION PAY	4174	1291.79	31	50000	1291.79	3	.00	50000	48708.21	3
	10 **	WAGES AND SALARIES	54552	67849.20	124	654041	535905.80	82	.00	654041	118135.20	82
	11	BENEFITS										
	11 01	MUNICIPAL RETIREMENT	12500	16577.92	133	150000	134056.03	89	.00	150000	15943.97	89
	11 12	FICA/MEDICARE	549	928.15	169	6500	6967.92	107	.00	6500	467.92	107
	11 13	GROUP HEALTH INSURANCE	6250	9533.17	153	75000	77458.35	103	.00	75000	2458.35	103
	11 14	WORKERS COMPENSATION	2424	3520.54	145	29000	26657.16	92	.00	29000	2342.84	92
	11 16	LIFE INSURANCE	134	227.39	170	1608	1686.44	105	.00	1608	78.44	105
	11 **	BENEFITS	21857	30787.17	141	262108	246825.90	94	.00	262108	15282.10	94
	20	CONTRACTUAL SERVICES										
	20 03	ENGINEERING SERVICES	550	.00	0	0	.00	0	.00	0	.00	0
	20 04	CONSULANTS	2500	6481.25	259	30000	29110.65	97	.00	30000	889.35	97
	20 09	LANDFILL	1200	.00	0	0	.00	0	.00	0	.00	0
	20 15	PEST CONTROL	24	.00	0	200	.00	0	.00	200	200.00	0
	20 17	COMPUTER SOFTWARE MAINT.	137	.00	0	1600	1600.00	100	.00	1600	.00	100
	20 **	CONTRACTUAL SERVICES	911	6481.25	711	31800	30710.65	97	.00	31800	1089.35	97
	25	UTILITIES										
	25 01	TELECOMMUNICATIONS	212	465.81	220	2500	3456.15	138	26.16	2500	982.31	139
	25 02	ELECTRIC	16674	14391.07	86	200000	255111.15	128	.00	200000	55111.15	128
	25 03	WATER AND SEWER	0	9.50	0	0	204.00	0	.00	0	204.00	0
	25 04	GAS	49	72.80	149	500	436.12	87	.00	500	63.88	87
	25 **	UTILITIES	16935	14939.18	88	203000	259207.42	128	26.16	203000	56233.58	128
	26	REPAIRS AND MAINTENANCE										
	26 01	VEHICLES	837	441.64	53	10000	6441.45	64	.00	10000	3558.55	64
	26 03	BUILDINGS AND GROUNDS	4726	.00	0	800	800.00	100	.00	800	.00	100
	26 10	RADIO EQUIPMENT	174	.00	0	2000	.00	0	.00	2000	2000.00	0
	26 11	DATA PROCESSING EQUIPMENT	625	.00	0	7500	543.75	7	.00	7500	6956.25	7
	26 17	MAINTENANCE LINES	3334	5582.50	167	100000	91008.75	91	.00	100000	8991.25	91
	26 18	WATER TANK MAINTENANCE	5003	17300.00	346	90000	43950.00	49	.00	90000	46050.00	49
	26 19	WATER PUMP STATION MAINT.	2087	.00	0	25000	20842.00	83	.00	25000	4158.00	83
	26 21	METERS	2326	.00	0	0	.00	0	.00	0	.00	0
	26 22	OTHER EQUIPMENT	997	4502.58	452	25000	20497.42	82	.00	25000	4502.58	82
	26 27	WATER	3750	.00	0	45000	38756.50	86	.00	45000	6243.50	86
	26 29	SIBLEY LAKE EQUIPMENT	3674	360.00	10	48500	41986.00	87	.00	48500	6514.00	87
	26 36	ANNUAL GENERATOR MAINT.	1000	.00	0	12000	9270.75	77	.00	12000	2729.25	77
	26 37	FIRE HYDRANTS	7500	4125.00	55	90000	63575.00	71	.00	90000	26425.00	71

FUND 002 UTILITY			DEPT/DIV 6100 WATER/									
BA ELE OBJ			*****CURRENT*****			*****YEAR-TO-DATE*****						
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	UNENCUMB.	%

61		WATER										
610		WATER										
	26 **	REPAIRS AND MAINTENANCE	13267	23306.56	176	455800	337671.62	74	.00	455800	118128.38	74
	30	MATERIALS AND SUPPLIES										
	30 01	OFFICE SUPPLIES	87	146.67	169	1000	590.28	59	.00	1000	409.72	59
	30 02	POSTAGE	12	.00	0	100	.00	0	.00	100	100.00	0
	30 03	FUEL EXPENSE	3587	4987.29	139	43000	37206.27	87	.00	43000	5793.73	87
	30 06	UNIFORMS	212	239.98	113	2500	1741.48	70	.00	2500	758.52	70
	30 10	STREET MATERIALS	416-	.00	0	10000	4175.92	42	1314.04	10000	4510.04	55
	30 11	CHEMICALS	200937	229329.30	114	1735200	1724649.72	99	18097.83-	1735200	28648.11	98
	30 13	BLDG & GROUND MAINTENANCE	87	.00	0	1000	591.76	59	.00	1000	408.24	59
	30 14	PLANT	174	.00	0	2000	349.90	18	.00	2000	1650.10	18
	30 15	VEHICLES	250	938.74	376	3000	6555.43	219	.00	3000	3555.43-	219
	30 16	TOOLS AND EQUIPMENT	1337	1029.33	77	16000	17515.23	110	.00	16000	1515.23-	110
	30 17	JANITORIAL	250	232.78	93	3000	2171.25	72	.00	3000	828.75	72
	30 21	FOOD & FOOD SUPPLIES	125	106.87	86	1500	1948.05	130	.00	1500	448.05-	130
	30 22	MEDICAL	37	53.90	146	400	244.30	61	.00	400	155.70	61
	30 24	FURNITURE/NON ASSET	174	.00	0	2000	327.74	16	.00	2000	1672.26	16
	30 25	MACHINERY/EQUIP NON ASSET	2250-	.00	0	8000	6307.72	79	.00	8000	1692.28	79
	30 30	FREIGHT EXPENSE	49	.00	0	500	.00	0	.00	500	500.00	0
	30 31	DATA PROCESSING EQUIPMENT	337	.00	0	4000	647.64	16	.00	4000	3352.36	16
	30 41	MAINTENANCE LINES	18877	22700.94	120	259540	266393.82	103	.00	259540	6853.82-	103
	30 42	WATER TANK	837	.00	0	10000	4987.36	50	.00	10000	5012.64	50
	30 43	WATER PUMP STATION	3247-	.00	0	5000	4695.02	94	.00	5000	304.98	94
	30 45	METERS	4587	4777.70	104	55000	36246.56	66	.00	55000	18753.44	66
	30 46	OTHER EQUIPMENT	250	.00	0	3000	1052.02	35	.00	3000	1947.98	35
	30 47	WATER PLANT	4337	5134.96	118	88000	79014.55	90	.00	88000	8985.45	90
	30 49	SIBLE LAKE/EQUIPMENT	6000-	.00	0	7000	4486.38	64	.00	7000	2513.62	64
	30 **	MATERIALS AND SUPPLIES	224630	269678.46	120	2260740	2201898.40	97	16783.79-	2260740	75625.39	97
	35	OPERATING SERVICES										
	35 02	PUBLICATIONS & SUBSCRIPTI	926-	.00	0	200-	.00	0	.00	200-	200.00-	0
	35 16	PROMOTIONAL/IMPROVEMENTS	12	.00	0	100	.00	0	.00	100	100.00	0
	35 17	MEDICAL/DRUG TESTING/PHYS	87	.00	0	1000	155.00	16	.00	1000	845.00	16
	35 31	EQUIPMENT INSPECTIONS	5526-	.00	0	900	91.00	10	.00	900	809.00	10
	35 35	ADVERTISING	174	280.00	161	2000	1754.06	88	.00	2000	245.94	88
	35 37	DUES	37	.00	0	400	400.00	100	.00	400	.00	100
	35 38	PRINTING AND BINDING	24	.00	0	200	.00	0	.00	200	200.00	0
	35 41	TRAINING/TESTING	174	450.00	259	2000	1805.00	90	.00	2000	195.00	90
	35 42	LICENSES & PERMITS	500	647.52	130	6000	6235.32	104	.00	6000	235.32-	104
	35 44	CREDIT CARD FEES	3	.00	0	25	.00	0	.00	25	25.00	0
	35 60	RENTALS OF EQUIP/MACHINER	2816	3069.61	109	23000	17506.55	76	43.20-	23000	5536.65	76
	35 62	DEQ/EPA TESTING	40424	37976.81	94	155000	162470.64	105	.00	155000	7470.64-	105
	35 77	BACK FLOW PREVENTER PROGA	576-	.00	0	0	.00	0	.00	0	.00	0
	35 78	STREET IMPROVE/STRIPING	750-	.00	0	0	.00	0	.00	0	.00	0
	35 **	OPERATING SERVICES	36473	42423.94	116	190425	190417.57	100	43.20-	190425	50.63	100

FUND 002 UTILITY				DEPT/DIV 6100 WATER/			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%
BA	ELE	OBJ	ACCOUNT	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT		
SUB		SUB	DESCRIPTION												

61			WATER												
610			WATER												
	40		OTHER EXPENSES												
	40	02	TRAVEL/PER DIEM/HOTEL	174	.00	0	2000	1834.50	92	.00	2000	165.50	92		
	40	**	OTHER EXPENSES	174	.00	0	2000	1834.50	92	.00	2000	165.50	92		
	45		TRANSFER OUT												
	45	21	LCDBG-POWHTTAN WATER	22924	275000.00	1200	275000	275000.00	100	.00	275000	.00	100		
	45	**	TRANSFER OUT	22924	275000.00	1200	275000	275000.00	100	.00	275000	.00	100		
	89		LEASES												
	89	20	SCADA SYSTEM	247-	2750.00	1113-	18000	17059.40	95	.00	18000	940.60	95		
	89	**	LEASES	247-	2750.00	1113-	18000	17059.40	95	.00	18000	940.60	95		
	90		CAPITAL ASSETS												
	90	02	MACHINERY & EQUIPMENT	194107-	.00	0	50183	43118.00	86	.00	50183	7065.00	86		
	90	03	VEHICLES	6250	.00	0	75000	74187.25	99	.00	75000	812.75	99		
	90	**	CAPITAL ASSETS	187857-	.00	0	125183	117305.25	94	.00	125183	7877.75	94		
610	**	**	WATER	203619	733215.76	360	4478097	4213836.51	94	16800.83-	4478097	281061.32	94		
61	**	**	WATER	203619	733215.76	360	4478097	4213836.51	94	16800.83-	4478097	281061.32	94		
DIV	6100	TOTAL	*****												
		WATER		203619	733215.76	360	4478097	4213836.51	94	16800.83-	4478097	281061.32	94		
DEPT	61	TOTAL	*****												
		WATER		203619	733215.76	360	4478097	4213836.51	94	16800.83-	4478097	281061.32	94		

FUND 002 UTILITY			DEPT/DIV 6200 SEWER/			*****YEAR-TO-DATE*****			ENCUMBR.	ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
BA ELE	OBJ	ACCOUNT DESCRIPTION	*****CURRENT***** BUDGET	*****CURRENT***** ACTUAL	*****CURRENT***** %EXP	BUDGET	ACTUAL	%EXP				
62		SEWER										
620		SEWER										
	10	WAGES AND SALARIES										
	10 02	NON-ADMINISTRATIVE	44846	72967.64	163	538119	566112.22	105	.00	538119	27993.22-	105
	10 09	PART TIME	837	.00	0	10000	.00	0	.00	10000	10000.00	0
	10 13	SAFETY AWARDS	549	.00	0	6500	7483.56	115	.00	6500	983.56-	115
	10 25	STANDBY/DRIVE TIME	2500	3776.84	151	30000	25328.17	84	.00	30000	4671.83	84
	10 50	OVERTIME	3750	2883.65	77	45000	20742.35	46	.00	45000	24257.65	46
	10 51	SEPERATION PAY	2500	.00	0	30000	348.75	1	.00	30000	29651.25	1
	10 **	WAGES AND SALARIES	54982	79628.13	145	659619	620015.05	94	.00	659619	39603.95	94
	11	BENEFITS										
	11 01	MUNICIPAL RETIREMENT	12924	21525.43	167	155000	167003.14	108	.00	155000	12003.14-	108
	11 12	FICA/MEDICARE	775	1098.21	142	9300	8548.68	92	.00	9300	751.32	92
	11 13	GROUP HEALTH INSURANCE	8924	12880.61	144	107000	105360.51	99	.00	107000	1639.49	99
	11 14	WORKERS COMPENSATION	2970	4323.90	146	35607	33260.44	93	.00	35607	2346.56	93
	11 16	LIFE INSURANCE	174	313.44	180	2000	2340.52	117	.00	2000	340.52-	117
	11 **	BENEFITS	25767	40141.59	156	308907	316513.29	103	.00	308907	7606.29-	103
	20	CONTRACTUAL SERVICE										
	20 03	ENGINEERING SERVICE	1250	.00	0	15000	.00	0	.00	15000	15000.00	0
	20 09	LANDFILL	8337	22864.00	274	100000	99382.15	99	.00	100000	617.85	99
	20 15	PEST CONTROL	30	38.73	129	250	154.92	62	.00	250	95.08	62
	20 **	CONTRACTUAL SERVICE	9617	22902.73	238	115250	99537.07	86	.00	115250	15712.93	86
	25	UTILITIES										
	25 01	TELECOMMUNICATIONS	337	587.35	174	4000	3638.31	91	26.17	4000	335.52	92
	25 02	ELECTRIC	20837	38520.21	185	250000	279246.15	112	.00	250000	29246.15-	112
	25 03	WATER AND SEWER	100	106.00	106	1200	614.50	51	.00	1200	585.50	51
	25 04	GAS	174	255.34	147	2000	2227.77	111	.00	2000	227.77-	111
	25 **	UTILITIES	21448	39468.90	184	257200	285726.73	111	26.17	257200	28552.90-	111
	26	REPAIRS AND MAINTENANCE										
	26 01	VEHICLES	1250	1875.21	150	15000	13448.79	90	293.77	15000	1257.44	92
	26 03	BUILDINGS AND GROUNDS	250	.00	0	3000	.00	0	.00	3000	3000.00	0
	26 10	RADIO EQUIPMENT	25	.00	0	300	.00	0	.00	300	300.00	0
	26 15	Sewer Distrib. System	48750	59950.00	123	93000	85464.25	92	.00	93000	7535.75	92
	26 16	Sewer Lift Station	15126-	900.00	6-	26540	19995.97	75	750.00-	26540	7294.03	73
	26 17	MAINTENANCE LINES	38554	37875.00	98	60380	52252.52	87	.00	60380	8127.48	87
	26 22	OTHER EQUIPMENT	424	2322.14	548	5000	3122.14	62	.00	5000	1877.86	62
	26 28	SEWER PLANT	1750-	.00	0	21500	17123.12	80	.00	21500	4376.88	80
	26 36	ANNUAL GENERATOR MAINT.	1250	.00	0	15000	14355.40	96	.00	15000	644.60	96
	26 **	REPAIRS AND MAINTENANCE	73627	102922.35	140	239720	205762.19	86	456.23-	239720	34414.04	86
	30	MATERIALS AND SUPPLIES										
	30 01	OFFICE SUPPLIES	25	.00	0	300	363.62	121	.00	300	63.62-	121
	30 02	POSTAGE	12	.00	0	100	172.06	172	.00	100	72.06-	172
	30 03	FUEL & OIL EXPENSE	4137	5632.68	136	49600	32206.84	65	.00	49600	17393.16	65
	30 06	UNIFORMS	299	242.25	81	3500	2734.20	78	.00	3500	765.80	78
	30 10	STREET MATERIALS	87	.00	0	1000	654.00	65	.00	1000	346.00	65

FUND 002 UTILITY											
DEPT/DIV 6200 SEWER/											
*****CURRENT***** YEAR-TO-DATE*****											
BA ELE OBJ	ACCOUNT								ANNUAL	UNENCUMB.	%
SUB SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT
62	SEWER										
620	SEWER										
30 11	CHEMICALS	4916-	13497.70	275-	78500	52544.06	67	.00	78500	25955.94	67
30 13	BLDG & GROUND MAINTENANCE	106	152.50	144	1250	332.36	27	.00	1250	917.64	27
30 14	PLANT	4584-	.00	0	0	.00	0	.00	0	.00	0
30 15	VEHICLES	250	1677.20	671	3000	10090.64	336	.00	3000	7090.64-	336
30 16	TOOLS & EQUIPMENT	837	859.68	103	10000	9600.12	96	33.66	10000	366.22	96
30 17	JANITORIAL	337	102.69	31	4000	2153.05	54	.00	4000	1846.95	54
30 21	FOOD & FOOD SUPPLIES	212	115.61	55	2500	1404.97	56	.00	2500	1095.03	56
30 22	MEDICAL	49	17.96	37	500	147.95	30	.00	500	352.05	30
30 25	MACHINE & EQUIP-NON ASSET	87	.00	0	1000	1022.22	102	.00	1000	22.22-	102
30 30	FREIGHT EXPENSE	6	.00	0	50	5.65	11	.00	50	44.35	11
30 31	DATA PROCESSING EQUIPMENT	1326-	.00	0	1000-	.00	0	.00	1000-	1000.00-	0
30 39	SEWER DISTRIBUTION SYSTEM	1666-	3215.84	193-	4000	4922.14	123	.00	4000	922.14-	123
30 40	SEWER LIFT STATION	9960-	11818.48	119-	88540	71040.69	80	.00	88540	17499.31	80
30 41	MAINTENANCE LINES	2087	7413.19	355	25000	35932.46	144	.00	25000	10932.46-	144
30 46	OTHER EQUIPMENT	299	300.00	100	3500	2676.01	77	.00	3500	823.99	77
30 48	SEWER PLANT	1750	348.28	20	39000	27868.35	72	.00	39000	11131.65	72
30 **	MATERIALS AND SUPPLIES	11872-	45394.06	382-	314340	255871.39	81	33.66	314340	58434.95	81
35	OPERATING SERVICES										
35 02	PUBLICATIONS & SUBSCRIPTI	413-	.00	0	0	.00	0	.00	0	.00	0
35 17	MEDICAL/DRUG TESTING/PHYS	87	.00	0	1000	155.00	16	.00	1000	845.00	16
35 31	EQUIPMENT INSPECTIONS	87	.00	0	1000	192.00	19	.00	1000	808.00	19
35 35	ADVERTISING	87	57.12	66	1000	857.70	86	.00	1000	142.30	86
35 41	TRAINING/TESTING	87	.00	0	1000	50.00	5	.00	1000	950.00	5
35 42	LICENSE & PERMITS	1174	74.31	6	14000	13766.75	98	.00	14000	233.25	98
35 60	RENTALS OF EQUIP/MACHINER	174	231.45	133	2000	1368.73	68	.00	2000	631.27	68
35 62	DEQ/EPA TESTING	6250	2787.50	45	20000	18375.91	92	.00	20000	1624.09	92
35 84	MS4 REQUIREMENTS/DEQ	1326-	197.74	15-	1500	217.44	15	.00	1500	1282.56	15
35 **	OPERATING SERVICES	6207	3348.12	54	41500	34983.53	84	.00	41500	6516.47	84
40	OTHER EXPENSES										
40 02	TRAVEL / PER DIEM / HOTEL	424	.00	0	5000	3307.25	66	.00	5000	1692.75	66
40 **	OTHER EXPENSES	424	.00	0	5000	3307.25	66	.00	5000	1692.75	66
89	LEASES										
89 20	SCADA SYSTEM	2500	4750.00	190	30000	28947.20	97	.00	30000	1052.80	97
89 **	LEASES	2500	4750.00	190	30000	28947.20	97	.00	30000	1052.80	97
90	CAPITAL ASSETS										
90 02	MACHINERY & EQUIPMENT	33576-	.00	0	147500	90339.48	61	.00	147500	57160.52	61
90 03	VEHICLES	21663-	.00	0	0	.00	0	.00	0	.00	0
90 **	CAPITAL ASSETS	55239-	.00	0	147500	90339.48	61	.00	147500	57160.52	61
92	CAPITAL PROJECT										
92 26	REHAB GRD EC & MILL ST LS	0	140920.33	0	0	247417.15	0	66830.43-	0	180586.72-	0
92 30	JEFFERSON ST SEWER LINE	111500	8500.00	8	498498	369189.62	74	2584.00	498498	126724.38	75
92 **	CAPITAL PROJECT	111500	149420.33	134	498498	616606.77	124	64246.43-	498498	53862.34-	111

FUND 002 UTILITY				DEPT/DIV 6200 SEWER/									
BA ELE OBJ				*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL	UNENCUMB.	%	
SUB	SUB	ACCOUNT DESCRIPTION		BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT

62		SEWER											
620		SEWER											
620	** **	SEWER		238961	487976.21	204	2617534	2557609.95	98	64642.83-	2617534	124566.88	95
62	** **	SEWER		238961	487976.21	204	2617534	2557609.95	98	64642.83-	2617534	124566.88	95
DIV	6200	TOTAL	*****										
		SEWER		238961	487976.21	204	2617534	2557609.95	98	64642.83-	2617534	124566.88	95
DEPT	62	TOTAL	*****										
		SEWER		238961	487976.21	204	2617534	2557609.95	98	64642.83-	2617534	124566.88	95

FUND 002 UTILITY

DEPT/DIV 6300 ELECTRIC/

BA ELE OBJ		ACCOUNT	*****CURRENT*****			*****YEAR-TO-DATE*****			ENCUMBR.	ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP				
63		ELECTRIC										
630		ELECTRIC										
10		WAGES AND SALARIES										
10	01	ADMINISTRATIVE	6250	9202.30	147	75000	88445.59	118	.00	75000	13445.59-	118
10	02	NON-ADMINISTRATIVE	72646	111478.65	154	871752	857654.13	98	.00	871752	14097.87	98
10	09	PART TIME	1477	.00	0	17658	.00	0	.00	17658	17658.00	0
10	13	SAFETY AWARDS	924	.00	0	11000	9259.32	84	.00	11000	1740.68	84
10	25	STANDBY/DRIVE TIME	3750	4768.11	127	45000	35729.28	79	.00	45000	9270.72	79
10	50	OVERTIME	6250	6385.79	102	75000	64835.70	86	.00	75000	10164.30	86
10	51	SEPERATION PAY	3750	10523.52	281	45000	59945.24	133	.00	45000	14945.24-	133
10	**	WAGES AND SALARIES	95047	142358.37	150	1140410	1115869.26	98	.00	1140410	24540.74	98
11		BENEFITS										
11	01	MUNICIPAL RETIREMENT	25000	35600.80	142	300000	278951.31	93	.00	300000	21048.69	93
11	12	FICA/MEDICARE	1250	1968.16	158	15000	15379.81	103	.00	15000	379.81-	103
11	13	GROUP HEALTH INSURANCE	20000	21929.13	110	240000	167236.68	70	.00	240000	72763.32	70
11	14	WORKERS COMPENSATION	2643	4156.80	157	31650	32312.02	102	.00	31650	662.02-	102
11	16	LIFE INSURANCE	279	479.30	172	3326	3290.93	99	.00	3326	35.07	99
11	**	BENEFITS	49172	64134.19	130	589976	497170.75	84	.00	589976	92805.25	84
20		CONTRACTUAL SERVICES										
20	03	ENGINEERING SERVICES	424	.00	0	5000	2750.60	55	.00	5000	2249.40	55
20	04	CONSULTANTS	250	.00	0	3000	.00	0	.00	3000	3000.00	0
20	09	LANDFILL	49	.00	0	500	218.16	44	.00	500	281.84	44
20	15	PEST CONTROL	74	193.65	262	800	774.60	97	.00	800	25.40	97
20	**	CONTRACTUAL SERVICES	797	193.65	24	9300	3743.36	40	.00	9300	5556.64	40
25		UTILITIES										
25	01	TELECOMMUNICATIONS	625	1555.59	249	7500	9782.90	130	26.17	7500	2309.07-	131
25	02	ELECTRICAL	174	338.80	195	2000	5379.94	269	.00	2000	3379.94-	269
25	03	WATER AND SEWER	212	101.00	48	2500	1746.50	70	.00	2500	753.50	70
25	**	UTILITIES	1011	1995.39	197	12000	16909.34	141	26.17	12000	4935.51-	141
26		REPAIRS AND MAINTENANCE										
26	01	VEHICLES	7924	2425.10	31	95000	43674.63	46	319.85	95000	51005.52	46
26	03	BUILDINGS AND GROUNDS	1875-	.00	0	2500	1091.31	44	.00	2500	1408.69	44
26	10	RADIO EQUIPMENT	826-	43.45	5-	0	43.45	0	.00	0	43.45-	0
26	12	ELECTRIC LINES	18337	35185.15	192	245000	173814.54	71	.00	245000	71185.46	71
26	20	UNDERGROUND ELECT. LINES	12612	61356.69	487	118000	147932.69	125	.00	118000	29932.69-	125
26	21	METERS	87	.00	0	1000	.00	0	.00	1000	1000.00	0
26	22	OTHER EQUIPMENT	326-	1039.15	319-	11000	2945.56	27	.00	11000	8054.44	27
26	23	TOWING CHARGES	87	.00	0	1000	.00	0	.00	1000	1000.00	0
26	30	SUB-STATION	8800	.00	0	91600	33567.53	37	.00	91600	58032.47	37
26	41	SAFETY EQUIP TESTING	837	.00	0	10000	9848.02	99	901.33	10000	749.35-	108
26	**	REPAIRS AND MAINTENANCE	45657	100049.54	219	575100	412917.73	72	1221.18	575100	160961.09	72
30		MATERIALS AND SUPPLIES										
30	01	OFFICE SUPPLIES	87	137.35	158	1000	612.42	61	.00	1000	387.58	61
30	03	FUEL EXPENSE	7712	11653.15	151	92500	76103.89	82	.00	92500	16396.11	82
30	06	UNIFORMS	500	358.41	72	6000	4478.09	75	.00	6000	1521.91	75

FUND 002 UTILITY											
DEPT/DIV 6300 ELECTRIC/											
*****CURRENT***** YEAR-TO-DATE*****											
BA ELE OBJ	ACCOUNT								ANNUAL	UNENCUMB.	%
SUB SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT
63	ELECTRIC										
630	ELECTRIC										
30 11	CHEMICALS	1375	4999.04	364	16500	11444.01	69	.00	16500	5055.99	69
30 13	BLDG & GROUND MAINTENANCE	750	40.31	5	9000	1869.35	21	.00	9000	7130.65	21
30 15	AUTOMOTIVE	837	1021.04	122	10000	12126.21	121	.00	10000	2126.21-	121
30 16	TOOLS & EQUIPMENT	2500	5609.17	224	30000	29241.22	98	.00	30000	758.78	98
30 17	JANITORIAL	424	422.15	100	5000	3787.23	76	.00	5000	1212.77	76
30 21	FOOD & FOOD SUPPLIES	250	370.56	148	3000	2817.04	94	.00	3000	182.96	94
30 22	MEDICAL	87	362.55	417	1000	827.76	83	.00	1000	172.24	83
30 24	FURNITURE-NON ASSET	49	.00	0	500	327.74	66	.00	500	172.26	66
30 25	MACH/EQUIPMENT NON ASSET	1250	1579.99	126	15000	10969.91	73	.00	15000	4030.09	73
30 30	FREIGHT EXPENSE	49	.00	0	500	4.70	1	.00	500	495.30	1
30 31	DATA PROCESSING EQUIP	962	3583.75	373	11500	11732.75	102	.00	11500	232.75-	102
30 37	ELECTRIC LINES	27104	69024.38	255	459000	448261.65	98	.00	459000	10738.35	98
30 44	UNDERGROUND ELECTRIC LINE	2087	.00	0	25000	158.00	1	.00	25000	24842.00	1
30 45	METERS	2674	2314.44	87	57000	32978.02	58	.00	57000	24021.98	58
30 46	OTHER EQUIPMENT	212	25.00	12	2500	1971.37	79	.00	2500	528.63	79
30 50	SUBSTATIONS	4174	21582.88	517	50000	24421.44	49	.00	50000	25578.56	49
30 **	MATERIALS AND SUPPLIES	53083	123084.17	232	795000	674132.80	85	.00	795000	120867.20	85
33	ELECTRICITY PURCHASES										
33 01	CLECO	1500000	1995573.61	133	18000000	22306577.70	124	.00	18000000	4306577.70-	124
33 02	SWPA	25000	42006.24	168	300000	222016.79	74	.00	300000	77983.21	74
33 **	ELECTRICITY PURCHASES	1525000	2037579.85	134	18300000	22528594.49	123	.00	18300000	4228594.49-	123
35	OPERATING SERVICES										
35 02	PUBLICATION/SUBSCRIPTION	413-	.00	0	0	.00	0	.00	0	.00	0
35 16	PROMOTIONAL	49	.00	0	500	89.48	18	.00	500	410.52	18
35 17	MEDICAL/DRUG TEST/PHYSICA	212	165.00	78	2500	600.00	24	.00	2500	1900.00	24
35 31	EQUIPMENT INSPECTIONS	125	.00	0	1500	.00	0	.00	1500	1500.00	0
35 35	ADVERTISING	337	184.00	55	4000	4179.68	105	.00	4000	179.68-	105
35 37	DUES/MEMBERSHIP	87	.00	0	1000	600.00	60	.00	1000	400.00	60
35 38	PRINTING & BINDING	87	.00	0	1000	400.86	40	.00	1000	599.14	40
35 41	TRAINING/TESTING	951-	.00	0	3500	.00	0	.00	3500	3500.00	0
35 42	LICENSES & PERMITS	174	494.54	284	2000	3427.92	171	.00	2000	1427.92-	171
35 43	WASTE OIL DISPOSAL	49	.00	0	500	.00	0	.00	500	500.00	0
35 60	RENTALS OF EQUIP/MACHINER	337	97.35	29	4000	886.33	22	.00	4000	3113.67	22
35 62	DEQ/EPA TESTING	424	.00	0	5000	215.48	4	.00	5000	4784.52	4
35 **	OPERATING SERVICES	517	940.89	182	25500	10399.75	41	.00	25500	15100.25	41
40	OTHER EXPENSES										
40 02	TRAVEL/PER DIEM/HOTEL	549	.00	0	6500	2177.43	34	.00	6500	4322.57	34
40 **	OTHER EXPENSES	549	.00	0	6500	2177.43	34	.00	6500	4322.57	34
89	Leases										
89 20	SCADA System	750	1750.00	233	9000	10500.00	117	.00	9000	1500.00-	117
89 **	Leases	750	1750.00	233	9000	10500.00	117	.00	9000	1500.00-	117

FUND 002 UTILITY			DEPT/DIV 6300 ELECTRIC/										
BA	ELE	OBJ	ACCOUNT	*****CURRENT*****			*****YEAR-TO-DATE*****			ENCUMBR.	ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP					

63		ELECTRIC											
630		ELECTRIC											
	90	CAPITAL ASSETS											
	90 02	MACHINERY & EQUIPMENT	4174	.00	0	50000	.00	0	.00	50000	50000.00	0	
	90 03	VEHICLES	12500	.00	0	150000	148870.25	99	.00	150000	1129.75	99	
	90 **	CAPITAL ASSETS	16674	.00	0	200000	148870.25	74	.00	200000	51129.75	74	
630	** **	ELECTRIC	1788257	2472086.05	138	21662786	25421285.16	117	1247.35	21662786	3759746.51-	117	
63	** **	ELECTRIC	1788257	2472086.05	138	21662786	25421285.16	117	1247.35	21662786	3759746.51-	117	
DIV	6300	TOTAL *****											
		ELECTRIC	1788257	2472086.05	138	21662786	25421285.16	117	1247.35	21662786	3759746.51-	117	
DEPT	63	TOTAL *****											
		ELECTRIC	1788257	2472086.05	138	21662786	25421285.16	117	1247.35	21662786	3759746.51-	117	

FUND 002 UTILITY											
DEPT/DIV 6400 UTILITY ANNEX/											
*****CURRENT***** YEAR-TO-DATE*****											
BA ELE OBJ	ACCOUNT								ANNUAL	UNENCUMB.	%
SUB SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT
64	UTILITY ANNEX										
640	UTILITY ANNEX										
10	WAGES AND SALARIES										
10 01	ADMINISTRATIVE	5213	6169.40	118	62534	15389.40	25	.00	62534	47144.60	25
10 02	NON-ADMINISTRATIVE	21165	24464.44	116	253980	232038.03	91	.00	253980	21941.97	91
10 09	PART TIME	587	.00	0	7000	3666.10	52	.00	7000	3333.90	52
10 13	SAFETY AWARDS	424	.00	0	5000	3678.36	74	.00	5000	1321.64	74
10 50	OVERTIME	500	288.73	58	6000	4455.22	74	.00	6000	1544.78	74
10 51	SEPERATION PAY	1674	66.33	4	20000	1796.22	9	.00	20000	18203.78	9
10 **	WAGES AND SALARIES	29563	30988.90	105	354514	261023.33	74	.00	354514	93490.67	74
11	BENEFITS										
11 01	MUNICIPAL RETIREMENT	7087	9036.99	128	85000	72928.48	86	.00	85000	12071.52	86
11 12	FICA/MEDICARE	394	411.40	104	4618	3723.76	81	.00	4618	894.24	81
11 13	GROUP HEALTH INSURANCE	5609	5915.48	106	67308	48925.18	73	.00	67308	18382.82	73
11 14	WORKERS COMPENSATION	87	83.68	96	1000	694.81	70	.00	1000	305.19	70
11 16	LIFE INSURNACE	106	137.41	130	1250	1050.16	84	.00	1250	199.84	84
11 **	BENEFITS	13283	15584.96	117	159176	127322.39	80	.00	159176	31853.61	80
20	CONTRACTUAL SERVICES										
20 02	ATTORNEYS	174	.00	0	2000	.00	0	.00	2000	2000.00	0
20 04	CONSULTANTS	1076-	.00	0	2000	.00	0	.00	2000	2000.00	0
20 15	PEST CONTROL	74	38.73	52	800	475.92	60	.00	800	324.08	60
20 17	COMPUTER SOFTWARE MAINT.	212	.00	0	2500	834.37	33	.00	2500	1665.63	33
20 **	CONTRACTUAL SERVICES	616-	38.73	6-	7300	1310.29	18	.00	7300	5989.71	18
25	UTILITIES										
25 01	TELECOMMUNICATIONS	299	489.54	164	3500	2285.22	65	.00	3500	1214.78	65
25 02	ELECTRIC	1250	675.07	54	15000	15928.19	106	.00	15000	928.19-	106
25 03	WATER AND SEWER	212	54.50	26	2500	3210.00	128	.00	2500	710.00-	128
25 **	UTILITIES	1761	1219.11	69	21000	21423.41	102	.00	21000	423.41-	102
26	REPAIRS AND MAINTENANCE										
26 01	VEHICLES	0	.00	0	0	35.00	0	.00	0	35.00-	0
26 03	BUILDINGS AND GROUNDS	2013-	75.00	4-	2800	1354.12	48	75.00	2800	1370.88	51
26 24	MAINTENANCE CONTRACTS	3124	2052.48	66	13700	13673.98	100	618.60	13700	592.58-	104
26 **	REPAIRS AND MAINTENANCE	1111	2127.48	192	16500	15063.10	91	693.60	16500	743.30	96
30	MATERIALS AND SUPPLIES										
30 01	OFFICE SUPPLIES	1337	2550.45	191	16000	16654.76	104	.00	16000	654.76-	104
30 02	POSTAGE	10287	9314.48	91	60700	60014.35	99	388.00	60700	297.65	100
30 03	FUEL EXPENSE	87	47.00	54	1000	382.12	38	.00	1000	617.88	38
30 06	UNIFORMS	124	1544.18	1245	4700	1794.74	38	.00	4700	2905.26	38
30 11	CHEMICALS	12	137.68	1147	100	391.63	392	.00	100	291.63-	392
30 13	BUILDINGS AND GROUNDS	87	.00	0	1000	298.70	30	.00	1000	701.30	30
30 15	VEHICLE	24	.00	0	200	250.44	125	.00	200	50.44-	125
30 16	TOOLS & EQUIPMENT	49	88.00	180	500	428.88	86	.00	500	71.12	86
30 17	JANITORIAL	299	164.81	55	3500	4016.11	115	.00	3500	516.11-	115
30 21	FOOD & FOOD SUPPLIES	512	558.18	109	2800	3149.40	113	17.35-	2800	332.05-	112
30 22	MEDICAL	24	7.24	30	200	25.14	13	.00	200	174.86	13

FUND 002 UTILITY			DEPT/DIV 6400 UTILITY ANNEX/									
BA ELE OBJ		ACCOUNT	*****CURRENT*****			*****YEAR-TO-DATE*****				ANNUAL	UNENCUMB.	%
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT

64		UTILITY ANNEX										
640		UTILITY ANNEX										
30	24	FURNITURE-NON ASSET	701-	.00	0	1500	.00	0	.00	1500	1500.00	0
30	25	MACHINE & EQUIP-NON ASSET	2601-	.00	0	500	.00	0	.00	500	500.00	0
30	29	COMPUTER SOFTWARE	1288-	.00	0	1000	.00	0	.00	1000	1000.00	0
30	31	DATA PROCESSING EQUIP-NA	4201-	.00	0	2000	.00	0	.00	2000	2000.00	0
30	**	MATERIALS AND SUPPLIES	4051	14412.02	356	95700	87406.27	91	370.65	95700	7923.08	92
35		OPERATING SERVICES										
35	02	PUBLICATIONS & SUBSCRIPTI	487	102.50	21	900	736.50	82	.00	900	163.50	82
35	16	PROMOTIONAL/IMPROVEMENTS	12	.00	0	100	.00	0	.00	100	100.00	0
35	17	DRUG TESTING/PHYSICALS	49	.00	0	500	55.00	11	.00	500	445.00	11
35	28	CASH OVER/SHORT	12	.00	0	100	.00	0	.00	100	100.00	0
35	31	EQUIPMENT INSPECTIONS	12	.00	0	100	75.00	75	.00	100	25.00	75
35	34	BANK CHARGES	2087	2856.63	137	25000	31627.57	127	.00	25000	6627.57-	127
35	35	ADVERTISING	100	258.72	259	1200	1398.86	117	.00	1200	198.86-	117
35	38	PRINTING AND BINDING	2887	2314.93	80	16450	16409.60	100	.00	16450	40.40	100
35	41	TRAINING/TESTING	87	.00	0	1000	.00	0	.00	1000	1000.00	0
35	42	LICENSE/PERMITS	12	.00	0	100	20.00	20	.00	100	80.00	20
35	54	COLLECTION SERVICES	424	.00	0	5000	.00	0	.00	5000	5000.00	0
35	60	RENTALS/EQUIP/MACHINERY	2150-	17.90	1-	3350	1359.69	41	7.95-	3350	1998.26	40
35	71	CLICK TO GOV-CR CARD FEES	5000	11061.76	221	60000	97562.39	163	.00	60000	37562.39-	163
35	**	OPERATING SERVICES	9019	16612.44	184	113800	149244.61	131	7.95-	113800	35436.66-	131
40		OTHER EXPENSES										
40	02	TRAVEL/PER DIEM/HOTEL	538-	.00	0	1000	.00	0	1049.00	1000	49.00-	105
40	**	OTHER EXPENSES	538-	.00	0	1000	.00	0	1049.00	1000	49.00-	105
90		CAPITAL ASSETS										
90	02	MACHINERY & EQUIPMENT	49	.00	0	500	.00	0	.00	500	500.00	0
90	**	CAPITAL ASSETS	49	.00	0	500	.00	0	.00	500	500.00	0
640	**	** UTILITY ANNEX	57683	80983.64	140	769490	662793.40	86	2105.30	769490	104591.30	86
64	**	** UTILITY ANNEX	57683	80983.64	140	769490	662793.40	86	2105.30	769490	104591.30	86
DIV	6400	TOTAL *****										
		UTILITY ANNEX	57683	80983.64	140	769490	662793.40	86	2105.30	769490	104591.30	86

FUND 002 UTILITY			DEPT/DIV 6401 UTILITY ANNEX/INFORMATION TECHNOLOGY									
BA	ELE	OBJ	*****CURRENT*****			*****YEAR-TO-DATE*****				ANNUAL	UNENCUMB.	%
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT

64		UTILITY ANNEX										
640		UTILITY ANNEX										
	10	WAGES AND SALARIES										
	10 01	ADMINISTRATIVE	7373	10427.71	141	88454	80911.89	92	.00	88454	7542.11	92
	10 02	NON-ADMINISTRATIVE	3622	7416.21	205	43343	57421.55	133	.00	43343	14078.55	133
	10 09	PART TIME	749	.00	0	8900	.00	0	.00	8900	8900.00	0
	10 13	SAFETY AWARDS	87	.00	0	1000	1014.72	102	.00	1000	14.72	102
	10 50	OVERTIME	87	.00	0	1000	.00	0	.00	1000	1000.00	0
	10 51	SEPERATION PAY	299	.00	0	3500	.00	0	.00	3500	3500.00	0
	10 **	WAGES AND SALARIES	12217	17843.92	146	146197	139348.16	95	.00	146197	6848.84	95
	11	BENEFITS										
	11 01	MUNICIPAL RETIREMENT	3000	5263.96	176	36000	40796.11	113	.00	36000	4796.11	113
	11 12	FICA/MEDICARE	125	234.92	188	1500	1840.68	123	.00	1500	340.68	123
	11 13	GROUP HEALTH INSURANCE	1674	2094.94	125	20000	16606.70	83	.00	20000	3393.30	83
	11 14	WORKERS COMPENSATION	37	48.17	130	400	373.41	93	.00	400	26.59	93
	11 16	LIFE INSURNACE	37	83.51	226	400	611.15	153	.00	400	211.15	153
	11 **	BENEFITS	4873	7725.50	159	58300	60228.05	103	.00	58300	1928.05	103
	20	CONTRACTUAL SERVICES										
	20 04	CONSULTANTS	2497	.00	0	0	.00	0	.00	0	.00	0
	20 17	COMPUTER SOFTWARE MAINT.	18692	2968.52	16	162500	137602.49	85	2224.34	162500	22673.17	86
	20 **	CONTRACTUAL SERVICES	16195	2968.52	18	162500	137602.49	85	2224.34	162500	22673.17	86
	25	UTILITIES										
	25 01	TELECOMMUNICATIONS	837	2038.77	244	10000	9610.44	96	.99	10000	390.55	96
	25 04	GAS	87	74.26	85	1000	451.36	45	.00	1000	548.64	45
	25 **	UTILITIES	924	2113.03	229	11000	10061.80	92	.99	11000	939.19	92
	26	REPAIRS AND MAINTENANCE										
	26 01	VEHICLES	0	.00	0	0	290.72	0	.00	0	290.72	0
	26 03	BUILDINGS AND GROUNDS	87	.00	0	1000	5272.00	527	.00	1000	4272.00	527
	26 11	DATA PROCESSING	500	848.34	170	6000	848.34	14	.00	6000	5151.66	14
	26 24	MAINTENANCE CONTRACTS	20	.00	0	0	.00	0	.00	0	.00	0
	26 **	REPAIRS AND MAINTENANCE	567	848.34	150	7000	6411.06	92	.00	7000	588.94	92
	30	MATERIALS AND SUPPLIES										
	30 01	OFFICE SUPPLIES	24	.00	0	200	336.99	169	.00	200	136.99	169
	30 03	FUEL EXPENSE	49	63.76	130	500	328.41	66	.00	500	171.59	66
	30 06	UNIFORMS	49	.00	0	500	642.84	129	.00	500	142.84	129
	30 16	TOOLS & EQUIPMENT	87	.00	0	1000	58.79	6	.00	1000	941.21	6
	30 24	FURNITURE-NON ASSET	87	.00	0	1000	44.41	4	.00	1000	955.59	4
	30 25	MACHINE & EQUIP-NON ASSET	250	.00	0	3000	.00	0	.00	3000	3000.00	0
	30 29	COMPUTER SOFTWARE	1220	17956.41	1472	41950	44399.07	106	.00	41950	2449.07	106
	30 30	FREIGHT EXPENSE	12	.00	0	100	.00	0	.00	100	100.00	0
	30 31	DATA PROCESSING EQUIP-NA	5686	2900.51	51	43000	41682.88	97	31.19	43000	1348.31	97
	30 **	MATERIALS AND SUPPLIES	5024	20920.68	416	91250	87493.39	96	31.19	91250	3787.80	96

FUND 002 UTILITY			DEPT/DIV 6401 UTILITY ANNEX/INFORMATION TECHNOLOGY								
BA ELE OBJ			*****CURRENT*****			*****YEAR-TO-DATE*****			ANNUAL BUDGET	UNENCUMB. BALANCE	% BDGT
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP			
64		UTILITY ANNEX									
640		UTILITY ANNEX									
	35	OPERATING SERVICES									
	35 02	PUBLICATIONS & SUBSCRIPTI	24	.00	0	200	.00	0	200	200.00	0
	35 17	DRUG TESTING/PHYSICALS	12	.00	0	100	.00	0	100	100.00	0
	35 35	ADVERTISING	87	.00	0	1000	.00	0	1000	1000.00	0
	35 37	DUES	49	.00	0	500	287.91	58	500	212.09	58
	35 41	TRAINING/TESTING	699	.00	0	8300	.00	0	8300	8300.00	0
	35 42	LICENSE/PERMITS	0	1600.00	0	0	1600.00	0	0	1600.00-	0
	35 44	CREDIT CARD FEES	37	160.06	433	400	398.66	100	400	11.26	97
	35 65	VEHICLE ALLOWANCE	49	.00	0	500	.00	0	500	500.00	0
	35 **	OPERATING SERVICES	957	1760.06	184	11000	2286.57	21	11000	8723.35	21
	40	OTHER EXPENSES									
	40 02	TRAVEL/PER DIEM/HOTEL	250	603.00	241	3000	603.00	20	3000	2397.00	20
	40 **	OTHER EXPENSES	250	603.00	241	3000	603.00	20	3000	2397.00	20
	89	LEASES									
	89 35	COMPUTER EQUIPMENT	1674	545.82	33	20000	6004.02	30	20000	13450.16	33
	89 **	LEASES	1674	545.82	33	20000	6004.02	30	20000	13450.16	33
	90	CAPITAL ASSETS									
	90 02	MACHINERY & EQUIPMENT	837	.00	0	10000	.00	0	10000	10000.00	0
	90 **	CAPITAL ASSETS	837	.00	0	10000	.00	0	10000	10000.00	0
640	** **	UTILITY ANNEX	43518	55328.87	127	520247	450038.54	87	520247	67480.40	87
64	** **	UTILITY ANNEX	43518	55328.87	127	520247	450038.54	87	520247	67480.40	87
DIV	6401	TOTAL ***** INFORMATION TECHNOLOGY	43518	55328.87	127	520247	450038.54	87	520247	67480.40	87
DEPT	64	TOTAL ***** UTILITY ANNEX	101201	136312.51	135	1289737	1112831.94	86	1289737	172071.70	87

FUND 002 UTILITY			DEPT/DIV 6600 INDIRECT/									
BA	ELE	OBJ	*****CURRENT*****			*****YEAR-TO-DATE*****				ANNUAL	UNENCUMB.	%
SUB	SUB	ACCOUNT DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT
<hr/>												
66		INDIRECT										
660		INDIRECT										
	20	CONTRACTUAL SERVICES										
	20 01	AUDITORS	3337	.00	0	40000	.00	0	.00	40000	40000.00	0
	20 02	ATTORNEYS	5000	9992.95	200	60000	42232.05	70	562.50	60000	17205.45	71
	20 03	ENGINEERS SERVICES	424	.00	0	5000	879.50	18	.00	5000	4120.50	18
	20 17	COMPUTER SOFTWARE MAINT	300	.00	0	3600	1275.00	35	.00	3600	2325.00	35
	20 25	SECURITY	9587	15222.62	159	115000	98516.84	86	.00	115000	16483.16	86
	20 **	CONTRACTUAL SERVICES	18648	25215.57	135	223600	142903.39	64	562.50	223600	80134.11	64
	25	UTILITIES										
	25 05	SWEPCO/MONROE DRIVE	1674	.00	0	20000	.00	0	.00	20000	20000.00	0
	25 **	UTILITIES	1674	.00	0	20000	.00	0	.00	20000	20000.00	0
	30	MATERIALS AND SUPPLIES										
	30 29	COMPUTER SOFTWARE	125	.00	0	1500	.00	0	.00	1500	1500.00	0
	30 30	FREIGHT EXPENSE	0	.00	0	0	116.86	0	.00	0	116.86	0
	30 **	MATERIALS AND SUPPLIES	125	.00	0	1500	116.86	8	.00	1500	1383.14	8
	35	OPERATING EXPENSE										
	35 21	CHRISTMAS FESTIVAL	5837	38103.68	653	70000	76656.11	110	.00	70000	6656.11	110
	35 26	BAD DEBTS	8337	1108.48	13	100000	25358.55	25	.00	100000	125358.55	25
	35 28	CASH OVER/SHORT	125	.00	0	1500	89.35	6	.00	1500	1589.35	6
	35 29	INVENTORY SHORT/OVER	0	8709.36	0	0	20882.65	0	.00	0	20882.65	0
	35 35	ADVERTISING	0	.00	0	0	1057.00	0	.00	0	1057.00	0
	35 50	RETIREEES INSURANCE	3750	3991.40	106	45000	56283.20	125	.00	45000	11283.20	125
	35 60	RENTALS/EQUIP/MACHINERY	250	.00	0	3000	.00	0	.00	3000	3000.00	0
	35 62	TESTING/STORM WTR RUNOFF	212	.00	0	2500	.00	0	.00	2500	2500.00	0
	35 98	INTEREST & PENALTIES	174	.00	0	2000	.00	0	.00	2000	2000.00	0
	35 **	OPERATING EXPENSE	18685	32277.24	173	224000	87665.76	39	.00	224000	136334.24	39
	40	OTHER EXPENSES										
	40 02	TRAVEL/PER DIEM/HOTEL	424	.00	0	5000	.00	0	.00	5000	5000.00	0
	40 04	DEPRECIATION	152924	152916.67	100	1835000	1835000.04	100	.00	1835000	.04	100
	40 20	LOSS-RETIREMENT OF ASSETS	1250	.00	0	15000	54487.00	363	.00	15000	39487.00	363
	40 **	OTHER EXPENSES	154598	152916.67	99	1855000	1889487.04	102	.00	1855000	34487.04	102
	45	TRANSFERS OUT										
	45 00	TRANSFERS OUT	9896	.00	0	9896	.00	0	.00	9896	9896.00	0
	45 01	TO GENERAL FUND	458337	.00	0	5500000	5041666.74	92	.00	5500000	458333.26	92
	45 61	AIRPORT OPERATIONS	4174	.00	0	50000	45833.37	92	.00	50000	4166.63	92
	45 64	EMPLOYEE HEALTH FUND	33337	.00	0	400000	366666.63	92	.00	400000	33333.37	92
	45 71	CAPITAL PROJECTS	25000	.00	0	300000	.00	0	.00	300000	300000.00	0
	45 72	TO CAPITAL IMPROVE/STREET	25000	.00	0	300000	275000.00	92	.00	300000	25000.00	92
	45 98	TO LIABILITY FUND	60337	.00	0	724000	724000.00	100	.00	724000	.00	100
	45 **	TRANSFERS OUT	616081	.00	0	7283896	6453166.74	89	.00	7283896	830729.26	89

FUND 002 UTILITY			DEPT/DIV 6600 INDIRECT/									
BA ELE OBJ		ACCOUNT	*****CURRENT*****			*****YEAR-TO-DATE*****				ANNUAL	UNENCUMB.	%
SUB	SUB	DESCRIPTION	BUDGET	ACTUAL	%EXP	BUDGET	ACTUAL	%EXP	ENCUMBR.	BUDGET	BALANCE	BDGT

66		INDIRECT										
660		INDIRECT										
	50	DEBT SERVICE										
	50 02	INTEREST/COUPONS	5837	27856.80	477	70000	75176.89	107	.00	70000	5176.89-	107
	50 03	PAYING AGENT FEES	837	.00	0	10000	4675.00	47	.00	10000	5325.00	47
	50 05	PRINCIPAL	30000	29583.33	99	360000	357416.93	99	.00	360000	2583.07	99
	50 **	DEBT SERVICE	36674	57440.13	157	440000	437268.82	99	.00	440000	2731.18	99
660	** **	INDIRECT	846485	267849.61	32	10047996	9010608.61	90	562.50	10047996	1036824.89	90
66	** **	INDIRECT	846485	267849.61	32	10047996	9010608.61	90	562.50	10047996	1036824.89	90
DIV	6600	TOTAL *****										
		INDIRECT	846485	267849.61	32	10047996	9010608.61	90	562.50	10047996	1036824.89	90
DEPT	66	TOTAL *****										
		INDIRECT	846485	267849.61	32	10047996	9010608.61	90	562.50	10047996	1036824.89	90
FUND 002		TOTAL *****										
		UTILITY	3225156	4170534.73	129	40755179	42891089.20	105	74774.28-	40755179	2061135.92-	105
GRAND		TOTAL *****										
			3225156	4170534.73	129	40755179	42891089.20	105	74774.28-	40755179	2061135.92-	105

APPENDIX D

FORM OF BOND COUNSEL OPINION

(To be inserted.)

November 1, 2023

City of Natchitoches,
Natchitoches, Louisiana

Piper Sandler & Co.
Minneapolis, Minnesota

\$11,645,000
UTILITIES REVENUE BONDS, SERIES 2023
OF THE
CITY OF NATCHITOCHES, STATE OF LOUISIANA

We have acted as bond counsel to the City of Natchitoches, State of Louisiana (the "**Issuer**"), in connection with the issuance of the captioned issue (the "**Bonds**"). The Bonds are issued in the form of fully registered bonds, are dated, bear interest at the rate, are subject to redemption and mature on the dates and in the principal amounts, all as set forth in the Bond Ordinance (hereinafter defined).

The Bonds have been issued by the Issuer pursuant to the General Bond Ordinance No. 001 adopted by the Council of the Issuer, acting as the governing authority thereof (the "**Governing Authority**") on January 26, 2015 (the "**General Bond Ordinance**"); the First Supplemental Bond Ordinance No. 002 of 2015 adopted by the Governing Authority on January 26, 2015 (the "**First Supplemental Bond Ordinance**"); the Second Supplemental Bond Ordinance No. 004 of 2021 adopted by the Governing Authority on March 8, 2021 (the "**Second Supplemental Bond Ordinance**"); the Third Supplemental Bond Ordinance No. 001 of 2022 adopted by the Governing Authority on June 27, 2022 (the "**Third Supplemental Bond Ordinance**"); and the Fourth Supplemental Bond Ordinance No. 050 of 2023 adopted by the Governing Authority on October 23, 2023 (the "**Fourth Supplemental Bond Ordinance**") and together with the General Bond Ordinance, the First Supplemental Bond Ordinance, the Second Supplemental Bond Ordinance, and the Third Supplemental Bond Ordinance, collectively, the "**Bond Ordinance**") for the purposes of (i) financing the costs of constructing and acquiring additions, improvements, and extensions, including but not necessarily limited to equipment and fixtures, to the combined waterworks plant and system, electric power and light plant system, and sewer utility system of the City (the "**System**"), title to which shall be in the public, (ii) purchasing a reserve fund policy, and (iii) paying the costs of issuing the Bonds, including the cost of a bond insurance policy, under the authority conferred in Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority supplemental thereto (collectively, the "**Act**").

The Bonds are also issued in accordance with the terms of a Bond Purchase Agreement dated October 19, 2023, by and between the Issuer and Piper Sandler & Co., as the original purchaser of the Bonds (the "**Underwriter**"), which sets out additional rights, duties and obligations of the parties thereto with respect to the Bonds (the "**BPA**").

The Issuer, in and by the Bond Ordinance, has entered into certain covenants and agreements with the owner of the Bonds with respect to the security and payment of the Bonds, for the terms of which reference is made to the Bond Ordinance.

We have examined the provisions of the Constitution and statutes of the State of Louisiana (the “**State**”), a certified transcript of the proceedings of the Governing Authority relating to the issuance of the Bonds, and such other documents, proofs, and matters of law as we deemed necessary to render the legal opinions in this letter. As to questions of fact material to our opinions, we have relied upon the representations contained in the Bonds, the Bond Ordinance, and the BPA (together, the “**Bond Documents**”), and in the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

On the basis of the foregoing examinations, we are of the opinion, as of the date hereof and under existing law and subject to the qualifications, assumptions and statements of reliance herein, that:

1. The Issuer is a validly existing political subdivision of the State.
2. The proceedings, documents and proofs of the Issuer and provided by the Issuer demonstrate lawful authority for the issuance of the Bonds pursuant to the Act and the Bond Ordinance.
3. The Bonds have been duly authorized by the Issuer and, assuming the due authentication thereof by the Paying Agent, constitute legally binding special and limited obligations of the Issuer and are secured by and payable from a valid and irrevocable pledge and dedication of the Net Revenues under the Bond Ordinance on parity with the Issuer’s outstanding (i) \$3,615,000 Utilities Revenue Refunding Bonds, Series 2021, and (ii) \$985,000 Utilities Revenue Bonds, Series 2022 (together, the “Outstanding Parity Bonds”). Further, each of the Bond Documents is a legal, valid, and binding obligation of the Issuer, has been duly authorized, executed and delivered and is enforceable in accordance with its terms.
4. The Bond Ordinance is in proper form and has been duly filed and recorded in all necessary public records in the State as required by law to give notice of, establish, perfect, preserve and protect the lien and privilege thereof. Without any further action, the Bond Ordinance creates a valid security interest in the Net Revenues. No additional filing or recordation is necessary to protect and maintain the validity, priority, effectiveness, or enforceability of the Bond Ordinance.
5. The Bonds and interest thereon do not constitute an indebtedness or pledge of the general credit of the Issuer within the meaning of any State constitutional or statutory provision and will not constitute a general obligation or a charge against any other revenues of the Issuer.
6. Interest on the Bonds is excludable from gross income of the owners thereof for federal

income tax purposes within the meaning of the Internal Revenue Code of 1986, as amended (the “**Code**”), and is not an item of tax preference for purposes of the federal alternative minimum tax.

7. Under applicable State law, the Bonds are exempt from all taxation in the State.

In rendering the opinions expressed in paragraph 6 above, we have relied on representations of the Issuer with respect to matters solely within the knowledge of the Issuer that we have not independently verified and have assumed continuing compliance with covenants in the Bond Documents of the Issuer pertaining to those sections of the Code that affect the exclusion from gross income of interest on the Bonds for federal income tax purposes. In the event that such representations are determined to be inaccurate or incomplete or the Issuer fails to comply with the foregoing covenants, interest on the Bonds could be includable in gross income for federal income tax purposes from the date of their original delivery, regardless of the date on which the event causing such inclusion occurs.

The accrual or receipt of interest on the Bonds may otherwise affect the federal income tax liability of certain recipients. The extent of these other tax consequences will depend upon the recipient’s particular tax status or other items of income or deduction. We express no opinion regarding any such consequences and investors should consult their tax advisors regarding the tax consequences of purchasing or holding the Bonds.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Bond Documents may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of the sovereign police powers of the State and its agencies and the exercise of judicial discretion in appropriate cases.

For the purposes of this opinion letter, our services as Bond Counsel have not extended beyond the examinations and expressions of the conclusions referred to above. Except as stated above, no opinion is expressed as to any federal, State or local tax consequences resulting from the ownership of, receipt of interest on, or disposition of the Bonds, and we are not passing upon the accuracy, adequacy or completeness of any statements made in connection with any offer or sale of the Bonds or the financial condition or capabilities of the Issuer.

Our opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof. The legal opinions herein are specifically limited to the laws of the State and of the United States of America.

Respectfully submitted,

Washington & Wells, LLC

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

\$11,645,000
CITY OF NATCHITOCHES
UTILITIES REVENUE BONDS,
SERIES 2023

This Continuing Disclosure Agreement (the “**Disclosure Agreement**”) is executed and delivered by the City of Natchitoches, State of Louisiana (the “**Issuer**”), acting through the Mayor and City Council of the City of Natchitoches, State of Louisiana, as the governing authority of the Issuer (the “**Governing Authority**”), in connection with the issuance of the above-captioned bonds (the “**Bonds**”). The Bonds are being issued pursuant to: (i) General Bond Ordinance No. 001 of 2015 adopted by the Governing Authority on January 26, 2015 (the “**General Bond Ordinance**”), as supplemented and amended, and a series bond ordinance as authorized and governed by the General Bond Ordinance anticipated to be adopted by the Governing Authority on October 23, 2023 (the “**Series Bond Ordinance**,” and together with the General Bond Ordinance, the “**Ordinance**”); and (ii) Section 1430 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority (collectively, the “**Act**”), and are described in that certain Official Statement dated October 19, 2023 (the “**Official Statement**”) which contains certain information concerning the Issuer, the Bonds, and certain financial and other information relating thereto. The Issuer covenants and agrees as follows:

SECTION 1. Definitions. In addition to the definitions set forth in the preceding paragraph and in the Bond Ordinance, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“**Annual Report**” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“**Bondholder**” shall mean any owner of the Bonds, including any owner of a beneficial interest in the Bonds.

“**Dissemination Agent**” shall mean the duly appointed Director of Finance of the Governing Authority, or any successor Dissemination Agent designated by the Governing Authority.

“**Listed Events**” shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

“**MSRB**” shall mean the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the single centralized repository for the collection and availability of continuing disclosure documents for purposes of the Rule. The

continuing disclosure documents must be provided to the MSRB in portable document format (.pdf) and in compliance with Section 13 of this Disclosure Agreement to the following:

**Municipal Securities Rulemaking Board
Electronic Municipal Market Access Center
<http://emma.msrb.org>**

“Participating Underwriter” shall mean the original Purchaser (as defined in the Bond Ordinance) of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

“Repositories” shall mean the MSRB and the State Information Depository, if any.

“Rule” shall mean Rule 15c2-12 (b) (5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Information Depository” shall mean any public or private depository or entity designated by the State of Louisiana as a state depository for the purpose of the Rule. As of the date of this Disclosure Agreement, there is no State Information Depository.

SECTION 2. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer for the benefit of the Bondholders and the Participating Underwriter, and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 3. Provision of Annual Reports.

- (a) The Issuer shall, or shall cause the Dissemination Agent to, in each year no later than March 1 following the end of the Issuer’s fiscal year, with the first such report to be due not later than March 1, 2024 (for the Annual Report ending May 31, 2023), provide to the Repositories an Annual Report which is consistent with the requirements set forth in Section 4 below. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as set forth below; *provided* that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.
- (b) If the Dissemination Agent is unable to provide to the Repositories an Annual Report by the date required in (a) above, the Issuer shall send a Notice of Failure to File Annual Report to each of the Repositories, in substantially the form attached as **EXHIBIT A** hereto.
- (c) The Dissemination Agent shall determine each year prior to the date for providing the Annual Report the name and address of each of the Repositories.

SECTION 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

1. Audited financial statements of the Issuer for the preceding fiscal year. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

2. Basis of accounting used by the Issuer in reporting its financial statements. The Issuer follows GAAP principles and mandated Louisiana statutory accounting requirements as in effect from time to time. In the event of any material change in such requirements the impact of such changes will be described in the Annual Report of the year such change occurs.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a deemed final official statement, it shall be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Listed Events.

- (a) This section shall govern the giving of notices of the occurrence of any of the following Listed Events with respect to the Bonds:
 - (i) Principal and interest payment delinquencies;
 - (ii) Non-payment related defaults, if material;
 - (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
 - (v) Substitution of credit or liquidity providers, or their failure to perform;
 - (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (vii) Modifications to rights of Bondholders, if material;
 - (viii) Bond calls, if material, and tender offers;
 - (ix) Defeasances;

- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
 - (xi) Rating changes;
 - (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer¹;
 - (xiii) The consummation of a merger, consolidation, or acquisition involving an Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
 - (xiv) Appointment of a successor or additional trustee or paying agent or the change of name of a trustee or paying agent, if material.
 - (xv) Incurrence of a financial obligation (as defined in the Rule) of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect Bondholders; or
 - (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation (as defined in the Rule) of the Issuer, any of which reflect financial difficulties.
- (b) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall direct the Dissemination Agent to file as soon as possible, but in no event more than ten business days after the occurrence of the event, a notice of such occurrence with the Repositories.

SECTION 6. Management Discussion of Items Disclosed. If an item required to be disclosed as part of the Annual Report or the Listed Events would be misleading without discussion, the Issuer shall additionally provide a statement clarifying the disclosure in order that the statement made will not be misleading in light of the circumstances in which it is made.

SECTION 7. Termination of Reporting Obligation. The obligations of the Issuer under this Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out its obligations under this

¹ For the purposes of the event identified in subparagraph (b)(5)(i)(C)(12) of the Rule, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and official or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if:

- (a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted;
- (b) This Disclosure Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) The amendment or waiver does not materially impair the interests of the Bondholders, as determined either by an opinion of a nationally recognized bond counsel or by approving vote of the Bondholders pursuant to the terms of the Ordinance at the time of the amendment.

In the event of any such amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next Annual Report relating to the Issuer and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of change of accounting principles, on the presentation) of financial information or operating data being presented by or in respect of the Issuer.

SECTION 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall not have any obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Failure to Comply. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, any Bondholder or the Participating Underwriter may take such actions as may be necessary and appropriate, to cause the Issuer to comply with its obligations under this Disclosure Agreement; provided, however, with respect to matters relating to the adequacy of the information required by the Rule, only bondholders aggregating not less than twenty-five percent (25%) of the aggregate principal amount of the Bonds outstanding may exercise remedies with respect thereto. A default under this Disclosure Agreement shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement

shall be an action to compel performance. The Paying Agent shall not have any power or duty to enforce this Disclosure Certificate.

SECTION 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

SECTION 13. Other Stipulations. Any document submitted to the MSRB pursuant to this Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB. Any document submitted to the MSRB pursuant to this Disclosure Agreement shall be word-searchable (without regard to diagrams, images and other non-textual elements).

IN FAITH WHEREOF, the undersigned has executed this Continuing Disclosure Agreement on this _____ day of _____, 2023.

**CITY OF NATCHITOCHES,
STATE OF LOUISIANA**

(Seal)

Ronnie Williams, Jr., Mayor

ATTEST:

Stacy McQueary, City Clerk

EXHIBIT A
TO CONTINUING DISCLOSURE AGREEMENT

NOTICE OF FAILURE TO FILE ANNUAL REPORT

NAME OF ISSUER: City of Natchitoches,
State of Louisiana

NAME OF BOND ISSUE: \$11,645,000 Utilities Revenue Bonds, Series 2023

DATE OF ISSUANCE: November 1, 2023

CUSIP NUMBERS: _____

NOTICE IS HEREBY GIVEN that the City of Natchitoches, State of Louisiana (the *“Issuer”*) has not provided an Annual Report as required by the ordinance adopted on October 23, 2023, providing for the issuance of the above-captioned Bonds and Section 3 of the Continuing Disclosure Agreement. The Issuer anticipates that its Annual Report will be filed by _____.

Dated: _____

**CITY OF NATCHITOCHES,
STATE OF LOUISIANA**

By: _____

Name: _____

Title: _____

APPENDIX F

SPECIMEN MUNICIPAL BOND INSURANCE POLICY



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100