

CITY OF LAKE CHARLES, LOUISIANA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

for the
Fiscal Year Ended
September 30, 2024



Prepared by
Department of Finance

The City of Lake Charles fully complies with Title VI of the Civil Rights Act of 1964, Americans With Disabilities Act, and related statutes, executive orders, and regulations in all programs and activities. The City operates without regard to race, color, or national origin. Any person who believes him/herself or any specific class of persons, to be subjected to discrimination prohibited by Title VI and/or Americans with Disabilities Act may by him/herself or by representative file a written complaint with the City of Lake Charles. The City's Title VI Coordinator/ADA Coordinator may be reached by phone at (337) 491-1440, the Mayor's Action Line at (337) 491-1346, or contact the appropriate Department Head.



CITY OF LAKE CHARLES
Annual Comprehensive Financial Report For
the Fiscal Year Ended September 30, 2024
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CITY OF LAKE CHARLES

NICHOLAS E. HUNTER
MAYOR

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Lake Charles, LA 70602-3706
(337) 491-1251 • FAX (337) 491-1225

DEPARTMENT OF FINANCE
EMILY K. McDANIEL, DIRECTOR

April 21, 2025

Honorable Nicholas Hunter, Mayor
Members of the City Council
Citizens of Lake Charles

Dear Mayor, City Council Members, and Citizens of Lake Charles:

In accordance with the requirements of the City's Charter and applicable state law, I am pleased to submit the Annual Comprehensive Financial Report of the City of Lake Charles for the fiscal year ended September 30, 2024. This report has been prepared by the City's Finance Department in conformity with generally accepted accounting principles (GAAP), and the basic financial statements contained herein have been independently audited in accordance with generally accepted auditing standards. However, the completeness and reliability of all information presented in this report remains the responsibility of the City's management. McElroy, Quirk, and Burch (APC), a firm of licensed certified public accountants, have audited the City of Lake Charles's financial statements. The purpose of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion on these financial statements. The independent auditor's report is presented as the first component of the financial section of this report.

Governmental Accounting Standards Board (GASB) requires certain government-wide statements as well as the fund financial statements. The purposes and contents of these financial statements are further explained in Management's Discussion and Analysis (MD&A) which follows the independent auditor's report and should be read in conjunction with this letter of transmittal for a more complete understanding of the City's financial condition and activity.

City Profile

The City of Lake Charles was incorporated in 1867 and is the principal city and trade center of Southwest Louisiana. The SWLA Economic Development Alliance estimates the five-parish area has a population of 313,951. The U.S. Census Bureau lists Lake Charles's population at 84,872. The corporate limits of the City include 50.47 square miles. Lake Charles, which is in Calcasieu Parish, is located on Interstate 10, approximately two hours east of Houston, Texas and west of Baton Rouge, Louisiana and 46 miles north of the Gulf of Mexico.

The City operates under a mayor-council form of government pursuant to a 1961 home rule charter, and provides a full range of traditional municipal services such as public safety, construction and maintenance of municipal infrastructure including water and wastewater, parks and recreation, planning and zoning, trash collection and solid waste disposal and public transportation. The City also has specialized facilities such as a municipal golf course, an event center coliseum and theater complex, and two art centers. All of these activities are integral parts of the city government and are included in this report. Certain components of the judicial function are legally separate entities which are discretely presented in these statements as "component units."

The City adopts an annual operating budget and a project-based capital budget in accordance with procedures established by its charter and by state statute. Although the budget document is comprehensive, covering all funds within the City's control, legal control of expenditures is exercised primarily at the department level for the General Fund and for each Special Revenue Fund pursuant to charter and statutory requirements. Budget-to-actual comparisons for major funds of these types are included in this report.

United for Progress and Prosperity

CITY OF LAKE CHARLES, LOUISIANA
TRANSMITTAL LETTER
September 30, 2024

The City also maintains an internal control framework designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, as well as the reliability of financial records for preparing financial statements. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. An evaluation of internal controls and legal compliance is required by federal law in connection with the independent audit, and the auditor's reports thereon are included in a separately issued "uniform guidance" report.

Economic Environment

The beginning of 2024 started with *Southern Living* naming Lake Charles a "City on the Rise". The results of investments from private businesses to Federal and State grants can be seen throughout the city. New developments, innovative programs, and resilient efforts have provided the rise in our city.

The City was one of seven cities awarded the HUD Choice Neighborhood Initiative grant. This \$40 million award is dedicated to housing. This development started moving forward in 2024 with site preparation and construction. This grant, along with additional investments, represents a \$200 million transformational impact in the center of the city. This project has spurred additional residential developments. The City Planning and Zoning Department reports 409 new single-family residences were permitted in 2024. In addition, 532 multi-family units had an incremental impact of 1,022 new housing investments.

Downtown and the Lakefront are thriving. The Event Center has hosted several well-known acts and theatrical events. Port Wonder celebrated its ribbon cutting in March 2025. Port Wonder houses a new Children's Museum and the Louisiana Wildlife and Fisheries Science and Educational Center. Construction continues on Crying Eagle's Lakefront Restaurant and Microbrewery, slated to open mid-2025. The Parking Garage at the Lakefront is open to support the new activities in the area. These projects continue to stimulate growth along the I-10 corridor and Lakefront.

At the end of 2024, the City announced plans for a 154-room Hilton Garden Inn Event Center and Hotel with plans to construct additional conference space to expand and modernize the offerings of the Event Center. There are also plans for a new state-of-the-art amphitheater across from the new hotel. It will host large-scale outdoor events. The amphitheater is a project funded as part of LC Rebound. These additions to our Lakefront promise to bring tourism to our city and provide an improved quality of life for the citizens.

McNeese State University broke ground on the LNG Center for Excellence and completed several reconstruction and renovation projects on campus. It has experienced a 3% increase in enrollment. SOWELA Technical Community College and the City were awarded a \$3.5 million EDA grant to launch a Flight Training School that will open new pathways for students in aviation.

The City of Lake Charles has made strides in strengthening its economy, infrastructure, and quality of life in 2024, and will continue to seek new opportunities and community partners for a more prosperous future.

Current and Future Financial Plans

The City's primary operating account, the General Fund, had an ending fund balance of \$51.3 million on September 30, 2024. This represents a decrease from \$55.1 million at the end of fiscal year 2023 due to transfers to the Capital Projects Fund and Enterprise funds.

The General Fund budget for fiscal year 2025, projects that operating revenues of \$88 million will be used to cover departmental expenditures of \$93 million. Operational transfers of \$5.1 million and transfers of \$700,000 for capital projects, resulting in a budgeted \$11.3 million use of fund balance reserves during fiscal year 2025.

The General Fund ending fund balance of \$51.3 million is 53 percent of 2024 departmental expenditures. It is the City's policy to maintain a 30 percent minimum fund balance target for the General Fund.

CITY OF LAKE CHARLES, LOUISIANA
TRANSMITTAL LETTER
September 30, 2024

The Disaster Recovery Fund continues to qualify as a major fund in 2024. Revenues of \$4.1 million represents 2 percent of all governmental fund revenues. FEMA funding will cover the majority of the expenditures of \$6.9 million, and the City will be responsible for no less than 10 percent of most of these costs. Revenues included in the budget for the fiscal year 2025 include funds expected from FEMA for reimbursement of ongoing efforts related to projects that have been completed.

The City continues to focus on rebuilding with resiliency in both our facilities and infrastructure. The CDBG-DR funds designated by HUD and Louisiana Office of Community Development will allow the city to construct facilities to support Public Safety, other community support services and ensure the housing needs of the citizens are met without further delay.

Capital Improvements:

The adopted capital budget for fiscal year 2025 includes \$10.3 million for streets and drainage, \$28.3 million for utility improvements, \$4.8 million for community and general government projects and \$2.3 million for debt service requirements. The 2025 capital budget also includes funds budgeted for Hurricane Laura Recovery capital projects. Funding for these capital projects will be from FEMA, State Capital Outlay, CDBG-DR, a transfer of reserves from the Disaster Recovery Fund.

Recently completed projects totaling \$12.5 million include various road, drainage, bridge and sidewalk and sewer projects, \$4.5 million in community service, recreation, general government, and public safety projects. Most of the projects were repairs and improvements to facilities related to Hurricane Laura.

Work nears completion on the Prien Lake Road project from Cove Lane to Ihles Road, with funding from both the City and Parish. Work is also wrapping up on the Southeast Water Treatment Plant. Funding for this project consists of Louisiana Department of Health & Hospitals (DHH) Revolving Loan funds, ARPA, and city funds. The Distribution Lines project for the Southeast Water Plant is under construction. The Southern Wastewater Loop will expand the City's wastewater processing capacity. This wastewater project will be partially funded through the State Water Sector Development grant program and DEQ.

Various road projects continue, including bridge repairs, asphalt overlay, street striping, intersection improvements, sidewalks and streetscaping. Wastewater projects include annual rehabilitation of basins, distribution lines, lift stations, plant repairs and improvements, as well as extension of services. Water projects include water line extensions, water storage tank construction and rehab, filter media replacement, chemical feed system improvements, water well replacement, and backup power improvements. The City took part in a Sewer User Fee rate study as part of State Water Sector Development Program grant requirements in 2024. A rate increase, as voted on by the City Council, will go into effect June 1, 2025.

The City was authorized to issue \$20 million in bonds for drainage improvements. In fiscal year 2022, the City issued \$10 million of this authorization. The drainage initiative has inspected, cleaned, and repaired approximately 86 percent of the city's system. Work will continue on this project into 2025.

Phase II of the Lakefront Boardwalk project is under construction. Port Wonder celebrated its ribbon cutting in March 2025. The Parking Garage is open for business. The clubhouse and grill at Mallard Golf are complete and open for lunch, dinner, snack, and full bar service. A project adding driving range lights at Mallard Golf will extend play time for golfers.

Annually, the City completes a five-year capital improvement plan. This serves as the basis for budgeting and planning for future City capital improvement projects. The Planning Department and Engineering Division study infrastructure needs for Lake Charles and the surrounding areas beyond the required five-year plan.

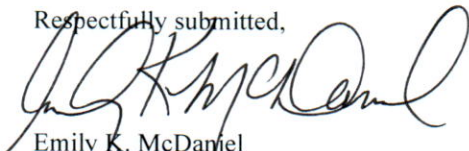
CITY OF LAKE CHARLES, LOUISIANA
TRANSMITTAL LETTER
September 30, 2024

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lake Charles for its annual comprehensive financial report for the fiscal year ended September 30, 2023. The City also received this award for its reports of the preceding thirty-nine years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the Finance Department staff. We wish to acknowledge Mayor Hunter and the City Council for their input and vision for the development and financial future of the City of Lake Charles. The collaboration among local government, businesses, and community partners has been instrumental in driving the progress of the City of Lake Charles. The City Council and all City staff remain committed to fostering innovation, creating job opportunities, and enhancing quality of life for all citizens. The citizens of Lake Charles will continue to build a stronger, more prosperous future for our city.

Respectfully submitted,



Emily K. McDaniel
Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

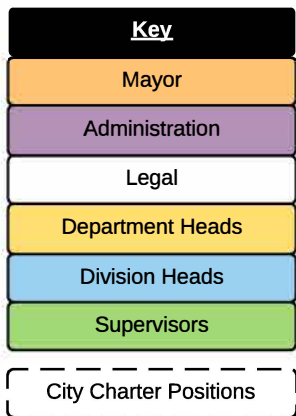
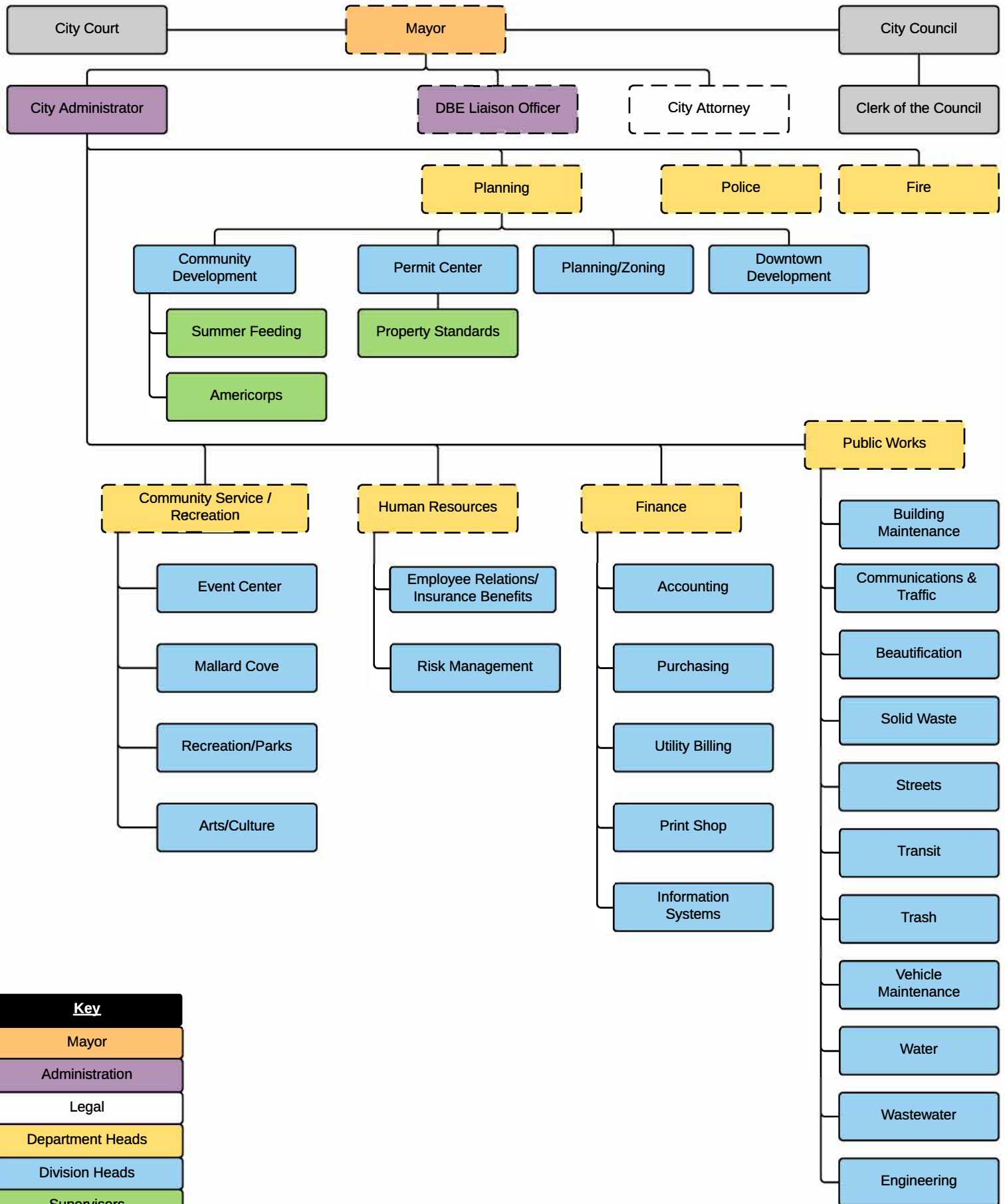
**City of Lake Charles
Louisiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Executive Director/CEO

City of Lake Charles Organization Chart



**CITY OF LAKE CHARLES
ELECTED CITY OFFICIALS**

	<u>PRESENT TERM BEGINS</u>	<u>PRESENT TERM EXPIRES</u>	<u>BEGAN AS MEMBER</u>
<u>MAYOR</u>			
Nicholas Hunter	July 1, 2021	June 30, 2025	July 2017
<u>CITY COUNCIL</u>			
Mark Eckard, President	July 1, 2021	June 30, 2025	July 2009
Craig Marks, Vice President	July 1, 2021	June 30, 2025	July 2021
Luvertha August	July 1, 2021	June 30, 2025	January 2008
Rodney Geyen	July 1, 2021	June 30, 2025	July 1997
John Ieyoub	July 1, 2021	June 30, 2025	July 2009
Ronnie Harvey, Jr.	July 1, 2022	June 30, 2025	July 2022
Stuart Weatherford	July 1, 2021	June 30, 2025	July 2005
<u>CITY JUDGES</u>			
Jamie B. Bice	January 1, 2021	December 31, 2026	January 2015
Ronald C. Richard	January 1, 2021	December 31, 2026	January 2021
<u>WARD 3 MARSHAL</u>			
Nathan Keller	January 1, 2021	December 31, 2026	January 2021

**CITY OF LAKE CHARLES
DEPARTMENT HEADS**

EMPLOYEE	DEPARTMENT
John Cardone	Mayor's Office
David Morgan	Legal
Emily McDaniel	Finance
Wendy Goodwin	Human Resources
Delton Carter	Fire
Shawn Caldwell	Police
Stacy Dowden	Public Works
Doug Burguieres	Planning
Michael Castille	Community Services

Mollie C. Broussard, CPA
Jason L. Guillory, CPA
Greg P. Naquin, CPA, CFP™
Billy D. Fisher, CPA
Joe G. Peshoff, II, CPA, CVA
David M. DesOrmeaux, CPA
Samuel W. Harrison, CPA, CVA
Caitlin D. Guillory, CPA, CFE

Robert M. Gani, CPA, MT

Paula J. Thompson, CPA

MT - Masters of Taxation
CVA - Certified Valuation Analyst
CFP - Certified Financial Planner
CFE - Certified Fraud Examiner

INDEPENDENT AUDITORS' REPORT

Honorable Mayor Nicholas Hunter
and City Council
City of Lake Charles
Lake Charles, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lake Charles, Louisiana, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Lake Charles, Louisiana's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Lake Charles, Louisiana, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the City Court of Lake Charles or the Office of the Ward Three Marshal, which represent 0.18 percent, 0.08 percent and 2.28 percent, respectively, of the assets, net position, and revenues of the governmental activities as of September 30, 2024, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City Court of Lake Charles and the Office of the Ward Three Marshal, are based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Lake Charles, 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 judgement 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 judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 Lake Charles, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Lake Charles, 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, budgetary comparison information, the schedule of changes in total other post-employment liability and related ratios, the schedule of employer's proportionate share of net pension liability, and the schedule of employer's pension contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors 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 Lake Charles, Louisiana's basic financial statements. The Schedule of Total Compensation for Mayor, City of Lake Charles, the Schedule of Justice System Funding, combining and individual nonmajor governmental fund statements, combining and individual fund statements and schedules, combining internal service fund statements, and the schedules of capital assets used in the operation of governmental funds, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit and the reports of the other auditors, the Schedule of Total Compensation for Mayor, City of Lake Charles, the Schedule of Justice System Funding, combining and individual nonmajor governmental fund statements, combining and individual fund statements and schedules, combining internal service fund statements, and the schedules of capital assets used in the operation of governmental funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2025, on our consideration of the City of Lake Charles, Louisiana's, internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Lake Charles's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Lake Charles, Louisiana's internal control over financial reporting and compliance.

Mr. Elroy Quirk - Bunch

Lake Charles, Louisiana
April 21, 2025

CITY OF LAKE CHARLES, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2024

This discussion and analysis seeks to provide an overview of the financial activity and performance of the City of Lake Charles for the fiscal year ended September 30, 2024 and accompanies the basic financial statements beginning on page 26 of this report. The transmittal letter on pages 1 - 4 of this report provides further information from a broader perspective, and should be consulted in conjunction with this discussion and the financial statements themselves for a more complete understanding of the City's financial condition and economic environment.

This Annual Comprehensive Financial Report for September 30, 2024 is reflective of the continuing rebuilding from the natural disasters of 2020 and 2021 as well as the transformational federal and state funding requests that will provide support for critical infrastructure and housing needs. The recognizable revenues for the aid provided through September 30 are included. The report recognizes the planning and design of projects for the LC Rebound Bond initiative. The initiative is made possible by the voters approval to combine and extend the City's sales tax levies.

Financial Highlights

- The City's total net position at the end of fiscal year 2024 was \$774 million, compared to the September 30, 2023 balance of \$736 million. The Statement of Activities reflect total governmental and business-type activities revenues of \$212 million were used to cover \$174 million of expenditures which equates to a \$26.7 million increase in net position for governmental activities and a \$11.8 million increase in net position for business-type activities.
- Total revenue from both governmental and business-type activities was \$212 million, which was a decrease of \$17.5 million or 7.6 percent from the previous year total of \$230 million. Operating grants and contributions decreased by \$13.7 million. Prior years reflected recognition of Federal Emergency Management Association (FEMA) proceeds needed for emergency repairs and debris removal. The current year decrease reflects the completion of those activities. Capital grants and contributions increased by \$15.8 million. The capital grant funds are primarily reimbursement proceeds from FEMA to rebuild recreation, public safety, and public works facilities.
- Tax revenues account for 51 percent of total revenues. Sales taxes are a main component, accounting for 36 percent of total revenues and decreased 4.6 percent as compared to prior year. Property taxes account for 6 percent of total revenues and increased 4 percent as compared to prior year. Other taxes, consisting of Utility Franchise and Riverboat taxes, account for 8.6 percent of all revenues.
- In the fund financial statements, total governmental fund balances of \$231.8 million is a decrease of \$3.9 million from \$235.8 million in 2023. The fund balance in the General Fund was decreased by \$3.8 million to \$51.4 million. General Fund expenditures increased during the year by \$2.9 million. A \$1.6 million increase in Public Works expenditures related to the construction of the SE Water Plant and \$1 million increase in Public Safety expenditures related to the construction of new LCPD Annex and Investigations buildings and an increase in the use of overtime to backfill open positions. The Capital Project Fund has reserves of \$138.6 million with additional transfers for capital improvements that will be completed in the current fiscal year, as well as funds accumulated for projects that are currently under design.
- The 2024 governmental fund revenues of \$170.6 million are a decrease of 6 percent from the \$180.6 million collected in 2023. Intergovernmental revenues decreased by \$7 million.
- The General Fund operating revenues of \$93.7 million were used towards expenditures of \$81.3 million and transfers of \$16.2 million resulting in a total fund balance decrease of \$3.7 million. A transfer of \$6.5 million was made to the LC Rebound Capital Projects fund as part of the City's contribution to begin work on the bond projects, and \$4.75 million was transferred to the Capital Projects Fund. The ending fund balance was \$51.4 million on September 30, 2024 compared to \$55. million at the end of fiscal year 2023.

CITY OF LAKE CHARLES, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2024

The Financial Statements

This report encompasses a series of financial statements consisting of the following components:

1. The government-wide financial statements are designed to provide an organization-wide overview similar in nature to the form of reporting used for private-sector businesses. The two components of this presentation are:
 - The Statement of Net Position is roughly equivalent to a private business balance sheet, summarizing all of the City's assets and liabilities and reporting the difference between the two as "net position." Changes in net position over time may provide an indication of either an improving or declining financial position.
 - The Statement of Activities is an organization-wide operating statement which accounts for changes in fund net position during the City's 2024 fiscal year. This statement takes into account all revenues and expenses accrued for that year, regardless of when cash is received or paid.

The government-wide statements presented on pages 26 - 27 of this report are a result of the financial reporting model established by Governmental Accounting Standards Board Statement No. 34. These statements also distinguish governmental activities, which are those city functions principally supported by taxes and intergovernmental revenues from business-type activities which are intended to recover a significant portion of their costs through user fees and charges. The City's governmental activities include such functions as public safety (fire and police) and public works (principally streets, sanitation and sewerage), while its business-type activities consist of an event center, golf course, transit system, and water utility.

The government-wide statements also include two component units, City Court and the Ward Three Marshal, which are legally separate entities with financial dependency on the City as their "primary government." They do not include other legally separate local entities which are financially and operationally independent of the City. This discussion and analysis pertains only to the City as primary government.

2. Fund financial statements report financial data for individual funds into which the City's accounts are organized to maintain compliance with finance-related legal and contractual requirements. This report includes two categories of funds, governmental and proprietary. The City has no fiduciary funds. The governmental fund financial statements generally cover the same functions as the governmental activities in the government-wide statements but differ in their focus on near-term spendable resources rather than longer-term measurement of net position. A comparison of the fund and government-wide statements with respect to governmental functions is useful in gaining a longer-term perspective than that provided solely by the near-term focus of governmental fund statements, and reconciliation is provided in the governmental fund statements to support such comparison. The City maintains fourteen individual governmental funds, six of which are classified as major. Budget to actual statements for four funds are separately displayed in the Required Supplemental Information section beginning on page 90 of this report. There are eight special revenue funds which are aggregated into a single display on those schedules but are individually presented in the combining statements referred to below. The proprietary fund financial statements cover business-type activities in which external customers are charged for services, as well as internal service activities funded by charges to other city funds and operating units. The enterprise fund category in these statements corresponds to the business-type activities reported in the government-wide statements. The internal service category consists of two funds which account for risk financing and employee group medical benefits. All proprietary fund statements are reported on the accrual basis of accounting as used in the government-wide statements and in private-sector business.
3. Notes to the financial statements provide additional information and explanation necessary for full understanding of the government-wide and fund financial statements and are presented on pages 40 - 87 of this report.

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4. Required Supplemental Information is included with information related to OPEB, Net Pension Liability and budget to actual schedules for the major governmental funds.
5. Other information, consisting of the combining statements for the eight non-major governmental funds and two internal service funds, the Capital Assets Used in the Operation of Governmental Funds, the schedule of total compensation for Mayor, and the Justice System Filing Schedule is presented immediately following the Required Supplemental Information.
6. The statistical section contains primarily trend data and non-financial information about the City's various activities.

City-wide Financial Analysis

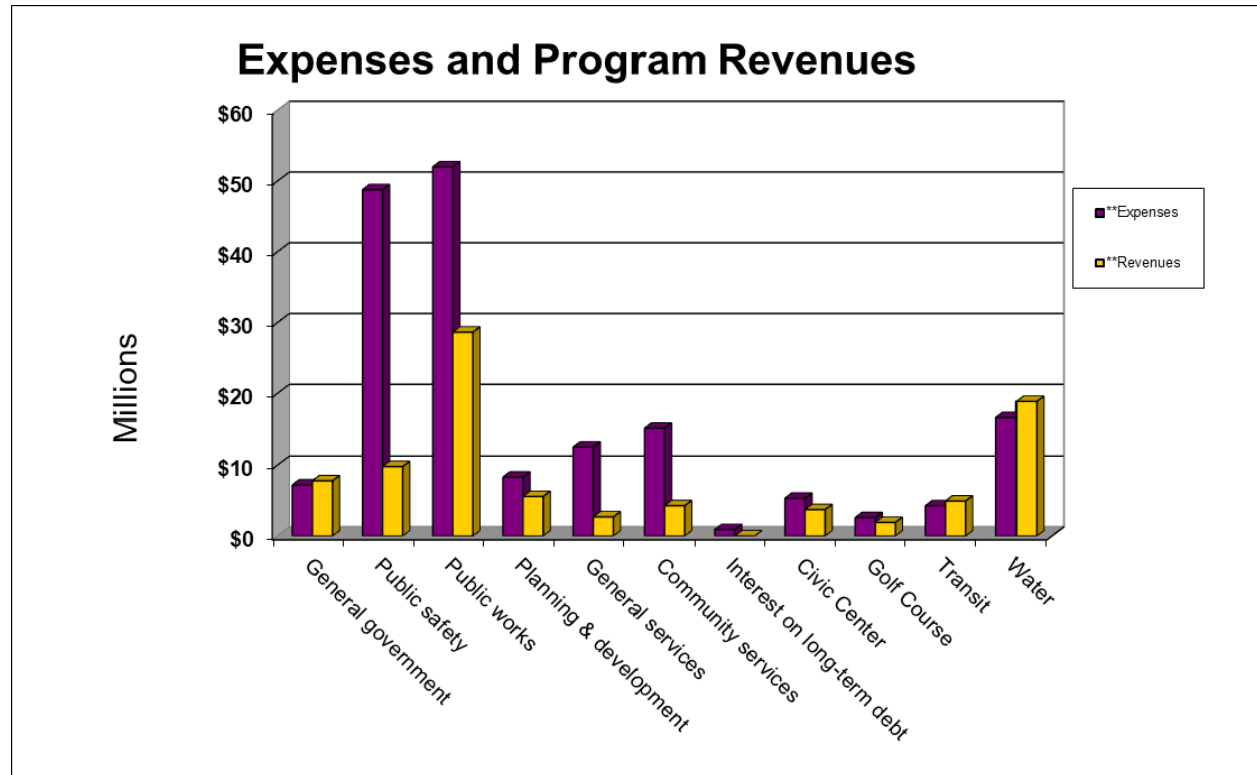
As shown on the government-wide financial statements, the City's net position at the end of 2024 was \$774,122,891 with 70.3 percent of this total consisting of capital assets, i.e., physical plant, equipment, and infrastructure, less related outstanding debt. An additional 5.3 percent of the net position is externally restricted by law or contract, leaving 24.5 percent as unrestricted net position which is generally available for use at the City's discretion. Year-end assets, liabilities, and net position are summarized below. It should be noted that the investment in capital assets is not available as a financial resource for payment of related debt, other liabilities, or future costs, which will require the use of either existing financial resources or future revenues. Also note that capital assets are reported net of accumulated depreciation and that the infrastructure portion of these reported assets includes only those projects completed since 1975.

NET POSITION (in thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 313,110	\$ 320,473	\$ 24,422	\$ 37,835	\$ 337,532	\$358,308
Capital assets	441,972	421,758	145,481	116,835	587,453	538,593
Total assets	755,082	742,231	169,903	154,670	924,985	896,901
Deferred outflows of resource	8,957	17,455	550	1,039	9,507	18,494
Long-term liabilities	95,262	112,839	9,894	7,471	105,156	120,310
Current and other liabilities	43,694	49,035	6,689	6,180	50,383	55,215
Total liabilities	138,956	161,874	16,583	13,651	155,539	175,525
Deferred inflows of resources	4,582	3,981	249	229	4,831	4,210
Net position:						
Net investment in capital asset:	403,813	376,158	140,102	114,347	543,915	490,505
Restricted	40,654	42,274	-	-	40,654	42,274
Unrestricted	176,034	175,399	13,520	27,482	189,554	202,881
Total net position	\$ 620,501	\$ 593,831	\$ 153,622	\$ 141,829	\$ 774,123	\$735,660

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Total net position of \$774,122,891 is an increase of \$38,462,735 or 5.2 percent from the 2023 net position of \$735,660,156. The change in net position for governmental activities was a 4.5 percent increase, while business-type activities increased 8.3 percent. Explanations of the changes are outlined in the pertinent sections below.

The following chart summarizes expenses and related program revenues for the various governmental and business-type functions displayed in the financial statements. The significance of this comparison is that the portion of each function's expenses not offset by program revenues is left to be covered by general revenues, namely taxes and other restricted sources.



The City's total costs in 2024 were \$144.9 million for governmental activities and \$28.7 million for business-type activities. Total expenses of \$173.7 million are a 3.1 percent increase over 2023 expenses of \$168.6 million. The portions not covered by program revenues, or net costs funded by taxes and other general revenues, were \$86.2 million for governmental activities. The public works function increased to \$52 million in 2024 to account for the increase construction activities, and the increase in capital grants and contributions increased as well. The public safety function (fire and police) had \$38.9 million in excess expenses over program revenues during 2024 also attributable to the rebuilding of facilities and the proportional increase in capital grants and contributions.

The City's total revenue for 2024 was \$212 million, a 7.6 percent decrease from 2023 revenues of \$229.7 million. Operating Grants decreased \$13.7 million mainly in the governmental activities. The decrease is due to a reduction in FEMA emergency operating reimbursements. Capital Grants had a increase of \$15.8 million. Capital grants and contributions in Governmental activities increased \$12.4 million which include reimbursements from FEMA and State grants for recreation, public works, and public safety. Capital grants in Business activities increased by \$3.4 million which includes Federal Transit Agency reimbursement for the purchase of five new buses.

The Statement of Activities for 2024 categorizes the City's revenues as either program revenues, which are service charges or grants and contributions for specific governmental or business-type functions, or general revenues which include most taxes and other revenue sources of a government-wide nature.

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Major components of program and general revenues, together with total expenses and the resulting change in net position, are summarized below for the 2024 fiscal year.

CHANGES IN NET POSITION						
(in thousands)						
	Governmental		Business-Type		Total	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
Program revenues:						
Charges for services	\$ 21,916	\$ 21,474	\$ 18,921	\$ 16,481	\$ 40,837	\$ 37,955
Operating grants & contributions	12,215	25,420	3,456	3,997	15,671	29,417
Capital grants & contributions	24,648	12,197	7,062	3,673	31,710	15,870
General revenues:						
Property taxes	13,310	12,796	-	-	13,310	12,796
Sales taxes	77,022	80,732	-	-	77,022	80,732
Utility franchise taxes	6,449	6,401	-	-	6,449	6,401
Riverboat gaming taxes	11,768	12,179	-	-	11,768	12,179
Other general revenues	14,235	32,960	1,218	1,397	15,453	34,357
Total revenues	181,563	204,159	30,657	25,548	212,220	229,707
Expenses:						
General government	7,204	7,121	-	-	7,204	7,121
Public safety	48,776	44,856	-	-	48,776	44,856
Public works	52,005	48,970	-	-	52,005	48,970
Planning and development	8,316	11,052	-	-	8,316	11,052
General services	12,564	15,194	-	-	12,564	15,194
Community services	15,233	12,828	-	-	15,233	12,828
Interest in long-term debt	898	1,159	-	-	898	1,159
Event Center	-	-	5,328	4,683	5,328	4,683
Golf Course	-	-	2,588	2,384	2,588	2,384
Transit	-	-	4,266	4,366	4,266	4,366
Water	-	-	16,580	15,998	16,580	15,998
Total expenses	144,996	141,180	28,762	27,431	173,758	168,611
Excess before transfers	36,567	62,979	1,895	(1,883)	38,462	61,096
Transfers	(9,897)	(14,599)	9,897	14,599	-	-
Increase (decrease) net position	26,670	48,380	11,792	12,716	38,462	61,096
Net position - beginning	593,831	545,451	141,829	129,113	735,660	674,564
Net position - ending	\$ 620,501	\$ 593,831	\$ 153,621	\$ 141,829	\$ 774,122	\$ 735,660

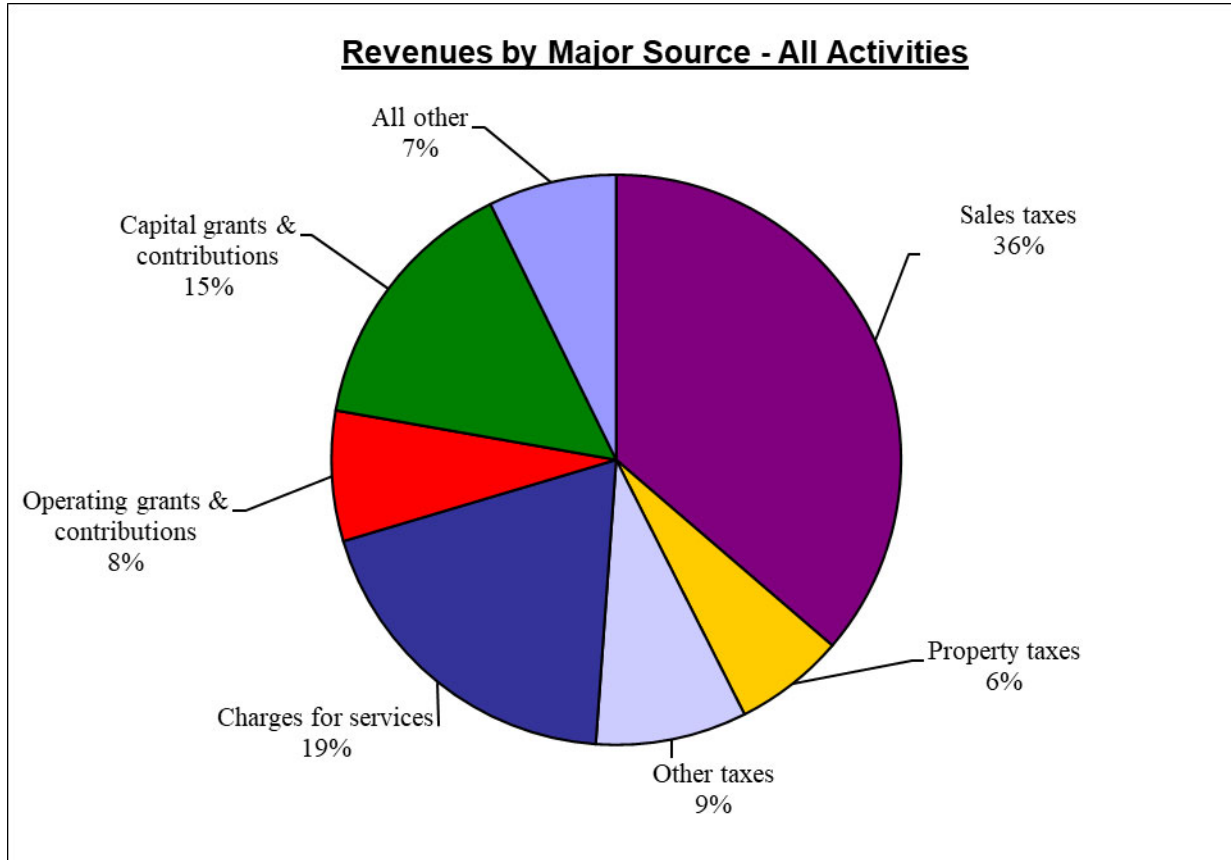
As indicated by the above table and the following chart, Sales Tax revenue, the City's primary source of revenue, decreased 4.6 percent to \$77 million as compared to 2023 collections and is responsible for 36% of total revenues. A similar decrease was experienced following the rebuilding after hurricanes in years past. In 2024, the decrease in sales taxes was offset by an increase in property taxes. Property taxes account for 6 percent of total revenues and increased by 4 percent in 2024. Property taxes were reassessed in 2024 and the City Council adopted the adjusted maximum millage levy of 14.98

Charges for services of \$40.8 million account for 19 percent of all revenue and were increased by \$2.8 million in 2024 compared to the prior year. Increased revenues from water and sewer utility fees account for some of the gains. The automated water meter installation has been fully implemented, and meters are being read by the automated system. This system has increased accuracy and reliability in assessing usage in the utilities. Water capital grants and contributions increased due to awards received from Louisiana Department of Health & Hospitals DWRLF program for construction of the SE Water Treatment Plant.

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Gaming tax revenues are \$11.7 million in the current year, a slight decrease as compared to \$12.2 million in 2023. The City of Lake Charles and the Calcasieu Parish Police Jury created the Calcasieu Parish Gaming Revenue District and in April 2007 entered into a cooperative endeavor agreement to pool most gaming revenues received parish-wide. Gaming revenues for fiscal year 2024 continued to be stable. Taxable revenues reflected in the statements are from land-based casinos located in Calcasieu Parish , as well as Online Sports Wagering collections of \$661,665.

Other general revenues of \$15.4 million is an decrease from \$34.3 million in 2023. Prior year included a hurricane-related litigation settlement and Risk Management recoveries related to claims made by the City.



Total expenses increased by 3 percent to \$173.7 million compared to \$168.6 million in 2023. Public Safety accounts for 28 percent of all expenses and increased 8.7 percent to \$48.7 million in 2024. Public Works accounts for 30 percent of all expenses and increased by 6.2 percent to \$52 million in 2024. The increase in Public Safety can be attributed to the departments using overtime to backfill for open positions. Some of these increases were offset by reduction in Planning and Development which experienced a 24 percent decrease due to the completion of the Private Property Debris Removal project, a post-hurricane project.

Analysis of Fund Financial Statements

This discussion pertains to the financial statements for the various funds into which the City's accounts are divided to comply with legal requirements. As previously noted, the two fund classifications represented in these statements are governmental and proprietary funds. The discussion below of the Fund Financial Statements is a better representation of the City's current financial condition, rather than the above statements, which represent a longer-term picture of resources and liabilities.

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The City's governmental funds had a combined fund balance of \$231,884,190 at the end of fiscal year 2024, a decrease of \$3.9 from the fiscal year 2023 balance. The reserves in the General Fund were decreased by \$3.7 million to \$51.3 million as compared to \$55.1 million in 2023. The Capital Project fund balance increased by \$7.1 million. Disaster Recovery Fund Balance decreased due to a \$7.5 million transfer to the Disaster Recovery Capital Fund for rebuilding of facilities. The Wastewater Special Revenue Fund had a \$1.2 million increase in fund balance.

The City's proprietary funds' net position increased to \$153,621,713 in 2024 compared to \$141,829,153 in the previous year. The Water Utility Fund's net position accounts for 68 percent of the total net position.

General Fund Summary

The General Fund is the City's principal operating fund, accounting for 44 percent of all revenue received by the City and 55 percent of revenue for all governmental funds. The City ended fiscal year 2024 with a fund balance reserve of \$51.4 million in the General Fund compared to \$55.1 on September 30, 2023.

The General Fund revenues of \$93,773,086 were \$1.3 million or 1.4 percent less than fiscal year 2023 revenues of \$95,095,396. Sales tax revenues collected by the General Fund of \$58.4 million account for 62.2 percent of all General Fund revenues and decreased 4.7 percent as compared to prior fiscal year. Property taxes of \$11.8 million account for 12.6 percent of General Fund revenues and increased by 4 percent. All other GF revenues remained constant as compared to the previous year.

Actual General Fund operating expenditures of \$81,312,964 were increased by 3.7 percent compared to prior year expenditures of \$78,392,666. Salaries of \$29 million account for 35.7 percent of total expenditures, a 1.7 percent increase from prior year. Across-the-board increases were given, but salaries remain flat due to the number of open positions throughout the City, particularly in Public Safety. Overtime cost increased 10 percent in the General Fund to \$6.3 million as it was used to backfill many open positions throughout the City. There were 37 vacancies in the Fire Department, 20 vacancies in the Police Department, and 43.5 vacancies throughout the Public Works Departments.

Fringe benefits, including retirement contributions and health insurance, of \$15.3 million account for 18.9 percent of all General Fund expenses. Retirement contribution expenses were \$8.1 million in 2024; a 6.4 percent increase as compared to the 2023 fiscal year. For the period July 1, 2023 through June 30, 2024 the retirement contribution rate was 33.25 percent for the Fire Department, and remained 33.25 percent on July 1, 2024. The rate for the Police Department were 33.93 percent until June 30, 2024, and increased to 35.6 percent on July 1, 2024. The rate for all other employees was 15.5 percent until June 30, 2024, and decreased to 14 percent on July 1, 2024.

The General Fund had operating transfers, which are necessary to subsidize debt service accounts and the proprietary funds, totaled \$1.2 million in 2024. A transfer of \$552,630 to the Debt Service Fund is made in support of the City's drainage initiative. The City provided for a transfer of \$15.1 million for capital projects, \$6.5 million for the City's commitment to LC Rebound projects, \$4.75 million to the Capital Projects Fund, and \$3.8 million into the Enterprise Funds.

In summary, current year operating revenues of \$93.7 million were used to cover operating expenditures of \$81.3 million and transfers of \$16.2 million, resulting in a \$3.8 million use of fund balance. The General Fund's ending balance in 2024 was \$51,390,159, which represents 53 percent of total expenditures and all transfers made from the fund that year. The fund balance amount at 2023 fiscal year end was \$55,149,904, which was 63 percent of total expenditures. This satisfies the City's policy of maintaining a fund balance of at least 30% of expenditures and transfers.

Other Major Fund Summary

The Disaster Recovery Special Revenue Fund was initially established to account for revenues and expenses related to Hurricane Rita. It has been used to account for any disaster thereafter. Fund balance reserves were retained in this fund for use during any subsequent disaster. Revenues and expenses related to the coronavirus pandemic, Hurricanes Laura and Delta, Winter Storm Uri, and May flooding required this fund to be classified as a major fund. Revenues of \$4.2 million represents 2 percent of all governmental fund revenues. Fund expenditures of \$6.9 million account

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for 4 percent of all governmental fund expenditures. This fund will continue to support the rebuilding of City buildings and facilities. The City shifted focus from recovery projects to permanent rebuilding in fiscal year 2024.

The revenue recorded in the Riverboat Gaming Special Revenue Fund of \$12 million is a 3 percent decrease from prior year revenues of \$12.3 million. Included in the taxable gaming proceeds is \$752,360 of Sportsbook online and in-person sports betting. The gaming taxes received by the City each year are first and primarily dedicated to the repayment of a portion of the City's debt obligations. The remaining funds are used to fund one-time capital improvements. With revenues returning to pre-disaster levels, the fund transferred \$12.3 million of fund balance to support Proprietary Fund, Wastewater System, and Recreation capital projects, as well as \$3.7 million for debt service. Riverboat Gaming Fund reserves are \$3.1 million in 2024.

The Wastewater Special Revenue Fund revenues were \$18.1 million in fiscal year 2024. Sales tax receipts of 16 percent of one cent dedicated to wastewater were collected in the amount of \$4.9 million. Sewer user fees of \$12.7 million are the primary source of revenue for the fund. This increase in revenue is attributed to the automated meter project being fully implemented. The project has increased accuracy in billing for the utility. There were no wastewater fee increases in fiscal year 2024. A rate study was completed, and new sewer user rates were adopted by the City Council in fiscal year 2025. The new rates will be effective June 1, 2025.

Wastewater operating expenses were \$13.5 million. Each year funds are transferred to the Capital Project Fund and to debt service funds to service wastewater-related debt. The transfer to the Capital Project Fund is used for infrastructure improvements to the wastewater system. A 10-year plan of expansions and improvements were considered when determining the new rate schedule. Total transfers in fiscal year 2024 were \$3.8 million; \$1.3 million for debt service payments and \$2.5 million for capital improvements. The transfers in 2023 totaled \$2.3 million. Fund balance reserves increased to \$7.3 million in 2024.

The Debt Service Fund revenues remained nearly constant as compared to the previous year. Expenditures remained constant at \$8.2 million of principal and interest payments as compared to \$8.4 million in 2023. In 2024, \$7.1 million in principal payments was paid to retire \$1.2 million for the 2010 DEQ Wastewater Loan, \$2.6 million for the 2017 Bond Refunding, and \$2.3 million for the 2014 Bond Refunding. Transfers of \$7.9 million into the debt service funds come primarily from the Wastewater, Riverboat Gaming and Capital Project funds and are used to meet the annual principal and interest debt service requirement.

Capital Project Fund Summary

The Capital Projects Fund revenues increased to \$31.2 million in 2024 as compared to \$25.9 million in fiscal year 2023. The Capital Project Fund receives 28 percent of a one cent sales tax levy totaling \$8.5 million. Intergovernmental revenue increased to \$16.7 million in fiscal year 2024 compared to \$10.2 million in the prior year. The Calcasieu Parish Police Jury participates in the cost share of various projects, and funds from the Convention and Visitor's Bureau, as per a CEA, which provides that the City receive funds from a tax dedicated for economic development. Other sources of Intergovernmental Revenue were from Louisiana DOTD for the drainage and resurfacing project on Enterprise Boulevard and Louisiana State Capital outlay for the construction of the Lakefront Boardwalk. Miscellaneous revenues of \$5.5 million are from interest earnings on investment and deposit accounts.

There was \$27 million transferred into the fund in the current fiscal year. Transfers are from the General, Riverboat Gaming, and Wastewater Funds, including \$7.5 million from the Disaster Recovery Fund for permanent facility repairs and rebuilding. All other transfers were used for improvements to streets and drainage, wastewater system improvements, and other general capital projects.

Expenditures of \$46.7 million in fiscal year 2024 is an increase of \$8.3 million compared to \$38.3 million in fiscal year 2023. Fiscal year 2024 reflects the continuation of construction for many large projects including the continued construction on Prien Lake Road, and disaster-related permanent projects such as the demolition and rebuilding of the LCPD Annex and Investigations buildings. The increase in fund balance of \$7.1 million reflects the use of funds related to these and other projects that were funded in previous years. A transfer into the fund for the planning and development of several LC Rebound Bond projects is also reflected in the fund balance. Total fund balance at year-end of \$138.6 million is restricted or committed for capital projects.

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Proprietary Funds Summary

The business-type activities operating revenues of \$18.2 million have increased by 13 percent from fiscal year 2023. Charges for Services continue to increase in all of the funds. Mallard Golf Club and Event Center revenues increased 17 percent, the Water Utility revenues increased 12 percent, and Public Transit revenues remained constant.

Water Utility total operating revenues, which account for the majority of the proprietary revenues, increased to \$15.4 million. The full implementation of the automated meter project has provided accuracy of metering, leak detection, and charging for usage. Operating expenses of \$16.6 million is an increase of \$588,706 over the prior year. The increases can be found in personal services and contractual services. There were several large repairs due to utility strikes adding to contractual services. The full cost of the automated meters is part of this increase as well.

Mallard Golf had operating revenues totaling \$1,551,826. The course has been host to many new tournaments including multiple youth golf events. The new clubhouse has expanded its menu and is contributing to the revenue increases. New driving range lighting was added during 2024 to allow for increased use by patrons.

The Lake Charles Event Center, renamed from the Lake Charles Civic Center, continues to operate under the management of ASM Global. The Event Center charges for services of \$994,436 is an 18 percent increase over prior year. This increase was due to several large concerts and theatrical events hosted by the facility.

Capital Assets

The City's total net investment in capital assets of \$587 million at the end of the 2024 fiscal year was an increase of \$50 million from \$537 million at the end of 2023. The net increase in Construction in Process is \$27 million. This includes additions for current year projects in progress totaling \$53.6 million and a reduction of \$26.3 million for projects completed throughout the year. The net change in the Governmental Activities include streets, wastewater system improvement projects, public safety, and community services. The net change in Business-type Activities of \$28.6 million include construction of the Southeast Water Plant and for Event Center improvements.

Components of the City's capital assets are summarized in the following table. As previously noted, reported value for infrastructure is limited to projects completed since 1975. Additional details are provided by the financial statements and notes thereto (Note 4-C).

Net Investment in Capital Assets as of September 30, 2024						
	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 19,463	\$ 19,072	\$ 7,861	\$ 7,861	\$ 27,324	\$ 26,933
Construction in progress	67,614	55,234	41,093	26,255	108,707	81,489
Buildings	14,117	16,168	9,381	9,741	23,498	25,909
Improvements other than buildings	68,732	68,209	80,832	69,291	149,564	137,500
Equipment	13,744	13,105	6,217	3,518	19,961	16,623
Infrastructure	257,625	249,011	-	-	257,625	249,011
Right of Use Leased Assets & Subscription Assets	678	960	98	236	776	1,196
Total	<u>\$ 441,973</u>	<u>\$ 421,759</u>	<u>\$ 145,482</u>	<u>\$ 116,902</u>	<u>\$ 587,455</u>	<u>\$ 538,661</u>

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Debt Administration

As of September 30, 2024, the City's Governmental Activities reported \$95.3 million in non-current liabilities compared to \$112.8 million in the previous year. The change in net pension liability deferred outflows accounts for most of the decrease. Bonded debt of \$23.9 million for fiscal year 2024 is decreased from \$29.7 million in fiscal year 2023 and is payable from future annual appropriations, all the outstanding bond principal is due within ten years. The decrease is due to principal payments reducing the outstanding debt of the 2014 and 2017 LCDA Revenue Refunding Bonds, the 2021 Drainage Bonds, the City Court Building project, and the 2011 DEQ SRLF bonds.

The City has no outstanding general obligation debt to which a bond rating can be assigned. All outstanding bond issues are insured and therefore rated "AA" by Standard and Poor's. Statutory debt limits applicable to the City have not been met or exceeded by any of the City's current outstanding debt.

As per the notification by Standard and Poor's on February 2018, all City of Lake Charles debt was upgraded one notch following new criteria application; therefore, all debt was upgraded from "AA-" to "AA". As the City prepares to take on the LC Rebound projects with the new issuance of bonds, the City will seek an updated grading from a reputable rating agency.

The voters of Lake Charles approved a \$90 million bond issue in November 2006. Through the Louisiana Local Government Environmental Facilities and Community Development Authority (LCDA), the City issued bonds in 2007 and in 2010 totaling \$75 million. The proceeds were used for improving streets and roads, park and recreation facilities, water and wastewater systems, downtown and/or lakefront development infrastructure and economic development initiatives within the City. Riverboat gaming revenue, sales tax revenues, and funds from sewer user fees are used to repay the debt.

The City issued \$15,825,000 in Revenue Refunding Bonds in December 2014. The proceeds were used to advance a refunding of the outstanding 2007 Public Improvement Bonds. In May 2017 the City issued \$24,140,000 in Revenue Refunding Bonds to refund the remaining 2007 Public Improvement Bonds and to advance refund a portion of the outstanding 2010 Public Improvement Bonds. Both Series were assigned a rating of "AA-" (stable outlook) by Standard and Poor's.

The City of Lake Charles was approved in 2011 by the Louisiana Department of Environmental Quality (DEQ) for a \$21,000,000 loan from the State Revolving Loan Fund for improvements to the City's wastewater system. Current principal balance is \$9,928,000. The debt will be repaid with sewer user fees of the Wastewater Special Revenue Fund through 2032.

The City has been approved for a \$30 million loan from the Department of Health Drinking Water Revolving Loan Fund to construct the Southeast Water Treatment Facility. Interest and administration fees will total 2.45 percent and will be repaid over a 20-year period. This debt was granted a \$3 million principal forgiveness loan. The City expects to fully borrow \$27 million by project completion. Current principal balance is \$5,280,708.

The City has been approved for an additional \$20 million loan from the DEQ State Revolving Loan Fund in anticipation of future major sewer improvement projects. As with the 2011 loan, interest and administration fees will total 0.95 percent and would be repaid over a 20-year period.

In June 2021, the city council approved a drainage proposal to issue up to \$20 million in bonds to address the drainage problems within the city boundaries. The bonds will be repaid over a term not to exceed 20 years, at a rate of interest not to exceed 5 percent. As disclosed in the notes to the financial statements, the City issued a \$10 million bond in December 2021 and no additional tranches of debt were issued prior to the end of fiscal year 2024. Current principal balance is \$8,145,000.

The City has fully adopted Governmental Accounting Standards Board (GASB) Statement No. 87, Leases. GASB 87 changed the accounting and financial reporting for leases by establishing a single model for lease accounting based on the foundational principal that leases are financings of the right-to-use of an asset. The lease liability is measured at a discount rate of 1.90%. The City recognized a right-to-use lease asset with net book value of \$299,951

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and a lease liability of \$305,241 within governmental activities. The City recognized a right-of-use lease asset with a net book value of \$98,244 and a lease value of \$98,787 within the business-type activities.

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). GASB 96 provides guidance on accounting and financial reporting for subscription-based information technology arrangements for government end users. The City recognized a SBITA net book value of \$377,832 and a SBITA liability of \$356,913 for the fiscal year ending September 30, 2024.

Additional information regarding long-term debt and liabilities is provided in the financial statements and accompanying notes (Note 4-H).

Economic Outlook

The results of investments from private businesses to Federal and State grants can be seen throughout the city. Housing initiatives have been popping up around the City beginning with the award of \$40 million through Housing and Urban Development's Choice Neighborhood grant. The total grant, along with additional investments, represents a \$200 million impact to the mid-City neighborhood of Lloyd Oaks. This award, along with over \$300 million of additional housing investments throughout Southwest Louisiana, will provide much needed housing dispersed throughout the City.

As anticipated, sales tax revenues have leveled off following the increased spending after the disasters. Sales tax collections remained relatively flat as compared to prior year 2024 Sales tax collections for the first four months of fiscal year 2025 reflect a 4.4 percent increase when compared to the first four month's collections of 2024. Manufacturing and building material sales have decreased while miscellaneous sales, such as hotel/motel sales, restaurants, and merchandise continue to increase.

The City of Lake Charles collected \$11.7 million from taxable gaming proceeds in fiscal year 2024 as compared to \$12.2 million in fiscal year 2023, and anticipates \$11.5 million will be received in fiscal year 2025. Sportsbook gaming in person and online made its way to SWLA with a full year of collections in 2024 of \$752,360.

The Downtown District and the Lakefront are thriving. The Event Center has hosted several well-known acts and theatrical events. Port Wonder celebrated its ribbon cutting on March 20, 2025. Port Wonder houses a new Children's Museum and the Louisiana Wildlife and Fisheries Science and Educational Center. Construction continues on Crying Eagle's Lakefront Restaurant and Microbrewery, slated to open mid-2025. The Parking Garage at the Lakefront is open to support the new activities in the area. These projects continue to stimulate growth along the I-10 corridor and the Lakefront. At the end of 2024, the city announced plans for a 154-room Hilton Garden Inn Event Center and Hotel with plans to construct additional conference space to expand and modernize the offerings of the Event Center. A new state-of-the-art amphitheater across from the new hotel will host large-scale outdoor events and will be built as part of LC Rebound. These projects fall within the Lakefront Economic Development District which adds a one cent sales tax to purchases.

Next Year's Budget

The fiscal year 2025 Operating and Capital budget was submitted to the City Council on August 13, 2024. The City proposed a budget with modest revenue projections and level expenditures.

The fund balance of the General Fund was \$51.4 million at fiscal year-end 2024, which is 53 percent of all expenditures and transfers incurred in fiscal year 2024 and within our policy of reserves of 30 percent of departmental expenses and operational subsidies to other funds.

The Disaster Recovery Fund for Hurricane Laura adopted an expenditure budget of \$3 million. The reduced expenditure budget reflects the City's transition from the expenditures of debris removal and temporary repairs to the permanent reconstruction of City facilities. These permanent projects are scheduled and authorized as part of the overall Capital Project authorizations. The budget includes authorizations for Hurricane Laura Capital Projects that have been identified as being essential in the recovery efforts for the City. These funds will be used to rebuild

CITY OF LAKE CHARLES, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
September 30, 2024

destroyed structures, such as the Public Work's administration building and other buildings once part of the Broad Street campus, Police Department's annex, training, and SWAT buildings, a new LCFD Training Facility, as well as many other water and wastewater facilities. Authorizations include the planning and actual construction of these facilities that will continue over several years. Budgets will be developed as costs are calculated and funding sources are identified.

The fiscal year 2025 capital budget of \$52.2 million which includes \$10.3 million for streets and drainage; including street overlays and street striping, \$28.3 million for water and wastewater projects; including improvements to large lift stations and annual basin rehabilitation, and \$4.8 million for community and government services; including additional upgrades and improvements to recreation facilities, as well as \$2.3 million for debt service obligations.

Large scale projects, such as the Prien Lake Road project is nearing completion. This much needed arterial road, is being funded by both the City and the Calcasieu Parish Police Jury. The SE Water Treatment Facility construction is scheduled to complete during the summer of 2025. The distribution lines for the treatment plant have begun construction. A new major sewer transport line is also being designed and will provide relief to existing lines, as well as allow for expansion of the system. The water and sewer projects will be funded from accumulated reserves and proceeds from state revolving loan funds.

Mayor Hunter and the City's administration are excited to see the completion of Port Wonder a \$28 million lakefront project that will house the Children's Museum of Lake Charles and the Louisiana Department of Wildlife and Fisheries' Science Center and Educational Complex which opened in March 2025. The renovations of the Parking Garage have been completed along the lakefront, which provides the infrastructure backbone for future development within the Lakefront and the I-10 Corridor Economic Development Districts. Crying Eagle Restaurant and Brewery began construction in March 2024.

The City will continue to seek all available funding, from every possible source to rebuild our City better and stronger. The citizens of Southwest Louisiana are excited to see quality of life amenities and housing being added to the area.

Requests for Information

This report is intended to provide interested parties with a general overview of the finances of the City of Lake Charles. Questions or requests for further financial information should be addressed to the Department of Finance, City of Lake Charles, P. O. Box 3706, Lake Charles, Louisiana 70602.

BASIC FINANCIAL STATEMENTS



CITY OF LAKE CHARLES, LOUISIANA

Statement of Net Position

September 30, 2024

	Primary Government			Component Units	
	Governmental	Business-Type	Total	City	City
ASSETS	Activities	Activities		Court	Marshal
Cash and cash equivalents	\$ 165,538,854	\$ 3,376,486	\$ 168,915,340	\$ 50,446	\$ 354,174
Investments	81,210,038	13,692,693	94,902,731	-	-
Receivables (net of allowance for uncollectables)	62,724,536	3,523,643	66,248,179	12,598	178,534
Internal balances	(847,195)	847,195	-	-	-
Inventories	324,114	714,976	1,039,090	-	-
Prepays	4,159,494	492,995	4,652,489	-	-
Restricted assets:					
Cash and cash equivalents	-	1,773,655	1,773,655	193,852	-
Capital assets not being depreciated:					
Land	19,462,829	7,860,704	27,323,533	-	-
Construction in progress	67,613,638	41,092,757	108,706,395	-	-
Capital assets net of accumulated depreciation:					
Building	14,117,281	9,380,735	23,498,016	-	-
Improvements other than buildings	68,732,091	80,832,042	149,564,133	-	-
Equipment	13,744,575	6,216,975	19,961,550	103,214	475,947
Infrastructure	257,624,293	-	257,624,293	-	-
Right of use leased assets net of amortization:	299,951	98,244	398,195	-	-
Right of use subscription assets net of amortization:	377,832	-	377,832	-	-
Total assets	<u>755,082,331</u>	<u>169,903,100</u>	<u>924,985,431</u>	<u>360,110</u>	<u>1,008,655</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charges on debt refundings	427,531	-	427,531	-	-
Deferred outflows related to net pension liab	7,138,302	310,276	7,448,578	73,093	-
Deferred outflows related to OPEB	1,391,286	239,926	1,631,212	-	-
	<u>8,957,119</u>	<u>550,202</u>	<u>9,507,321</u>	<u>73,093</u>	<u>-</u>
LIABILITIES					
Accounts payable & other current liabilities	29,957,703	4,582,914	34,540,617	243,591	75,806
Liabilities payable from restricted assets	-	1,773,655	1,773,655	-	-
Noncurrent liabilities:					
Claims payable within one year	4,975,278	-	4,975,278	-	-
Claims payable in more than one year	3,065,296	-	3,065,296	-	-
Due within one year	8,761,578	332,335	9,093,913	-	-
Due in more than one year	32,379,799	5,909,511	38,289,310	-	-
OPEB payable due in more than one year	6,920,871	1,026,895	7,947,766	-	-
Net pension liability due in more than one year	52,895,607	2,957,218	55,852,825	601,614	-
Total liabilities	<u>138,956,132</u>	<u>16,582,528</u>	<u>155,538,660</u>	<u>845,205</u>	<u>75,806</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to net pension liab	4,063,389	176,843	4,240,232	6,793	-
Deferred inflows related to OPEB	518,751	72,218	590,969	-	-
	<u>4,582,140</u>	<u>249,061</u>	<u>4,831,201</u>	<u>6,793</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	403,813,476	140,101,962	543,915,438	103,214	475,947
Restricted for:					
Capital projects	36,232,222	-	36,232,222	196,517	-
Debt service	4,421,713	-	4,421,713	-	-
Marshal activity	-	-	-	-	70,172
Unrestricted	176,033,767	13,519,751	189,553,518	(718,526)	386,730
Total net position	<u>\$ 620,501,178</u>	<u>\$ 153,621,713</u>	<u>\$ 774,122,891</u>	<u>\$ (418,795)</u>	<u>\$ 932,849</u>

CITY OF LAKE CHARLES, LOUISIANA

Statement of Activities

For the Year Ended September 30, 2024

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities		City Court	City Marshal
			Grants and Contributions				Activities	Total		
Primary government:										
Governmental activities:										
General government	\$ 7,204,289	\$ 7,414,737	\$ 229,224	\$ 139,589	\$ -	\$ 579,261	\$ -	\$ 579,261	\$ -	\$ -
Public safety	48,775,886	28,797	4,311,513	5,459,856	-	(38,975,720)	-	(38,975,720)	-	-
Public works	52,005,430	13,003,042	414,795	15,232,098	-	(23,355,495)	-	(23,355,495)	-	-
Planning and development	8,316,260	1,092,262	4,485,780	-	-	(2,738,218)	-	(2,738,218)	-	-
General services	12,563,648	-	2,694,648	-	-	(9,869,000)	-	(9,869,000)	-	-
Community services	15,232,807	376,756	79,114	3,816,817	-	(10,960,120)	-	(10,960,120)	-	-
Interest in long-term debt	898,638	-	-	-	-	(898,638)	-	(898,638)	-	-
Total governmental activities	144,996,958	21,915,594	12,215,074	24,648,360	-	(86,217,930)	-	(86,217,930)	-	-
Business-type activities:										
Event Center	5,327,616	1,028,059	1,224,242	1,471,417	-	(1,603,898)	-	(1,603,898)	-	-
Golf Course	2,587,830	1,551,826	-	360,000	-	(676,004)	-	(676,004)	-	-
Transit	4,266,205	227,383	2,232,190	2,473,026	-	666,394	-	666,394	-	-
Water	16,580,225	16,113,886	-	2,757,145	-	2,290,806	-	2,290,806	-	-
Total business-type activities	28,761,876	18,921,154	3,456,432	7,061,588	-	677,298	-	677,298	-	-
Total primary government	\$ 173,758,834	\$ 40,836,748	\$ 15,671,506	\$ 31,709,948	\$ -	\$ (86,217,930)	\$ 677,298	\$ (85,540,632)	\$ -	\$ -
Component units:										
City Court	\$ 1,735,428	\$ 256,840	\$ 1,457,519	\$ 61,894	\$ -	\$ -	\$ -	\$ -	\$ 40,825	\$ -
City Marshal	2,123,520	1,051,418	40,000	-	-	-	-	-	-	(1,032,102)
Total component units	\$ 3,858,948	\$ 1,308,258	\$ 1,497,519	\$ 61,894	\$ -	\$ -	\$ -	\$ -	\$ 40,825	\$ (1,032,102)
General revenues:										
Property taxes						13,310,273	-	13,310,273	-	-
Sales taxes						77,021,832	-	77,021,832	-	-
Franchise taxes						6,449,332	-	6,449,332	-	-
Riverboat taxes						11,768,182	-	11,768,182	-	-
Grants and contributions not restricted to specific programs						124,466	-	124,466	-	1,255,167
Interest and investment earnings						11,135,678	1,218,339	12,354,017	4,167	17
Miscellaneous						2,975,265	-	2,975,265	3,632	12,525
Transfers						(9,896,923)	9,896,923	-	-	-
Total general revenues and transfers						112,888,105	11,115,262	124,003,367	7,799	1,267,709
Change in net position						26,670,175	11,792,560	38,462,735	48,624	235,607
Net position - beginning						593,831,003	141,829,153	735,660,156	(467,419)	697,242
Net position - ending						\$ 620,501,178	\$ 153,621,713	\$ 774,122,891	\$ (418,795)	\$ 932,849

The notes to the financial statements are an integral part of this statement

CITY OF LAKE CHARLES, LOUISIANA

Balance Sheet Governmental Funds September 30, 2024

	General	Disaster Recovery Special Revenue	Riverboat Gaming Special Revenue
ASSETS			
Cash (Note 4-A)	\$ 18,885,397	\$ -	\$ 1,680,635
Investments (Note 4-A)	28,617,033	-	674,328
Receivable (net of allowance for uncollectable)			
Accounts (Note 4-B)	7,933,972	-	-
Special Assessments	-	-	-
Accrued interest	4,167	-	-
Intergovernmental (Note 4-B)	61,784	40,525,995	577,517
Due from other funds (Note 4-F)	545,206	-	126,749
Inventory	324,114	-	-
Prepaid items	251,927	6,000	-
Total assets	<u>\$ 56,623,600</u>	<u>\$ 40,531,995</u>	<u>\$ 3,059,229</u>
LIABILITIES			
Accounts payable	\$ 2,695,686	\$ 18,154,445	\$ -
Contracts payable	-	86,757	-
Escrow	1,305,641	-	-
Due to other funds	1,182,020	4,000,026	-
Unearned revenue	77	-	-
Other liabilities	50,017	-	-
Total liabilities	<u>5,233,441</u>	<u>22,241,228</u>	<u>-</u>
FUND BALANCES			
Nonspendable:			
Inventory	324,114	-	-
Prepaid items	251,927	6,000	-
Restricted:			
Sales tax and bond funds for capital projects	-	-	-
Debt service reserve	-	-	-
Committed :			
Capital projects	-	-	-
Wastewater system improvements	-	-	-
Debt service payments	-	-	-
Other purposes - subsequent year's expenditures	11,368,534	18,284,767	-
Assigned:			
Community services	-	-	-
Public safety	-	-	-
Capital projects	-	-	3,059,229
Unassigned	39,445,584	-	-
Total fund balances	<u>51,390,159</u>	<u>18,290,767</u>	<u>3,059,229</u>
Total liabilities and fund balances	<u>\$ 56,623,600</u>	<u>\$ 40,531,995</u>	<u>\$ 3,059,229</u>

The notes to the financial statements are an integral part of this statement.

Wastewater Special Revenue	Debt Service	Capital Projects	Other Special Revenue Governmental Funds	Total Governmental Funds
\$ 5,020,483	\$ 4,300,453	\$ 101,468,395	\$ 6,849,591	\$ 138,204,954
717,617	26,583	30,314,784	1,519,762	61,870,107
1,830,212	-	898,806	411,197	11,074,187
-	-	196,865	-	196,865
-	-	-	-	4,167
-	222,273	7,844,113	1,545,961	50,777,643
-	-	4,000,000	34,931	4,706,886
-	-	-	-	324,114
41,731	-	95,000	10,955	405,613
<u>\$ 7,610,043</u>	<u>\$ 4,549,309</u>	<u>\$ 144,817,963</u>	<u>\$ 10,372,397</u>	<u>\$ 267,564,536</u>
\$ 289,908	\$ -	\$ 3,529,560	\$ 1,508,046	\$ 26,177,645
-	-	2,291,722	-	2,378,479
12,010	-	-	10,734	1,328,385
3,389	-	325,000	140,308	5,650,743
-	-	95,000	-	95,077
-	-	-	-	50,017
<u>305,307</u>	<u>-</u>	<u>6,241,282</u>	<u>1,659,088</u>	<u>35,680,346</u>
-	-	-	-	324,114
41,731	-	-	10,955	310,613
-	-	36,232,222	-	36,232,222
-	4,421,713	-	-	4,421,713
-	-	97,106,243	-	97,106,243
5,725,082	-	4,992,753	-	10,717,835
-	127,596	-	-	127,596
1,537,923	-	-	3,747,013	34,938,237
-	-	-	1,977,909	1,977,909
-	-	-	615,502	615,502
-	-	245,463	2,361,930	5,666,622
-	-	-	-	39,445,584
<u>7,304,736</u>	<u>4,549,309</u>	<u>138,576,681</u>	<u>8,713,309</u>	<u>231,884,190</u>
<u>\$ 7,610,043</u>	<u>\$ 4,549,309</u>	<u>\$ 144,817,963</u>	<u>\$ 10,372,397</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.	441,955,393
Other long-term assets are not available to pay for current-period expenditures.	95,077
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	42,609,187
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore are not reported in the funds.	(100,417,648)
Deferred outflows and inflows of resources are not available to pay current period expenditures and therefore are not reported in the government funds	4,374,979
Net position of governmental activities	<u>\$ 620,501,178</u>

CITY OF LAKE CHARLES, LOUISIANA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For Fiscal Year Ended September 30, 2024

	<u>General</u>	<u>Disaster Recovery Special Revenue</u>	<u>Riverboat Gaming Special Revenue</u>
Revenues:			
Taxes	\$ 74,029,065	\$ -	\$ 11,768,182
Licenses and permits	7,814,071	-	-
Intergovernmental	4,198,359	4,156,331	-
Charges for services	3,667,426	-	-
Fines and forfeitures	215,196	-	-
Miscellaneous	3,848,969	852	260,093
Total revenues	<u>93,773,086</u>	<u>4,157,183</u>	<u>12,028,275</u>
Expenditures:			
Current operating:			
General government	4,612,060	1,494	-
Finance	2,101,750	306	-
Human Resources	414,402	-	-
Fire	20,298,323	33,407	-
Police	23,217,620	182,520	-
Public works	20,118,961	753,430	-
Planning and development	3,686,657	1,064,646	-
Community services	-	168,152	-
General services	6,427,698	4,791,168	-
Capital projects	-	-	-
Debt service:			
Principal	418,919	-	-
Interest and fiscal charges	16,574	-	-
Total expenditures	<u>81,312,964</u>	<u>6,995,123</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>12,460,122</u>	<u>(2,837,940)</u>	<u>12,028,275</u>
Other financing sources (uses):			
Transfers in	-	1,770,000	-
Transfers out	(16,381,169)	(7,500,000)	(12,326,355)
Lease Proceeds	161,302	-	-
Total other financing sources (uses)	<u>(16,219,867)</u>	<u>(5,730,000)</u>	<u>(12,326,355)</u>
Net change in fund balances	(3,759,745)	(8,567,940)	(298,080)
Fund balance at beginning of year	<u>55,149,904</u>	<u>26,858,707</u>	<u>3,357,309</u>
Fund balance at end of year	<u>\$ 51,390,159</u>	<u>\$ 18,290,767</u>	<u>\$ 3,059,229</u>

The notes to the financial statements are an integral part of this statement.

Wastewater Special Revenue	Debt Service	Capital Projects	Other Special Revenue Governmental Funds	Total Governmental Funds
\$ 4,869,327	\$ -	\$ 8,521,323	\$ 6,204,063	\$ 105,391,960
-	-	-	-	7,814,071
-	139,589	16,674,995	3,984,848	29,154,122
12,737,577	-	515,081	249,150	17,169,234
-	-	-	-	215,196
529,292	231,885	5,519,382	459,191	10,849,664
<u>18,136,196</u>	<u>371,474</u>	<u>31,230,781</u>	<u>10,897,252</u>	<u>170,594,247</u>
-	-	-	-	4,613,554
-	-	-	-	2,102,056
-	-	-	-	414,402
-	-	-	-	20,331,730
-	-	-	134,742	23,534,882
12,689,607	-	-	-	33,561,998
-	-	-	3,623,811	8,375,114
-	-	-	5,640,471	5,808,623
-	-	-	483,701	11,702,567
784,903	-	46,651,302	-	47,436,205
-	7,124,000	-	-	7,542,919
-	1,152,219	-	-	1,168,793
<u>13,474,510</u>	<u>8,276,219</u>	<u>46,651,302</u>	<u>9,882,725</u>	<u>166,592,843</u>
<u>4,661,686</u>	<u>(7,904,745)</u>	<u>(15,420,521)</u>	<u>1,014,527</u>	<u>4,001,404</u>
390,000	7,904,713	27,085,000	1,318,591	38,468,304
(3,825,000)	-	(4,562,703)	(2,000,000)	(46,595,227)
-	-	-	-	161,302
<u>(3,435,000)</u>	<u>7,904,713</u>	<u>22,522,297</u>	<u>(681,409)</u>	<u>(7,965,621)</u>
1,226,686	(32)	7,101,776	333,118	(3,964,217)
<u>6,078,050</u>	<u>4,549,341</u>	<u>131,474,905</u>	<u>8,380,191</u>	<u>235,848,407</u>
<u>\$ 7,304,736</u>	<u>\$ 4,549,309</u>	<u>\$ 138,576,681</u>	<u>\$ 8,713,309</u>	<u>\$ 231,884,190</u>

CITY OF LAKE CHARLES, LOUISIANA
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For Fiscal Year Ended September 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ (3,964,217)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	20,503,308
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.	2
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	7,248,253
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Net effect of right to use subscription liability recognition	(26,470)
Net effect of right of use lease liability recognition	2,214
Net effect of pension liability recognition	2,807,039
Net effect of OPEB liability recognition	(479,141)

Deferred charge on debt refunding, net current year amortization	(168,339)
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Internal service funds are used by management to charge the costs of insurance to individual funds. The net expenses of certain activities of internal service funds is reported within the governmental activities.	747,526
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Change in net position of governmental activities	\$ 26,670,175
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The notes to the financial statements are an integral part of this statement.

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CITY OF LAKE CHARLES, LOUISIANA

Statement of Net Position

Proprietary Funds

September 30, 2024

	Business-type Activities-Enterprise Funds					Governmental Activities - Internal Service Funds
	Event Center	Golf Course	Public Transit	Water Utility	Totals 2024	
ASSETS						
Current assets:						
Cash	\$ 342,204	\$ 1,680,061	\$ -	\$ 1,354,221	\$ 3,376,486	\$ 27,333,900
Investments	2,450,302	-	46,656	11,195,735	13,692,693	19,339,931
Restricted cash:						
Customer deposits	-	-	-	1,773,655	1,773,655	-
Accounts receivable (net of allowance for uncollectible)	6,460	-	-	1,785,477	1,791,937	671,674
Accrued interest receivable	-	-	-	-	-	-
Intergovernmental receivables	-	-	1,731,706	-	1,731,706	-
Due from other funds	1,472,089	-	42,000	-	1,514,089	-
Inventories	19,861	66,318	-	628,797	714,976	-
Prepaid items	421,076	61,824	3,407	6,688	492,995	3,753,880
Total current assets	4,711,992	1,808,203	1,823,769	16,744,573	25,088,537	51,099,385
Capital assets:						
Land	-	5,340,000	806,824	1,713,880	7,860,704	-
Buildings and structures	18,768,595	5,979,822	4,973,499	459,012	30,180,928	-
Improvements	33,099,620	6,630,132	134,089	104,798,162	144,662,003	-
Construction in Progress	21,315	11,984	8,890	41,050,568	41,092,757	-
Equipment, furniture and fixtures	4,341,937	391,707	8,828,914	3,246,736	16,809,294	50,022
Right of use leased assets	-	147,366	-	-	147,366	-
Total capital assets	56,231,467	18,501,011	14,752,216	151,268,358	240,753,052	50,022
Less accumulated depreciation and amortization	38,189,335	1,334,381	6,558,817	49,189,062	95,271,595	32,925
Total capital assets (net of accumulated depreciation)	18,042,132	17,166,630	8,193,399	102,079,296	145,481,457	17,097
Total assets	22,754,124	18,974,833	10,017,168	118,823,869	170,569,994	51,116,482
DEFERRED OUTFLOW OF RESOURCES						
Deferred amounts related to net pension liabilities	60,405	27,931	48,571	173,369	310,276	32,197
Deferred amounts related to OPEB liabilities	48,137	40,094	29,448	122,247	239,926	9,594
Total deferred outflow of resources	108,542	68,025	78,019	295,616	550,202	41,791

Business-type Activities-Enterprise Funds

	Event Center	Golf Course	Public Transit	Water Utility	Totals 2024	Governmental Activities - Internal Service Funds
LIABILITIES						
Current liabilities :						
Accounts payable	130,319	3,286	622,019	1,707,865	2,463,489	23,177
Contracts payable	252,819	-	-	1,828,057	2,080,876	-
Customer deposits payable	-	-	-	1,773,655	1,773,655	-
Escrow	10,748	27,801	-	-	38,549	-
Due to other funds	-	211,782	311,502	46,946	570,230	-
Total current liabilities	<u>393,886</u>	<u>242,869</u>	<u>933,521</u>	<u>5,356,523</u>	<u>6,926,799</u>	<u>23,177</u>
Non-current liabilities:						
Compensated absences	167,423	31,984	135,877	473,020	808,304	169,405
OPEB liability	189,431	127,093	159,814	604,604	1,080,942	63,934
Net pension liability	575,707	266,214	462,926	1,652,371	2,957,218	306,869
Right of use lease liability	-	98,787	-	-	98,787	-
Loan Payable	-	-	-	5,280,708	5,280,708	-
Accrued insurance claims	-	-	-	-	-	4,650,278
Incurred-not reported claims	-	-	-	-	-	325,000
Accrued insurance claims-noncurrent	-	-	-	-	-	3,065,296
Total non-current liabilities	<u>932,561</u>	<u>524,078</u>	<u>758,617</u>	<u>8,010,703</u>	<u>10,225,959</u>	<u>8,580,782</u>
Total liabilities	<u>1,326,447</u>	<u>766,947</u>	<u>1,692,138</u>	<u>13,367,226</u>	<u>17,152,758</u>	<u>8,603,959</u>
DEFERRED INFLOW OF RESOURCES						
Deferred amounts related to net						
Pension Liabilities	34,428	15,920	27,683	98,812	176,843	18,351
OPEB	13,682	1,604	12,997	43,935	72,218	4,509
Total Deferred Inflows of Resources	<u>48,110</u>	<u>17,524</u>	<u>40,680</u>	<u>142,747</u>	<u>249,061</u>	<u>22,860</u>
NET POSITION						
Net investment in capital assets	18,042,132	17,067,843	8,193,399	96,798,588	140,101,962	17,097
Unrestricted	3,445,977	1,190,544	168,970	8,810,924	13,616,415	42,514,357
Total net position	<u>\$ 21,488,109</u>	<u>\$ 18,258,387</u>	<u>\$ 8,362,369</u>	<u>\$ 105,609,512</u>	<u>153,718,377</u>	<u>\$ 42,531,454</u>
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds					(96,664)	
Net position of business-type activities:					<u>\$ 153,621,713</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF LAKE CHARLES, LOUISIANA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2024

	Business-type	
	Event Center	Golf Course
Operating revenues:		
Charges for services	\$ 994,436	\$ 1,534,715
Other	33,623	17,111
Total operating revenues	<u>1,028,059</u>	<u>1,551,826</u>
Operating expenses:		
Personal services	1,258,884	789,814
Materials and supplies	341,007	545,226
Maintenance	889,301	243,174
Utilities	444,527	77,816
Transportation	-	-
General and administration	958,513	298,284
Claims and losses paid	-	-
Depreciation and Amortization	1,450,315	616,678
Total operating expenses	<u>5,342,547</u>	<u>2,570,992</u>
Operating income (loss)	<u>(4,314,488)</u>	<u>(1,019,166)</u>
Nonoperating revenues (expenses):		
Operating grants-governmental agencies	1,224,242	-
Interest income	179,576	48,434
Interest expense	-	-
Litigation Settlement	-	-
Gain (loss) on retirement, impairment, or transfer of capital assets	-	(18,293)
Other	-	-
Total nonoperating revenues	<u>1,403,818</u>	<u>30,141</u>
Income (loss) before operating transfers	<u>(2,910,670)</u>	<u>(989,025)</u>
Capital contributions and transfers:		
Capital contributions - governmental agencies	1,471,417	360,000
Capital contributions - loan proceeds	-	-
Transfers in (out)	2,195,385	452,436
Total capital contributions and transfers	<u>3,666,802</u>	<u>812,436</u>
Change in net position	756,132	(176,589)
Net position at beginning of year - as restated	20,731,977	18,434,976
Net position at end of year	<u>\$ 21,488,109</u>	<u>\$ 18,258,387</u>

The notes to the financial statements are an integral part of this statement.

Activities-Enterprise Funds			Governmental Activities - Internal Service Funds
Public Transit	Water Utility	Totals 2024	
\$ 118,487	\$ 14,342,564	\$ 16,990,202	\$ 18,930,602
108,896	1,069,728	1,229,358	1,390,994
227,383	15,412,292	18,219,560	20,321,596
1,357,381	4,226,596	7,632,675	1,719,300
202,206	2,358,093	3,446,532	19,146
220,396	806,093	2,158,964	-
64,772	1,016,295	1,603,410	-
88,258	-	88,258	-
1,676,983	5,455,600	8,389,380	5,230,387
-	-	-	12,967,351
676,304	2,763,449	5,506,746	7,567
4,286,300	16,626,126	28,825,965	19,943,751
(4,058,917)	(1,213,834)	(10,606,405)	377,845
2,232,190	-	3,456,432	-
25,566	1,045,231	1,298,807	2,222,063
-	(80,468)	(80,468)	-
-	-	-	-
-	29,340	11,047	-
-	672,254	672,254	-
2,257,756	1,666,357	5,358,072	2,222,063
(1,801,161)	452,523	(5,248,333)	2,599,908
2,473,026	1,602,380	5,906,823	-
-	1,154,765	1,154,765	-
1,296,527	5,952,575	9,896,923	(1,770,000)
3,769,553	8,709,720	16,958,511	(1,770,000)
1,968,392	9,162,243	11,710,178	829,908
6,393,977	96,447,269		41,701,546
\$ 8,362,369	\$ 105,609,512		\$ 42,531,454

Adjustments to reflect the consolidation of
internal service fund activities related
to enterprise funds

Change in net position of business-type activities

82,382
\$ 11,792,560

CITY OF LAKE CHARLES, LOUISIANA

Statement of Cash Flows

Proprietary Funds

Fiscal Year Ended September 30, 2024

	Event Center
Cash flows from operating activities:	
Receipts from customers	\$ 1,032,941
Receipts from interfund charges for risk management services	-
Payments to employees	(1,332,771)
Payments to suppliers	(4,068,362)
Internal activity - payments from other funds	-
Internal activity - payments to other funds	(190,822)
Net cash provided by operating activities	<u>(4,559,014)</u>
Cash flow from noncapital financing activities:	
Operating subsidies	2,195,385
Shared revenue from governmental agencies	1,224,242
Litigation Settlement	-
Net cash provided by noncapital financing activities	<u>3,419,627</u>
Cash flows from capital and related financing activities:	
Purchases/sale of capital assets	(3,226,438)
Capital subsidies from governmental agencies - current year	1,471,417
Capital improvement fee	-
Proceeds from loan	-
Capital transfers	-
Net cash provided (used for) capital and related financing activities	<u>(1,755,021)</u>
Cash flow from investing activities:	
Purchase of investment securities	(126,977)
Proceeds from sale and maturities of investment securities	-
Interest on investments	179,576
Net cash provided (used for) investing activities	<u>52,599</u>
Net increase (decrease) in cash and cash equivalents	(2,841,809)
Cash and cash equivalents at beginning of year	3,184,013
Cash and cash equivalents at end of year	<u><u>\$ 342,204</u></u>
Reconciliation of operating (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ (4,314,488)
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation and amortization expense	1,450,315
(Increase) decrease in accounts receivable	4,883
(Increase) decrease in due from other funds	-
(Increase) decrease in inventories	20,084
(Increase) decrease in prepaid items	(374,259)
(Increase) decrease in deferred outflows of resources related to NP liability	82,190
(Increase) decrease in deferred outflows of resources related to OPEB liability	10,417
Increase (Decrease) in accounts payables	(1,078,984)
Increase (Decrease) in miscellaneous payables	(11,776)
Increase (Decrease) in customer deposit account	-
Increase (Decrease) in compensated absences payable	15,835
Increase (Decrease) in OPEB liability	3,357
Increase (Decrease) in NP liability	(180,310)
Increase (Decrease) in due deferred inflows of resources NP liability	7,207
Increase (Decrease) in due deferred inflows of resources OPEB	(2,663)
Increase (Decrease) in Right of Use Lease Liability	-
Increase (Decrease) in due to other funds	(190,822)
Total adjustments	<u>(244,526)</u>
Net cash provided (used) by operating activities	<u><u>\$ (4,559,014)</u></u>

Noncash investing and capital activities:

Assets retired/transferred cost \$173,943 and had accumulated depreciation of \$155,650, loss of \$18,293.

Change in the fair value of investments resulted in an unrealized gain of \$178,420 at year end 2024, and an unrealized gain of \$0 at year end 2023.

The notes to the financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds					Governmental Activities
Golf Course	Transit	Water Utility	Totals 2024		Internal Service Funds
\$ 1,551,826	\$ 227,383	\$ 15,716,246	\$ 18,528,396	\$ 1,736,259	
-	-		-	18,302,948	
(826,774)	(1,415,385)	(4,374,422)	(7,949,352)	(1,752,096)	
(1,234,750)	(1,732,701)	(9,550,576)	(16,586,389)	(22,723,211)	
-	-	-	-	-	
(17,238)	245,095	7,038,719	7,075,754	-	
(526,936)	(2,675,608)	8,829,967	1,068,409	(4,436,100)	
452,436	1,296,527	350,000	4,294,348	-	
-	1,780,513	-	3,004,755	(1,770,000)	
-	-	-	-	-	
452,436	3,077,040	350,000	7,299,103	(1,770,000)	
(34,562)	(2,914,333)	(25,446,425)	(31,621,758)	-	
360,000	2,489,752	168,020	4,489,189	-	
-	-	672,255	672,255	-	
-	-	4,037,566	4,037,566	-	
-	-	5,602,575	5,602,575	-	
325,438	(424,581)	(14,966,009)	(16,820,173)	-	
-	(2,417)	(580,178)	(709,572)	(14,683,465)	
-	-	-	-	-	
48,434	25,566	1,045,231	1,298,807	2,083,527	
48,434	23,149	465,053	589,235	(12,599,938)	
299,372	-	(5,320,989)	(7,863,426)	(18,806,038)	
1,380,689	-	8,448,865	13,013,567	46,139,938	
\$ 1,680,061	\$ -	\$ 3,127,876	\$ 5,150,141	\$ 27,333,900	
-	-	-	-	-	
\$ (1,019,166)	\$ (4,058,917)	\$ (1,213,834)	\$ (10,606,405)	\$ 377,845	
616,678	676,304	2,763,449	5,506,746	7,567	
-	-	238,685	243,568	(282,389)	
-	-	-	-	-	
(5,613)	-	(176,600)	(162,129)	-	
(4,900)	341	(1,661)	(380,479)	(265,609)	
38,007	66,090	235,902	422,189	43,811	
1,389	11,459	43,754	67,019	4,166	
366	517,483	263,673	(297,462)	(15,598)	
12,367	-	-	591	(4,225,347)	
-	-	65,269	65,269	-	
3,486	4,965	66,527	90,813	11,446	
448	3,693	14,101	21,599	1,343	
(83,379)	(144,987)	(517,518)	(926,194)	(96,110)	
3,333	5,795	20,684	37,019	3,841	
(354)	(2,929)	(11,183)	(17,129)	(1,065)	
(72,360)	-	-	(72,360)	-	
(17,238)	245,095	7,038,719	7,075,754	(1)	
492,230	1,383,309	10,043,801	11,674,814	(4,813,945)	
\$ (526,936)	\$ (2,675,608)	\$ 8,829,967	\$ 1,068,409	\$ (4,436,100)	

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

1. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Lake Charles, Louisiana (the City) was incorporated in 1867, and operates under a home rule charter, which became effective in 1961. The City utilizes the Mayor-Council form of government and provides a full range of municipal services under a centralized system of administration.

The accounting and financial reporting policies of the City conform to generally accepted accounting principles as applicable to governments. Such policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audit of State and Local Governmental Units. The following is a summary of the more significant accounting policies.

The accompanying financial statements include all funds, which are directly controlled by the City, and which constitute the primary government as defined for financial reporting purposes. In accordance with generally accepted accounting principles, this report also includes component units, which are legally separate from the City but considered to be fiscally dependent on the primary government. Component units are discretely presented in this report, are reported for periods and balance sheet dates which differ from the City's, and have been separately audited. Further disclosures concerning such units are provided below.

Discretely Presented Component Units

Financial data of component units is displayed on the Statement of Net Position and Statement of Activities. The reported component units are as follows:

City Court of Lake Charles:

This entity is created by state statutes, which provide for its governance by independently elected officials and has a jurisdictional area extending beyond the corporate limits of the City. Although legally separate, City Court is fiscally dependent upon the government because of the statutory requirements that the City provides and maintains the physical facilities necessary for its operation. The relationship between the City and City Court is such that exclusion would cause the City's financial statements to be incomplete. Financial data reported for the City Court component unit is from its separately audited financial statements for the fiscal year ended December 31, 2023.

Ward Three Marshal:

The office of Ward Three Marshal, which is governed by an independently elected official, is created in the same statutory manner as City Court and has a corresponding area of jurisdiction. Although legally separate, the office of Ward Three Marshal is fiscally dependent upon the government because of the statutory requirements that the City provides and maintains the physical facilities necessary for its operation. The relationship between the Marshal and the City is such that exclusion would cause the City's financial statements to be incomplete. Financial data reported for this component unit are from its separately audited financial report for the year ended December 31, 2023. Complete financial statements of the individual component units are available from the City of Lake Charles at 326 Pujoe Street, Lake Charles, Louisiana 70601.

B. Government-wide and Fund Financial Statement

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and the intergovernmental

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

revenues, are reported separately from business-type activities, which rely primarily on charges for services for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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 as general revenues.

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

C. Measurement Focus and Basis of Accounting in the Basic Financial Statement

The government-wide financial statement of net position and statement of activities are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions should be recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from non-exchange transactions should be recognized in accordance with the requirements of Section N50, Non-exchange Transactions.

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

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

Governmental fund reporting focuses primarily on the sources, uses, and balances of current financial resources and often has a budgetary orientation. Governmental funds are, in essence, accounting segregations of financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used; current liabilities are assigned to the fund from which they are to be paid; and the difference between governmental fund assets and deferred outflow of resources, and liabilities and deferred inflow of resources is referred to as "Fund Balance."

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

The City of Lake Charles reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for and report all financial resources not accounted for and reported in another fund.

Disaster Recovery Fund – This fund accounts for the receipt of insurance reimbursements, federal funds and other miscellaneous revenues received in connection with disasters and the related expenditures of such funds in the City's efforts to recover from such disasters.

Riverboat Gaming Special Revenue Fund – This fund accounts for receipt and subsequent expenditure or transfer of revenue from casino riverboat admissions taxes and other gaming.

Wastewater Fund – This fund accounts for the receipt and subsequent expenditure of dedicated sales taxes, sewer use charges, and other current charges dedicated to operations, maintenance and improvement of the City's sanitary sewerage system.

Debt Service Fund – This fund is used to account for the accumulation of resources and the payments made for principal, interest, and related costs on long-term debt obligations of governmental funds. The primary source of revenue is transfers in from other funds as mandated by law or City policy.

Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). Revenues include 28 percent of one percent sales tax dedicated to capital improvements and various intergovernmental revenues.

The City of Lake Charles reports the following proprietary funds:

Event Center – This fund accounts for the activities of the Lake Charles Event Center.

Golf Course – This fund accounts for the activities of Mallard Golf Course.

Transit Fund – This fund accounts for the operation of the City's transit system.

Water Fund – This fund accounts for the operation of the City's water system.

The City of Lake Charles reports the following additional fund type:

Internal Service Funds - Internal Service Funds are used to account for the insurance needs provided to other departments of the City, or to other governments, on a cost reimbursement basis.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments between the government's water function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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. The intent of the governing body is that the costs (expenses) of providing goods or services to the general

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

public on a continuing basis be financed or recovered primarily through user charges and are reported as program revenues.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation of capital assets. All other revenues and expenses are reported as non-operating revenues and expenses.

D. Assets, Liabilities and Net Position

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City's investment program is authorized and limited by state statute and city ordinances to purchases of securities issued or guaranteed by the U.S. Government and its agencies or instrumentalities and participation in the Louisiana Asset Management Pool, Inc. (LAMP). LAMP is a non-profit corporation formed by an initiative of the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool equivalent to a money market fund. LAMP invests in short-term instruments permitted by statute.

Investments for the government, its component units and for LAMP are reported at fair value.

2. Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All receivables, including those for grass cutting and demolition assessments in the governmental funds and water and sewer charges in the enterprise funds, are shown net of an allowance for uncollectables. The allowance for estimated uncollectable receivables is established based on historical collection experience and other relevant circumstances.

There appears to be concentration of credit-risk with regard to general accounts receivable and, more specifically, accounts receivable for water and sewer user fees in the Wastewater Special Revenue Fund and the Water Utility Enterprise Fund. The City's ability to collect the amounts due from the users of the City water and sewer system and others (as reflected on the financial statements) may be affected by significant economic fluctuations, natural disaster or other calamity in this one concentrated geographic location.

The City property taxes must be levied by December 1 of each year. Property taxes are due by December 31 and are delinquent by January 1. Delinquent property taxes are assessed interest at one and one-quarter percent per month for the period of delinquency. Property owners with taxes still delinquent by March 1 are notified by certified mail that they have twenty days to pay delinquent property taxes. The lien date is the date in which the tax assessor files the tax roll with the Clerk of Court, which is the same as the levy date. Sale of delinquent properties is held each year as soon as possible after May 1. Most taxes are collected in December, January and February.

3. Inventories and Unpaid Items

Inventory is valued at average cost. Inventory in the General Fund consists of materials and supplies held for consumption and are accounted for under the consumption method where expenditures are recorded when the goods are used. Inventories are also held in the enterprise funds. These consist of concession supplies held for sale to the public and materials held for

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

water system maintenance and improvements. Certain payments made to vendors are for services that will benefit subsequent periods, and, using the consumption method, these expenses are recorded as prepaid items in fiscal year 2024 in both the governmental-wide and fund financial statements.

4. Restricted Assets

Customer deposits in the Water Enterprise Fund are classified as restricted assets on the balance sheet because their use is limited to repayment of deposits to qualified customers or upon termination of service.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets are often financed on a pay-as-go basis. However, the City has incurred debt for the construction of sewer treatment facility and issued bonds to fund capital improvements, such as roads, water, sewer, recreation and downtown development activities. All current bonded debt will be repaid by 2032.

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

<u>Assets</u>	<u>Years</u>
Buildings	20
Improvements other than buildings	20
Public Domain infrastructure	10 – 50
System infrastructure	10 – 50
Machinery and equipment	7
Right-to-Use Leases Assets	Lease Term
Right-To-Use Subscription Assets	Subscription Term

6. Compensated Absences

It is the government's policy to permit employees to accumulate earned, but unused, vacation pay benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. There was no amount recorded in the governmental fund statements as a payable to employees who had terminated as of the end of the fiscal year on September 30, 2024.

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

First four years	10 days
Five to nine years	15 days
Ten to nineteen years	20 days
Nineteen years and over	25 days

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Sick pay is based on the number of years of service and is carried as follows:

First three years	8 hours per month
Four years and over	12 hours per month

Sick pay is not vested except at retirement or 20 years of service, where accumulated sick pay hours up to six hundred (600) are payable to qualified employees. The termination payment liability was calculated by developing a ratio based on historical data of sick leave paid at termination compared with sick leave accumulated and by applying that ratio to the sick leave accumulated by the current employee population as of September 30, 2024. Because there was no current liability at the end of the fiscal year, all estimated termination payment liability is recorded in the government-wide and proprietary fund financial statements.

City employees may receive compensatory time off with pay in lieu of overtime pay for work in excess of regular scheduled hours. Accumulation of unused compensatory time is limited, and any unused or unpaid portion is payable upon separation from employment. Compensatory time is accrued when incurred in the government-wide and proprietary funds financial statements. There was no current portion of compensatory time recorded in the governmental fund statement on September 30, 2024.

On September 30, 2024, the total liability reported on the Statement of Net Position for accrued vacation, sick and compensatory time was \$4,572,420 for Governmental Activities, which includes \$169,405 from the Internal Service Funds. The amount recorded in Business-Type Activities equaled \$808,304.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has items that qualify for reporting in this category. It has deferred charges on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and the reacquisition price. This amount is deferred and amortized over the life of the refunded debt. The \$427,531 balance of deferred outflows of resources related to bond refunding will be recognized as interest expense over the remaining life of the bonds. The City also has deferred outflow of resources related to net pension liability of \$7,448,578. The City also has deferred outflow of resources related to OPEB liability of \$1,631,212.

The statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The City has reported deferred inflows related to the net pensions liability in the amount of \$4,240,232. The City also has deferred inflow of resources related to OPEB liability of \$590,969.

Additional information on deferred outflows/inflows of resources related to both defined benefit pension plans as well as postemployment benefits other than pension plans (OPEB) can be found in Note 5.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the

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applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

In the fund financial statements, governmental fund types recognize principal payments during the current period. The face amount of debt issued is reported as other financing sources.

9. Leases – Lessee

In accordance with GASB Statement No. 87, the City recognized lease liability and an intangible right-to-use lease asset for all lease contracts whose terms are for a lease period greater than one year. The lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The lease assets are amortized on a straight-line basis over the useful life of the related lease. Key assumptions related to leases include the following:

The discount rate used to determine the present value of expected lease payment

- The City was not provided the interest rate charged by the lessor, therefore using its estimated incremental borrowing rate of 1.90% as the discount rate for leases.

The lease term

- The lease terms include the non-cancellable period of the lease and optional renewal periods.

The lease payments

- Lease payments included in the measurement of the lease liability are composed of fixed payments through the noncancellable term of the lease and renewal periods that administration considers reasonably certain to be exercised.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with capital assets and lease liabilities are reported with long-term debt on the statement of net position.

10. Subscription-Based Information Technology Arrangements (SBITA)

In accordance with GASB Statement No. 96, the City has examined the provisions of the statement and identified all SBITAs that qualify for adjustment and disclosure under the new statement. The City recognized a subscription liability, which was measured at the present value of the future minimum payments as of the date of inception. The subscription assets are amortized on a straight-line basis over the useful life of the related subscription. The City was not provided the interest rate charged by the SBITA vendors, therefore using its estimated incremental borrowing rate of 1.90% as the discount rate for subscriptions. The subscription terms include the noncancellable period of the subscription and optional renewal periods. The implementation of this standard had no material impact on beginning net position. The City recognized a SBITA net book value of \$377,832 and SBITA liability of \$356,913 for the fiscal year ended September 30, 2024.

As with Leases, the City monitors changes in circumstances that would require a remeasurement of its subscription agreements and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. Subscription assets are reported with capital assets and subscription liabilities are reported with long-term debt on the statement of net position

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11. Fund Equity

In accordance with Government Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City of Lake Charles classifies governmental fund balances as follows:

Non-spendable – Includes fund balance amounts that cannot be spent either because they are not in a spendable form or because of legal or contractual constraints.

Restricted – Includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors, or amounts constrained or due to constitutional provisions or enabling legislation. Any deviation from the specific purpose must be approved by the original third party whether that is the electorate or grantor.

Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority (the City Council) and does not lapse at year end. Formal action by the same authority is required to rescind such a commitment. A separate city ordinance adopted by the City Council is required to modify a previous commitment of fund balance.

Assigned – Includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balances may be assigned by action of the Mayor, an ordinance of the City Council, or adoption of the budget and generally only exists temporarily. A similar action or amendment is necessary to remove or revise the limitation.

Unassigned – Includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and when applicable, negative fund balances in other governmental funds.

All of these items are included as elements of net position on the government-wide statement.

The City uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balances are available unless there are legal documents or contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are incurred.

It is the City's policy to maintain a minimum fund balance of 30 percent of operating expenditures and operating transfers in the General Fund.

CITY OF LAKE CHARLES, LOUISIANA
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2. Reconciliation of Government-Wide Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position:

The governmental fund balance sheet includes a reconciliation between fund balance of total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains “long term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.”

The details of this \$100,417,648 difference are as follows:

2014 LCDA Refunding Bonds payable	\$ 7,150,000
Premium on 2014 LCDA Refunding Bonds payable (to be amortized over the life of the debt)	226,594
2017 LCDA Refunding Bonds payable	8,630,000
Premium on 2017 LCDA Refunding Bonds payable (to be amortized over the life of the debt)	1,106,318
2021 LCDA Public Improvement Bonds payable	8,145,000
Compensated absences	4,403,016
Other post employee benefits (OPEB) payable	7,217,829
Net pension liability	52,588,737
Right of use lease liability	305,241
Right of Use Subscription liability	356,913
LC City Court building project	360,000
DEQ loan -- sewer plant rehabilitation	9,928,000
Net adjustment to reduce fund balance-total governmental funds to arrive at net position-governmental activities	<u>\$ 100,417,648</u>

Deferred outflows and inflows of resources are not available to pay current period expenditures, therefore are not reported in the governmental funds. The details of this \$4,374,979 difference are as follows:

Deferred outflows on charges on bond refunds	\$ 427,531
Deferred outflows of resources - related to net pension liability	7,138,302
Deferred outflows of resources - related to OPEB	1,391,286
Deferred inflows of resources - related to net pension liability	(4,063,389)
Deferred inflows of resources - related to OPEB	(518,751)
Net adjustment to increase fund balance to arrive at net position - governmental activities	<u>\$ 4,374,979</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

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The details of the \$20,503,308 are as follows:

Capital outlays	\$ 42,661,148
Depreciation expense	(22,061,222)
Loss on retirement of capital assets	(96,618)
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 20,503,308</u>

Another element of that reconciliation states that, “The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$7,248,253 are as follows:

Principal repayment:	
2014 LCDA public improvement refunding bonds	\$ 2,230,000
2017 LCDA public improvement refunding bonds	2,610,000
Compensated absences	(314,241)
Proceeds from premium on 2014 public improvement refunding bonds (to be amortized as interest over the life of the debt)	69,721
Proceeds from premium on 2017 public improvement refunding bonds (to be amortized as interest over the life of the debt)	368,773
Proceeds from 2021 public improvement revenue bonds	935,000
Lake Charles City Court building loan	160,000
DEQ loan - sewer plant improvements	1,189,000
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 7,248,253</u>

C. Explanation of certain differences between the proprietary fund statement of net position and the governmental-wide statement of net position:

The proprietary fund statements of net position include reconciliation between net position – total enterprise funds and net position of business-type activities as reported in the governmental-wide statements of net position. The description of the sole element of that reconciliation is “adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.” The details of this \$(96,664) are as follows:

Internal payable representing costs in excess of charges to the business-type activities - prior year	\$ (179,046)
Internal payable representing costs in excess of charges to the business-type activities - current year	82,382
Net adjustment to decrease net position - enterprise funds to arrive at net position - business-type activities	<u>\$ (96,664)</u>

CITY OF LAKE CHARLES, LOUISIANA
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3. Stewardship, Compliance, and Accountability

A. Budgetary Information

The City annually adopts and implements an operating and capital budget in accordance with the requirements of the City Charter and applicable state law for the General Fund and all Special Revenue and Proprietary Funds. The Capital Projects Fund's budget is a project-based capital budget. Policies and procedures with respect to budget adoption and budgetary control are as follows:

1. The Mayor submits the proposed operating budget for the fiscal year commencing October 1 to the City Council no later than August 15. This budget includes proposed expenditures and the means of financing them.
2. A summary of the proposed budget and notices of public hearing is published in accordance with statutory requirements.
3. The proposed budget is subject to one or more public hearings before the City Council prior to adoption by ordinance, which must occur no later than September 15. The City Charter requires a two-thirds vote of the City Council to amend the proposed budget submitted by the Mayor.
4. Expenditures are legally restricted to budgetary appropriations at the department level within the General Fund and at the fund level for Special Revenue Funds, which are not departmentalized. Revisions, which alter the total expenditures of any such department or fund, must be approved by budget amendment ordinance adopted by the City Council at the request of the Mayor. Transfers of budgeted amounts between expenditure objects or programs within the same department and fund are authorized to be made administratively by the Director of Finance.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and the Capital Projects Fund, which is budgeted on a project basis. Formal budgetary integration is not employed in the Debt Service Funds because effective budgetary control is alternatively achieved through the respective bond indentures and provisions.
6. Budgets for the General, Special Revenue, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Comparisons of budgeted and actual results of operation are presented for the General Fund and Special Revenue Funds in the accompanying financial statements. The Capital Projects Fund is not included in this budget, and actual comparison, as the capital budget which encompasses that fund, is presented on the basis of cumulative as opposed to annual budget amounts.
7. All budgetary appropriations, except capital project budgets, lapse at the end of each fiscal year.
8. Budgeted amounts are as originally adopted or as amended by the City Council. The originally adopted General Fund expenditure budget of \$97,949,534 was amended during the fiscal year to increase operational expenditures and transfers by \$7,320,000 to establish a budget for LC Rebound projects, to accommodate for increased lot cleaning and demolitions expenses in Property Standards, to accommodate the City's portion for a new mobile operations center for Ward 3 Marshal, and to accommodate the increase in legal services, bringing the total expenditure budget to \$105,269,534. The original adopted budget anticipated that \$10.9 million of fund balance reserves would be needed for fiscal year 2024; however, the amended budget reflected that \$18.2 million would be needed.

The originally adopted amount of all Special Revenue Funds was \$54,654,806. Amendments increased the budget by \$5,113,800 and resulted in the final total Special Revenue Fund budget of \$59,768,606. The increase in the annual amendment was primarily in response to the reallocation of LHC funding to HUD Housing and from CDBG-CV to the Recreation fund to

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support JD Clifton projects. An annual amendment is necessary in response to grant awards compared to actual expenditures within the fiscal year.

B. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, and Capital Projects Funds.

In accordance with generally accepted accounting principles, outstanding encumbrances at year end for which goods or services have been received are reclassified to expenditures and accounts payable. All other encumbrances in the annual budgeted funds are reversed at year end and are either canceled or are included as re-appropriations of fund balance for the subsequent year. Encumbrances at year end in funds that are budgeted on a project basis, including Enterprise Fund construction projects, are carried forward along with their related appropriations and are not subject to annual cancellation and re-appropriation. Such balances are classified as committed fund balance in the Capital Project Fund. Significant project encumbrances are included in the “construction commitments” section of the capital asset note disclosure. The total amount reserved for encumbrances in all funds at fiscal year ended September 30, 2024 are as follows:

Major Funds:	
General Fund	\$ 525,937
Capital Projects	33,548,457
Disaster Recovery Fund	81,044
Wastewater Fund	695,463
Total Major Funds	<u>34,850,901</u>
Non-Major Funds:	
Recreation Fund	<u>66,070</u>
Total Non-Major Funds	<u>66,070</u>
Proprietary Funds:	
Event Center	\$ 43,499
Transit	21,880
Water Utility	17,625,236
Total Proprietary Funds	<u>17,690,615</u>
Total Reserved for Encumbrances	
Fiscal Year ended September 30, 2024	<u><u>\$ 52,607,586</u></u>

C. Excess of Expenditures Over Appropriations and Deficit Fund Equity

There was no deficit fund equity in any fund at fiscal year ended September 30, 2024.

D. Unfavorable Revenue & Expenditure Variances

The revenue received from the Community Development Special Revenue Fund was \$3,502,799 which was \$21,496 less than the \$3,524,295 budgeted amount. The unfavorable variance in this special revenue fund is attributable to variances in grant program revenues, which are budgeted on the basis of grant awards but actual revenues received are based on annual expenditure reimbursements in those funds.

CITY OF LAKE CHARLES, LOUISIANA
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4. Detailed Notes on All Funds

A. Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet within "cash and investments" or "restricted cash and investments" where applicable. Legal and contractual provisions with respect to deposits and investments are substantially the same for all funds and fund types.

Demand deposits of the City are maintained under a banking agreement in which account balances are collateralized entirely by U.S. Treasury and government agency securities held by a Federal Reserve Bank in the City's name. The bank balance of such deposits at September 30, 2024 was \$141,696,918 (carrying amount \$135,600,975).

The total includes restricted cash in the amount of \$1,773,655 from customer deposits in the Water Utility Enterprise Fund. The amounts do not include petty cash of \$7,500 or \$15,440,383 that is on deposit with a third party for bond reserves and the administration of the City's insurance claims. It also does not include a cash overdraft of \$19,640,137 reported as accounts payable in the Disaster Recovery Special Revenue Fund, Community Development Special Revenue Fund and Transit Enterprise Fund,

The carrying amounts of cash deposits for component units at their respective balance sheet dates were \$50,446 for City Court and \$354,174 for the Ward Three Marshal. These amounts were fully covered by federal deposit insurance or were collateralized entirely by U.S. Treasury and government agency securities held by a Federal Reserve Bank in the entity's name.

Fair Value Reporting – Investments

Investments are stated at fair value and are categorized within the fair value hierarchy established by GASB Statement No. 72. The hierarchy is based on the valuation inputs used to measure the fair value. Level 1 inputs are quoted prices for identical items in active markets; Level 2 inputs are those that are either directly or indirectly observable for similar items; Level 3 inputs are unobservable inputs.

The City utilizes the market-based approach for determining the fair value of investments. Level 1 investments are valued using prices quoted for identical assets in active, liquid, and visible markets. Level 2 investments are valued using quoted prices in active or inactive markets for similar investments, or other valuations based on matrix, cost, or market pricing techniques. The city has no Level 3 investments. Louisiana Asset Management Pool (LAMP) is excluded from fair value assessment. As of September 30, 2024, the City had the following investments and maturities:

Investment type	Maturity	Fair Value/ Net Asset Value	
U.S. agencies	1 - 5 year		14,408,700
Federal Farm Credit Bank (Level 2)		1,273,057	
Federal Home Loan Bank (Level 2)		6,086,367	
Federal Home Loan Mortgage Corporation (Level 2)		731,038	
Federal National Mortgage Association (Level 2)		1,493,782	
Federal Home Loan Bank (Level 2)		4,824,456	
U.S. agencies callable	1 - 5 year		744,151
Federal National Mortgage Association (Level 2)		744,151	
U.S. agencies non-callable	1 - 5 year		4,100,579
Louisiana Asset Management Pool (Net Asset Value)			75,649,301
			<u>\$ 94,902,731</u>

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Credit Risk – Investments

The City's investment program is authorized and limited by state statute and city policy to purchases of securities issued or guaranteed by the U.S. Government and its agencies or instrumentalities and participation in the Louisiana Asset Management Pool, Inc. (LAMP), a non-profit local government money-market type (2a-7-like) investment pool sponsored by the State of Louisiana. This pool is rated "AAA" by Standard & Poor's. Security investments are carried at fair value; investment in LAMP is carried at cost, which approximates market value. With the exception of LAMP, all of the City's investments are held in the City's name by its custodial bank. The City's investment policy does not specifically limit investment maturities, except for a general requirement that funds used for operation be invested within a three-year final maturity range. This policy assumes that callable investments will not be called. The City's investment policy states that financial or credit risk, as distinguished from market risk, is not acceptable for any investment in either short- or long-term investment categories.

The City does not directly invest in commercial paper, which is permitted by state statute. However, such investments are made by LAMP, which are subject to concentration and maturity limitations of its investments policy.

The City's investments in U.S. Agency Securities were primarily rated "AAA" by Standard and Poor's and Fitch Ratings and "Aaa" by Moody's Investors Services. The City's investment policy does not specifically limit concentration with individual issuers. The policy states that financial or credit risk, as distinguished from market risk, is not acceptable for any investment in either short- or long-term investment categories.

Interest Rate Risk – Investments

The City's policy on investments places primary order of emphasis on 1) the safety of principal; 2) the liquidity of the investment, in order to enable the City to meet reasonably expected operating and capital funding requirements; and 3) the yield or return on investment.

Custodial Credit Risk – Investments

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of the investment. Investments are exposed to custodial credit risk if the securities are (a) uninsured and unregistered and held by the counterparty; or (b) uninsured, unregistered and held by the counterparty's trust department or agent but not in the name of the City.

According to the City's investment policy for investment purchases, the fiscal agent bank merely executes the necessary wire-transfer services to support the City's investment transactions and is therefore not a counterpart to the investment transactions. As such, these investments are not subject to custodial credit risk since the fiscal agent bank is not a party to the original investment purchases and is only holding the book-entry securities in a securities safekeeping account in the name of the City of Lake Charles.

B. Receivables

Receivables as of year-end for the City of Lake Charles's individual major funds and non-major and internal service funds in the aggregate, including the applicable allowances for uncollectable accounts are as follows:

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Governmental-type Activities	General	Disaster Recovery	Riverboat Gaming	Wastewater	Debt Service
Receivables:					
Accounts	\$ 3,742,958	\$ -	\$ -	\$ 2,699,555	\$ -
Taxes	4,883,220	-	-	402,471	-
Property standards & special assessment	-	-	-	-	-
Interest	4,167	-	-	-	-
Intergovernmental	61,784	40,525,995	577,517	-	222,273
Gross receivables	8,692,129	40,525,995	577,517	3,102,026	222,273
Less: allowance for uncollectable	(692,206)	-	-	(1,271,814)	-
Net total receivables	\$ 7,999,923	\$40,525,995	\$ 577,517	\$ 1,830,212	\$ 222,273

Governmental-type Activities (continued)	Capital Projects	Non-major Funds	Internal Service	Total Governmental Activities
Receivables:				
Accounts	\$ 194,481	\$ -	\$ 533,139	\$ 7,170,133
Taxes	704,325	411,197		6,401,213
Property standards & special assessment	196,865	-	-	196,865
Interest		-	138,535	142,702
Intergovernmental	7,844,113	1,545,961		50,777,643
Gross receivables	8,939,784	1,957,158	671,674	64,688,556
Less: allowance for uncollectable	-	-	-	(1,964,020)
Net total receivables	\$ 8,939,784	\$ 1,957,158	\$ 671,674	\$ 62,724,536

Receivables as of year-end for the City of Lake Charles's individual enterprise funds in the aggregate including the applicable allowances or uncollectable accounts are as follows:

Business-type Activities	Event Center	Public Transit	Water	Total Business-Type Activities	Total Government
Receivables:					
Accounts	\$ 6,460	\$ -	\$ 3,052,714	\$ 3,059,174	\$ 10,229,307
Taxes	-	-	-	-	6,401,213
Property standards & special assessment	-	-	-	-	196,865
Interest	-	-	-	-	142,702
Intergovernmental	-	1,731,706	-	1,731,706	52,509,349
Gross receivables	6,460	1,731,706	3,052,714	4,790,880	69,479,436
Less: allowance for uncollectable	-	-	(1,267,237)	(1,267,237)	(3,231,257)
Net total receivables	\$ 6,460	\$ 1,731,706	\$ 1,785,477	\$ 3,523,643	\$ 66,248,179

CITY OF LAKE CHARLES, LOUISIANA
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Intergovernmental receivables consisted of the following:

Governmental-type activity:	
Calcasieu Parish Policy Jury	\$ 1,053,842
Calcasieu Parish Tax Assessor	4,687
Lake Charles City Court	222,273
U.S. Department of Justice	16,744
Community Development Grant	1,522,292
LA Department of Transportation	1,104,048
LA State Facility Planning & Control	1,009,476
LA Commission on Law Enforcement and Admin. Of Criminal Justice Grant	4,514
LA Department of Military Affairs	45,838,017
LA Department of Health and Hospitals	1,750
Total Government-type activities	<u>50,777,643</u>
Business-type activity:	
LA Department of Treasury	<u>1,731,706</u>
Total Business-type activities	<u>1,731,706</u>
Total Primary government	<u>\$ 52,509,349</u>

CITY OF LAKE CHARLES, LOUISIANA
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C. Capital Assets

Capital asset activity for the fiscal year ended September 30, 2024 as restated was as follows:

Primary Government
Governmental Activities:

Asset	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets - not being depreciated:				
Land	\$ 19,072,724	\$ 427,105	\$ (37,000)	\$ 19,462,829
Construction in progress	55,234,100	28,345,303	(15,965,765)	67,613,638
Total capital assets - not being depreciated	74,306,824	28,772,408	(16,002,765)	87,076,467
Capital assets - being depreciated:				
Buildings	56,036,699	36,270	(21,457)	56,051,512
Improvements	126,903,204	5,924,959	(247,258)	132,580,905
Machinery & Equipment	48,293,238	4,495,368	(1,827,055)	50,961,551
Infrastructure	434,639,651	19,434,907	-	454,074,558
Right of use leased assets	824,764	161,302	-	986,066
Right of use subscription assets	899,784	-	-	899,784
Total capital assets - being depreciated	667,597,340	30,052,806	(2,095,770)	695,554,376
Less accumulated depreciation and amortization for:				
Buildings	(39,869,427)	(2,086,261)	21,457	(41,934,231)
Improvements	(58,694,287)	(5,365,937)	211,410	(63,848,814)
Machinery & Equipment	(35,187,762)	(3,795,499)	1,766,285	(37,216,976)
Infrastructure	(185,629,173)	(10,821,092)	-	(196,450,265)
Right of use leased assets	(503,917)	(182,198)	-	(686,115)
Right of use subscription assets	(260,976)	(260,976)	-	(521,952)
Total accumulated depreciation	(320,145,542)	(22,511,963)	1,999,152	(340,658,353)
Total capital assets - being depreciated, net	\$ 347,451,798	\$ 7,540,843	\$ (96,618)	\$ 354,896,023
Governmental activities capital assets, net	\$ 421,758,622	\$ 36,313,251	\$ (16,099,383)	\$ 441,972,490

The assets of the Internal Service Funds are included in the table for assets related to governmental-type activities. Total assets are \$50,022 with accumulated depreciation of \$32,925. Remaining value of assets at September 30, 2024 equaled \$17,097; and this total is included in the net asset statement for the Governmental-type activities.

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
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Business-type activities:

Asset	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets - not being depreciated:				
Land	\$ 7,860,704	\$ -	\$ -	\$ 7,860,704
Construction in progress	26,255,343	25,257,842	(10,420,428)	41,092,757
Total capital assets - not being depreciated	34,116,047	25,257,842	(10,420,428)	48,953,461
Capital assets - being depreciated:				
Buildings	30,203,328	-	(22,400)	30,180,928
Improvements	129,175,652	15,486,351	-	144,662,003
Machinery & Equipment	13,109,443	3,851,396	(151,545)	16,809,294
Right of use leased assets	302,814	147,366	(302,814)	147,366
Total capital assets - being depreciated	172,791,237	19,485,113	(476,759)	191,799,591
Less accumulated depreciation and amortization for:				
Buildings	(20,462,595)	(341,705)	4,107	(20,800,193)
Improvements	(59,884,177)	(3,945,784)	-	(63,829,961)
Machinery & Equipment	(9,590,555)	(1,153,310)	151,546	(10,592,319)
Right of use leased assets	(134,592)	(65,946)	151,416	(49,122)
Total accumulated depreciation	(90,071,919)	(5,506,745)	307,069	(95,271,595)
Total capital assets, being depreciated, net	\$ 82,719,318	\$ 13,978,368	\$ (169,690)	\$ 96,527,996
Business-type activities capital assets, net	\$ 116,835,365	\$ 39,236,210	\$ (10,590,118)	\$ 145,481,457

Depreciation and amortization expense was charged to functions / programs for the primary government:

Governmental activities:	
General government	271,402
Public safety	2,587,322
Public works	17,780,492
Planning and development	44,048
General services	358,009
Community services	1,463,123
Capital assets held by the government's internal service funds are charges to the various functions based on their usage of the assets	7,567
Total depreciation expense - governmental-type activities	22,511,963
Business-type activities:	
Event Center	1,450,315
Golf Course	616,678
Transit	676,304
Water	2,763,448
Total depreciation and amortization expense - business-type activities	5,506,745

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

D. Discretely Presented Component Units

Capital asset activity for the year ended December 31, 2023 was as follows for City Court:

Governmental activities	Balance 1/01/2023	Additions	Deletions	Balance 12/31/2023
Governmental activities:				
Equipment	\$ 97,019	\$ -	\$ -	\$ 97,019
Furniture and fixtures	24,280	-	-	24,280
Software	196,850	-	-	196,850
Total at historical cost	318,149	-	-	318,149
Less accumulated depreciation:				
Equipment	(87,699)	(5,001)	-	(92,700)
Furniture and fixtures	(2,932)	(1,192)	-	(4,124)
Software	(98,426)	(19,685)	-	(118,111)
Total accumulated depreciation	(189,057)	(25,878)	-	(214,935)
Governmental activities capital assets, net	\$ 129,092	\$ (25,878)	\$ -	\$ 103,214

Capital asset activity for the year ended December 31, 2023 was as follows for City Marshal:

Governmental activities	Balance 1/01/2023	Additions	Deletions	Balance 12/31/2023
Governmental activities:				
Automobiles & equipment	\$ 656,792	\$ 185,340	\$ (60,540)	\$ 781,592
Furniture and fixtures	13,763	-	-	13,763
Equipment	291,732	15,398	-	307,130
Buildings & improvements	48,018	-	-	48,018
Totals at historical cost	1,010,305	200,738	(60,540)	1,150,503
Less accumulated depreciation:				
Automobiles	(373,074)	(82,720)	55,866	(399,928)
Furniture and fixtures	(13,763)	-	-	(13,763)
Equipment	(224,490)	(24,727)	-	(249,217)
Buildings & improvements	(10,108)	(1,540)	-	(11,648)
Total accumulated depreciation	(621,435)	(108,987)	55,866	(674,556)
Governmental activities capital assets, net	\$ 388,870	\$ 91,751	\$ (4,674)	\$ 475,947

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

E. Construction Commitments

The City had total commitments of \$46,611,593 with contractors for unfinished construction projects as of September 30, 2024 categorized as follows:

Project type	Expended to date	Remaining commitment
Streets and storm drainage	\$ 33,029,711	\$ 15,571,667
Waterlines	3,828,216	4,310,521
Water Facilities	32,391,083	12,697,101
Sanitary sewer rehabilitation	2,135,116	7,518,383
Recreation / community facilities	1,766,385	1,806,291
Public Safety	3,834,652	4,618,351
Event Center Improvements	4,230,480	43,499
Transit	-	21,880
Other governmental facilities	-	23,900
Total	\$ 81,215,643	\$ 46,611,593

All remaining commitments are financed from City revenues previously authorized.

F. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2024 is as follows:

Due to / from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Golf Course	\$ 211,782
	Wastewater Fund	3,389
	Water Fund	4,946
	Transit Fund	311,502
	Disaster Recovery Fund	26
	Non-major Governmental Funds	13,559
Capital Projects Fund	Disaster Recovery Fund	4,000,000
Riverboat Gaming Fund	Non-major Governmental Funds	126,749
Non-Major Governmental Funds	General Fund	34,931
Event Center Fund	General Fund	1,147,089
	Capital Projects Fund	325,000
Transit Fund	Water Fund	42,000
Total		\$ 6,220,975

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

Interfund Transfers:

Transfer out:	General Fund	Disaster Recovery Fund	Riverboat Fund	Wastewater Fund	Capital Project Fund	Other Special Revenue Funds	Risk Management Fund
Transfer in:							
Debt Service	\$ 552,069		\$ 3,727,516	\$ 1,325,000	\$ 2,300,128		1,770,000
Disaster Recovery	-						
Capital Projects	11,250,000	7,500,000	3,835,000	2,500,000		2,000,000	
Non-major Governmental	292,752		1,025,839				
Event Center	1,870,385				325,000		
Golf Course	452,436						
Transit	1,223,527		73,000				
Water	350,000		3,665,000		1,937,575		
Wastewater	390,000						
Total	\$ 16,381,169	\$ 7,500,000	\$ 12,326,355	\$ 3,825,000	\$ 4,562,703	\$ 2,000,000	\$ 1,770,000

Transfers are used to move revenues from the fund in which collections are made to other funds in accordance with budgetary authorizations.

General Fund made transfers in the amount of \$16,381,169 to other funds for debt service payments, capital related projects, required match of federal programs, and to subsidize operations of other funds.

Disaster Recovery Fund made transfers in the amount of \$7,500,000 to other funds for capital related projects.

Riverboat Fund made transfers in the amount of \$12,326,355 to other funds for debt service payments, capital related projects, and to subsidize operations of other funds.

Wastewater Fund made transfers in the amount of \$3,825,000 to other funds for debt service payments and capital related projects.

Capital Project Fund made transfers in the amount of \$4,562,703 to other funds for debt service payments and capital related projects in proprietary funds.

Risk Management funds made transfers in the amount of \$1,770,000 to other funds for disaster recovery related projects.

Other Special Revenue funds made transfers in the amount of \$2,000,000 to other funds for capital related projects.

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

G. Long-Term Debt

Bonds payable as of September 30, 2024 are comprised of the following individual issues and are entirely related to governmental activities:

\$ 15,825,000 2014 Fixed Rate Revenue Refunding Bonds - LCDA

Original issue was for City of Lake Charles Public Improvement Projects (roads, utilities, downtown/lakefront development, economic development and parks) due in annual amounts of \$50,000 to \$2,450,000 through 2027; interest rates of 2% to 5%. \$ 7,150,000

\$ 24,140,000 2017 Fixed Rate Revenue Refunding Bonds – LCDA

Original issue was for City of Lake Charles Public Improvement Projects (roads, utilities, downtown/lakefront development, economic development and parks) due in the annual amounts of \$1,715,000 to \$3,050,000 through 2027; interest rates of 4% to 5%. 8,630,000

\$ 10,000,000 2021 Fixed Rate Revenue Bonds – LCDA

Original issue was for City of Lake Charles Public Improvement Projects (drainage) due in the annual amounts of \$920,000 to \$1,085,000 through 2032; interest rate of 1.9%. 8,145,000

Total bonds payable	\$ 23,925,000
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The Revenue Bonds are subject to arbitrage rules. Arbitrage calculations are done as required.

Annual debt service requirements to maturity of the bonds are as follows:

Governmental Activities			
Year ending September 30:	Principal	Interest	Total
2025	6,010,000	780,083	6,790,083
2026	6,225,000	567,045	6,792,045
2027	6,460,000	333,275	6,793,275
2028	1,010,000	89,775	1,099,775
2029	1,025,000	70,443	1,095,443
2030	1,045,000	50,778	1,095,778
2031	1,065,000	30,733	1,095,733
2032	1,085,000	291,309	1,376,309
Total	\$ 23,925,000	\$ 2,213,440	\$ 26,138,440

CITY OF LAKE CHARLES, LOUISIANA
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Direct Placement Debt as of September 30, 2024 related to governmental activities is comprised of the following individual issues:

\$ 21,000,000 2011 Louisiana Department of Environmental Quality Loan

Original issue was for rehabilitation and rebuild of existing wastewater treatment facility due in amounts of \$212,000 to \$2,691,000 through 2032; interest rates of 0.45% and administrative fee of 0.50% - direct placement.

\$ 9,928,000

\$ 3,000,000 2011 Calcasieu Parish Public Trust Authority Revenue Bonds

Original issue was for the construction of Lake Charles City Court Building due in the annual amounts of \$95,000 to \$175,000 through 2031; interest rates of 3.783% - direct placement.

360,000

Total direct borrowing - Governmental Activities

\$ 10,288,000

Annual debt service requirements to maturity of the direct placement related to governmental activities are as follows:

Governmental Activities			
Year ending September 30:	Principal	Interest	Total
2025	1,370,000	55,079	1,425,079
2026	1,387,000	43,154	1,430,154
2027	1,238,000	34,106	1,272,106
2028	1,235,000	28,319	1,263,319
2029	1,247,000	22,761	1,269,761
2030	1,258,000	17,150	1,275,150
2031	1,270,000	11,489	1,281,489
2032	1,283,000	5,774	1,288,774
Total	\$ 10,288,000	\$ 217,832	\$ 10,505,832

Direct Placement Debt as of September 30, 2024 related to business-type activities is comprised of the following individual authorization:

\$ 30,000,000 2023 Louisiana Department of Health & Hospitals Loan

Original authorization was for the construction of a new waste treatment facility due in amounts of \$1,062,000 to \$1,683,000 through 2044; interest rates of 1.95% and administrative fee of 0.50% - direct placement. \$3,000,000 of original issue qualifies as loan forgiveness. Total issued as of September 30, 2024 was \$5,280,708.

\$ 5,280,708

Total direct borrowing authorized - Business-type Activities

\$ 5,280,708

CITY OF LAKE CHARLES, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
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Annual debt service requirements to maturity of the direct placement authorization related to business-type activities are as follows:

Business-type Activities			
Year ending September 30:	Principal	Interest	Total
2025	207,743	102,974	310,717
2026	212,862	98,923	311,785
2027	218,073	94,772	312,845
2028	223,421	90,520	313,941
2029 - 2043	4,089,528	770,178	4,859,706
2044	329,081	6,417	335,498
Total	\$ 5,280,708	\$ 1,163,784	\$ 6,444,492

The City of Lake Charles has approval from the Lake Charles City Council and the State Bond Commission to issue \$20 million from the Louisiana Department of Environmental Quality Revolving Loan Fund.

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2024 as restated was as follows:

	Balance 10/01/2023	Additions	Reductions	Balance 9/30/2024	Due within one year
Governmental activities:					
Bonds payable:					
Revenue Refunding Bonds					
LC Public Imp 2014	\$ 9,380,000	\$ -	\$ (2,230,000)	\$ 7,150,000	\$ 2,320,000
Deferred amount of revenue bonds	296,315	-	(69,721)	226,594	69,721
Revenue Refunding Bonds					
LC Public Imp 2017	11,240,000	-	(2,610,000)	8,630,000	2,735,000
Deferred amount of revenue bonds	1,475,091	-	(368,773)	1,106,318	368,773
Revenue Refunding Bonds					
LC Public Imp 2021	9,080,000	-	(935,000)	8,145,000	955,000
Total bonds payable	31,471,406	-	(6,213,494)	25,257,912	6,448,494
Compensated absences	4,246,734	775,758	(450,072)	4,572,420	200,000
Other post-employment benefits	7,170,142	691,391	(579,771)	7,281,762	360,891
Net pension liability	64,309,394	292,575	(11,706,362)	52,895,607	-
Right of use lease liability	328,351	161,302	(184,412)	305,241	143,190
Right -to-use Subscription Liability	591,419	-	(234,506)	356,913	239,003
LC City Court building-direct placement	520,000	-	(160,000)	360,000	170,000
DEQ loan - direct placement	11,117,000	-	(1,189,000)	9,928,000	1,200,000
Long-term liabilities	\$ 119,754,446	\$ 1,921,026	\$ (20,717,617)	\$ 100,957,855	\$ 8,761,578
Business-type activities:					
Compensated absences	\$ 717,491	171,005	\$ (80,192)	\$ 808,304	\$ 5,000
Other post-employment benefits	1,059,343	99,359	(77,760)	1,080,942	54,047
Net pension liability	3,883,412	-	(926,194)	2,957,218	-
Right of use lease liability	171,147	147,366	(219,726)	98,787	65,545
DHH loan - direct placement	2,317,438	2,963,270	-	5,280,708	207,743
Long-term liabilities	\$ 8,148,831	\$ 3,381,000	\$ (1,303,872)	\$ 10,225,959	\$ 332,335

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$169,405 of internal service compensated absences; \$63,934 OPEB liabilities and \$306,869 in Net Pension liabilities are included in the above statement.

In the current year, compensated absences were paid from the following governmental funds:

General Fund	Wastewater Fund	Other Special Revenue Funds
\$ 373,410	\$ 3,627	\$ 73,035

In the current and prior years, other post-employment benefits and net pension liabilities are paid primarily from the General Fund.

Leases and Right-To-Use Assets

The City has entered into agreements to lease various buildings, land and equipment as outlined below. The lease agreements qualify as other than short-term leases under GASB Statement No. 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The lease liability is measured at a discount rate of 1.90%.

The City leases an office building near the Lake Charles Police Department (LCPD) Central Station from Wyatt Creek investments for use by the LCPD. The leased space is being used by LCPD SWAT and Training divisions due to the loss of their facilities following Hurricane Laura. The lease was executed on January 1, 2021 with a term of 4 years and monthly payments of \$6,000 due at the beginning of each month. As a result of the lease, the City has recorded a right-to-use asset with a net book value of \$17,366 at September 30, 2024.

The City leases modular office buildings from Aries Building Systems for use by the Lake Charles Police Department as office space during the rebuilding of their Annex building following the loss from Hurricane Laura. The lease was executed December 1, 2020 and is long-term automatically renewing lease with a 30-day termination option. Monthly rent payments of \$5,315 are due at the beginning of each month. As a result of the lease, the City has recorded a right-to-use asset with a net book value of \$130,733 at September 30, 2024.

The City leases print shop grade equipment from Xerox Corporation. The lease was executed May 13, 2021 as a 36-month lease with an option to purchase the equipment at fair market value at the end of the lease period. The City does not have expectation to exercise the purchase option. Monthly rental payments of \$4,195 are due at the beginning of each month. As a result of the lease, the City has recorded a right-to-use asset with a net book value of \$132,569 at September 30, 2024.

The City leases real estate from Flavin Realty for use of a parking lot for additional parking for City Hall. The lease was executed December 1, 2020 as a long-term lease with automatic renewal at the end of each year. The initial lease was for \$12,000 per year with a seven percent cost adjustment each subsequent year. The payments are due in full at the beginning of each year. As a result of the lease, the City has recorded a right-to-use asset with a net book value of \$19,283 at September 30, 2024.

Future obligations over the remaining expected terms as of September 30, 2024 are as follows for governmental activities:

Year Ending September 30	Principal Payments	Interest Payments	Total
2025	143,190	5,582	148,772
2026	114,156	2,764	116,920
2027	47,895	490	48,385
2028	-	-	-
	<u>\$ 305,241</u>	<u>\$ 8,836</u>	<u>\$ 314,077</u>

CITY OF LAKE CHARLES, LOUISIANA
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The City leases Club Car golf carts from VGM Financial Services for use at Mallard Golf Club. The lease was executed October 1, 2021 as a 54-month non-cancelable lease. Monthly rental payments of \$5,571 are due at the beginning of each month. As a result of the lease, the City has recorded a right-to-use asset with a net book value of \$98,244 at September 30, 2024.

Future obligations over the remaining expected terms as of September 30, 2024 are as follows for business-type activities:

Year Ending September 30	Principal Payments	Interest Payments	Total
2025	65,545	1,307	66,852
2026	33,242	184	33,426
	<u>\$ 98,787</u>	<u>\$ 1,491</u>	<u>\$ 100,278</u>

Subscription-Based Information Technology Agreements (SBITA)

The City has entered into subscription-based information agreements, SBITAs, for officer safety technology and license for various desktop software subscriptions. The SBITAs qualify as other than short-term agreement under GASB Statement No. 96 and, therefore, have been recorded at the present value of the future minimum payments as of the date of their inception. Neither subscription has a stated interest rate so the City's estimated incremental borrowing rate of 1.90% was used to discount the subscription payments. The City recorded a right-to-use asset with a net book value of \$377,832 at September 30, 2024. The total liability balance at year end was \$356,913.

Future minimum subscription obligations and the net present value of these minimum payments as of September 30, 2024 are as follows for governmental activities:

Year Ending September 30	Principal Payments	Interest Payments	Total
2025	239,003	6,841	245,844
2026	58,395	2,260	60,655
2027	59,515	1,141	60,656
	<u>\$ 356,913</u>	<u>\$ 10,242</u>	<u>\$ 367,155</u>

Refunding of Bonds

The City has issued 2014 and 2017 Revenue Refunding Bonds. In both transactions, the reacquisition price exceeded the net carrying amount of the old debt. This amount of \$427,531 is reported as a deferred outflow of resources and amortized over the life of the new debt, which is the same as the old debt. This amount is included in the calculation of net investment in capital assets. The amount includes \$272,536 from the 2014 Revenue Refunding Bonds and \$154,994 from the 2017 Revenue Refunding Bonds. Amortization for 2024 was \$90,843 and \$77,496 for each respective issue.

CITY OF LAKE CHARLES, LOUISIANA
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5. Other Information

A. Risk Management

As of July 1, 1986 the City became self-insured with regard to workmen's compensation, auto liability, general liability, and a portion of police professional liability risk. The Risk Management Fund was established as an internal service fund at that time to account for all claims, expenses and administrative costs related to these self-insured and retained risks. The fund uses a third-party administrator to service and estimate claim losses, and uses both in-house legal staff and outside counsel for defense of self-insured claims. Excess risk or stop-loss coverages are used to limit retained risk where feasible, and the cost of such coverages is also paid through the Risk Management Fund.

As an internal service activity, the Risk Management Fund is a proprietary fund in which both current and long-term liabilities for claims and losses are recognized and reported when the liability is incurred. Financial resources are provided to the fund primarily through internal service charges that are distributed among other departments and funds in proportion to estimated risk and prior loss experience. A portion of the fund's accumulated resources is designated for catastrophic losses as provided by authorizing ordinance. Any remaining fund equity is reserved for subsequent workmen's compensation and other liability claims on an aggregate basis.

The Risk Management Fund also accounts for payment of hazard insurance premiums and third-party claims administration services under a comprehensive risk limitation and insurance program. Under this program, the City's retained risk for all auto liability and general liability is generally limited to a maximum of \$2.5 million per claim or loss. The City's self-insured retention for workmen's compensation is \$1.5 million for all employees.

Total net position at September 30, 2024 was \$37,381,484. Specific ordinance authorization is required of any claim in excess of \$175,000 or for any reduction or use of the amount designated for catastrophic losses. However, all estimable claims are accrued as current or long-term liabilities when incurred, without regard to the level of authorization required for payment.

The City established a self-insurance program for employee health benefits as of January 1, 1993 and accounts for this program through a separate internal service fund. Total net position of that fund at September 30, 2024 was \$5,149,970. The amount of risk retained by the fund during 2024 was limited to \$175,000 per claimant through use of purchased stop-loss coverage.

Changes in the balances of claims liabilities during the past year are as follows:

	Risk Management	Employee Insurance	Totals
Unpaid claims, beginning of fiscal year 2023:	\$ 12,089,885	\$ 2,250,000	\$ 14,339,885
Incurred and adjusted claims	270,056	10,145,952	10,416,008
Claim payments	(2,444,019)	(10,045,952)	(12,489,971)
Unpaid claims, beginning of fiscal year 2024:	9,915,922	2,350,000	12,265,922
Incurred and adjusted claims	(3,277,453)	12,019,454	8,742,001
Claim payments	(1,448,418)	(11,518,931)	(12,967,349)
Total unpaid claims September 30, 2024:			
Current claims due within one year	2,124,755	2,850,523	4,975,278
Long-term claims due one year or more	3,065,296	-	3,065,296
Total unpaid claims September 30, 2024:	\$ 5,190,051	\$ 2,850,523	\$ 8,040,574

CITY OF LAKE CHARLES, LOUISIANA
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B. Property Tax

The City levies taxes on real and business personal property located within its boundaries. Property taxes are levied by the City on property values assessed by the Calcasieu Parish Assessor's Office and approved by the State of Louisiana Tax Commission. All millages except the General Alimony tax were reauthorized in 2016 for an additional 10 years. The distribution of the City's levy (tax rate per \$1,000 assessed value) to its funds was as follows for 2024 and 2023:

Tax	Fiscal year 2024	Fiscal year 2023
General Alimony	5.90	5.95
Special recreation	1.66	1.68
Employee salary	5.16	5.21
Special street improvement	2.26	2.28
Total Millage	14.98	15.12

C. Contingencies and Commitments

The City has a number of outstanding contracts, the breach of any, of which could result in a liability to the City. The amount of the liability to the City at September 30, 2024, if any, is not estimable.

D. Joint Service Agreements

The City of Lake Charles and the Calcasieu Parish Police Jury entered into a joint service agreement, with an effective date of January 1, 2010, regarding operational responsibility for a consolidated animal services and shelter program. The term of the agreement was for the calendar year 2010 through 2012, with an option to renew for additional years. The City agreed to fund one-half of the operating budget, after the reduction for self-generated revenue and other specified grant revenue. The fifty percent amount is based on the average service call breakdown between the City and the Parish. The 2024 payment was \$700,510.

The City of Lake Charles and the Calcasieu Parish Police Jury are statutorily required to fund the operations of the Ward Three Court and Marshal's Office. The Parish paid the City \$229,210 in 2024 under this agreement. On July 20, 2004, the City and the Calcasieu Parish Police Jury entered into a joint services agreement regarding the management of Fire Protection District 2 of Ward 3. In that agreement, the Parish dissolved the existing board of directors and assumed that responsibility. The City of Lake Charles assumed the day-to-day management of those operations, which would be inclusive of any budgetary, decision-making requirements. The Parish would continue to collect the property tax revenue on behalf of the District while paying the City for their management services. The ownership of the District's assets would not be transferred under this joint services agreement, and any costs associated with major improvements or capital expenditures would remain the responsibility of the District. The fee for the management services provided is the full amount of the property tax collections and the state revenue sharing collections paid to the District. In 2024, the Parish remitted \$3,255,440 to the City. The activity of this District is presented as a blended component unit of the Parish since the Police Jury's and the District's governing board are the same.

E Gaming Activity and Agreements

In 2007, the City of Lake Charles and the Calcasieu Parish Police Jury entered into a cooperative endeavor agreement thereby creating the Calcasieu Parish Gaming Revenue District which is

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responsible for collecting fees and assessments related to gaming activity conducted within the boundaries of the Parish and the City of Lake Charles and then distributing those collections to participating entities. The entities eligible for participation in this distribution are currently the Parish, the City of Lake Charles, the City of Sulphur, the City of Dequincy, the Town of Vinton, the Town of Iowa and the Town of Westlake. The City received \$11,768,182 during fiscal year 2024 as a result of this agreement.

F. Other Postemployment Benefits Other than Pensions (OPEB)

For the fiscal year ended September 30, 2018, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." This statement addresses the fact that certain postemployment benefits other than pensions, which for the City consists of healthcare benefits only, are related to employee services and salaries received presently but that will benefit the employee in the future, upon retirement, and whose costs will be borne by the City in the future.

Plan Description: The City provides certain continuing healthcare benefits for its retired employees. The City OPEB Plan is a single employer defined benefit plan administered by the City. The contribution requirements of the retirees and the participating employees are established in the annual operating budget and may be amended in the subsequent year by City management. No assets are accumulated in a trust that meets the criteria in Paragraph 4 of GASB Statement No.75.

Benefits Provided: Employees are eligible for retiree health benefits if they are eligible for a pension from their respective retirement system, and they are enrolled in the City of Lake Charles health plan at the time of retirement. City employees may retire upon attaining 1) age 60 with 10 years of service; or 2) at any age with 30 years of service. Police employees may retire upon attaining 1) age 55 with 12 years of service; 2) at any age with 20 years of service; or 3) at any age with 25 years of service. Fire employees may retire upon attaining 1) age 55 with 12 years of service; 2) age 50 with 20 years of service; or 3) at any age with 25 years of service. In addition, if an employee becomes disabled under the terms of his retirement system, he shall be eligible for medical benefits. City employees must have 10 years of service at time of disability. Police and fire employees must have 5 years of service at time of disability.

Upon election, spouses and children are eligible for coverage. In the event of death after satisfying the criteria for retirement, but prior to actual retirement, a surviving spouse and dependents are eligible for benefits. Participants over 65 are covered under a retiree-pay-all Medicare Advantage plan.

For coverage under the plan prior to age 65, retirees pay 100% of the blended active premium. There is no retiree contribution to the OPEB plan other than the retiree share of insurance premiums paid monthly, which for 2024 consisted of \$808 per month for retiree only and \$1,161 for retiree and dependent coverage. After age 65, retirees may participate in a retiree-pay-all Medicare Advantage plan. Three optional plans are administered by Blue Cross Blue Shield and are completely paid by the retiree. Pharmacy benefits are included. Therefore, there is no post-retirement benefit increase/liability to the City after age 65.

City employees, with at least 25 years of full-time service and a retirement date after January 1, 2019, and before August 1, 2022, who retain City health insurance are entitled to a \$300 per month supplement towards their monthly insurance premium. Those employees with a retirement date after August 1, 2022, are entitled to a \$500 per month supplement. The City will provide for this supplement for up to 60 months, until the retiree becomes eligible for Medicare or reaches age 66, whichever occurs first.

Employees Covered by Benefit Terms: The September 30, 2024, total OPEB liability was determined using the October 1, 2022, actuarial valuation that included the following employees covered by the benefit terms:

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Inactive employees or beneficiaries currently receiving benefit payments	64
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>692</u>
Total	<u>756</u>

Total OPEB Liability

The City's total OPEB liability of \$8,362,705 was measured at September 30, 2024 and was determined by an actuarial valuation as of October 1, 2022.

Actuarial Assumptions and Other Inputs:

The total OPEB liability as of the October 1, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

- Actuarial Cost Method – Entry age normal
- Valuation date – October 1, 2022
- Measurement date – September 30, 2024
- Inflation rate was 2.3%; 2.3% used for medical trend inflation
- Salary Increase Rate - 2022 MERSLA Plan B report was used for city employees and the 2022 LAMPERS report was used for police and fire employees.

<i>MERSLA Plan B</i>		<i>LAMPERS</i>	
Years of Service	Salary Increase	Years of Service	Salary Increase
0-4	7.40%	0-2	12.30%
Above 4	4.90%	Above 2	4.70%

- Discount Rate was 3.81% net of expenses (decreased from 4.09% previously). The discount rate was based on the Bond Buyer's 20-year General Obligation Index immediately prior to or coincident with the measurement date.
- Health Care Cost Trend – see table on following page
- Coverage Assumption – 25% of active participants are assumed to elect medical coverage at retirement. Of those electing medical coverage, 62% are assumed to elect Option 1, 37% are assumed to elect Option 2, and 1% are assumed to elect Option 3 (based on current population elections). Per capital medical benefit costs and employee contributions reflect these weighted averages.
- Marriage Assumptions - For active participants, husbands are assumed to be three years older than their wives. 25% of active participants making it to retirement are assumed to be married and elect spouse coverage. Actual spouse dates of birth are used for current retirees if provided.
- Mortality Rate was based on the PubG.H-2010 table projected forward with MP-2021. Pub-2010 tables for disabled lives and contingent survivors were also used.

Changes in the Total OPEB Liability

Balance at September 30, 2023:	<u>\$ 8,229,485</u>
Change for the year:	
Service Cost	302,170
Interest Cost	335,633
Effect of Plan changes	0
Effect of Economic/Demographic gains or losses	0
Effect of assumption changes or inputs	152,947
Expected Benefit Payments	<u>(657,530)</u>
Net Changes	<u>133,220</u>
Balance at September 30, 2024	<u>\$ 8,362,705</u>

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The amount of total OPEB liability estimated to be due and payable within one year is \$360,891

Sensitivity Analysis:

Sensitivity of the total OPEB liability to changes in the discount rate – The following table 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 1 percentage point lower or 1 percentage point higher than the current discount rate.

	1% Decrease (2.81%)	Current Discount Rate (3.81%)	1% Increase (4.81%)
Total OPEB liability	\$ 8,924,167	\$ 8,362,705	\$ 7,826,739

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate – The following table 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 or 1 percentage point higher than the current healthcare trend rates – see tables below.

	1% Decrease	Current Healthcare Cost	1% Increase
Total OPEB liability	\$ 7,460,489	\$ 8,362,705	\$ 9,430,208

The trend assumptions for medical, pharmacy, and retiree premiums are summarized below:

<u>Year Beginning October 1</u>	<u>Trend</u>	<u>Year Beginning October 1</u>	<u>Trend</u>
2022	6.30%	2030	4.30%
2023	6.70%	2031-2058	4.10%
2024	6.40%	2059	4.20%
2025	5.80%	2060-2065	4.10%
2026	5.20%	2066-2067	4.00%
2027	4.90%	2068-2069	3.90%
2028	4.70%	2070-2071	3.80%
2029	4.50%	2072+	3.70%

For the year ended September 30, 2024, the City recognized OPEB expense of \$1,212,603. At September 30, 2024, the City’s actuarial valuation reported deferred outflows of resources of \$1,631,212. At September 30, 2024, the City’s actuarial valuation reported deferred inflows of resources of \$590,968.

Deferred Inflows and Outflows

As of September 30, 2024, the deferred inflows and outflows of resources are as follows:

Deferred Inflows / Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 0	\$ 1,463,220
Changes of assumptions	590,969	167,992
Total	\$ 590,969	\$ 1,631,212

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

<u>Year ended September 30</u>	
2025	\$574,800
2026	345,774
2027	2,230
2028	(8,994)
2029	106,482
2030 & beyond	19,951

G. Retirement Commitments

Plan Descriptions

The City participates in four state-administered cost-sharing multiple-employer retirement systems, which together cover substantially all of the City's full-time employees: Municipal Employees' Retirement System (MERS), Municipal Police Employees' Retirement System (MPERS), Firefighters' Retirement System (FRS) and Louisiana State Employees' Retirement System (LASERS) of the State of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Article 10, Section 29 of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions to the state legislature. The systems issue annual, publicly available financial reports that include financial statements and required supplementary information for the systems. Although separately administered by their respective boards of trustees, these systems are established and regulated by acts of the Louisiana Legislature with respect to membership and contribution requirements, plan benefits, and actuarial determination of funding requirements as provided by the state constitution. The City of Lake Charles implemented Government Accounting Standards Board (GASB) Statement 68 on Accounting and Financial Reporting for Pensions and Statement 71 on Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB 68. Additional disclosures with respect to GASB 68 to the City's participation in these systems are provided below. The reports for MERS, MPERS, FRS, and LASERS may be obtained at www.mersla.com, www.lampers.org, www.lafirefightersret.com and www.lasersonline.org respectively. The Municipal Employees' Retirement System (MERS) issues a publicly available financial report, which may be obtained by writing to that system at 9737 Office Park Boulevard, Baton Rouge, LA 70809. The financial report for the Municipal Police Employees' Retirement System (MPERS) may be obtained by writing to that system at 8401 United Plaza Boulevard Suite 270, Baton Rouge, LA 70809-7017. The financial report for the Firefighters' Retirement System (FRS) may be obtained by writing to that system at P.O. Box 94095, Capitol Station, Baton Rouge, LA 70804-9095. The financial report for LASERS may be obtained by writing to that system at 8401 United Plaza Blvd., #100, Baton Rouge, LA 70809.

Plan Description- MERS

MERS was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana and is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the City of Lake Charles are members of Plan B. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all full-time elected municipal officials are eligible to participate in MERS.

Plan Description- MPERS

All full-time police department employees engaged in law enforcement are required to participate in MPERS providing he or she does not have to pay social security and providing he or she meets the

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statutory criteria. MPERS provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through MPERS 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 189 of 1973 and amended by LRS 11:2211-11:2233.

Plan Description- FRS

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

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

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

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

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

Plan Description- LASERS

The City of Lake Charles has two Judges participating in LASERS. The System was established for the purpose of providing retirement allowances and other benefits as stated under the provisions of LRS 11:401, as amended, for eligible state officers, employees and their beneficiaries. The projection of benefit payments in the calculation of total pension liability includes all benefits to be provided to current active and inactive employees through LASERS in accordance with benefit terms and any legal agreements in force at the measurement date.

Benefits Provided

Retirement Benefits- MERS (Plan B)

Any member of Plan B hired before January 1, 2013 may retire at any age with 25 years of creditable service or at age 60 with at least 10 years of creditable service. Any member of Plan B hired on or after January 1, 2013 may retire at age 67 with at least 7 years of creditable service, at age 62 with at least 10 years of creditable service, or at age 55 with at least 30 years of creditable service. Members hired on or after January 1, 2013 are also eligible to retire at any age with at least 25 years of creditable service, but

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their benefit will be actuarially reduced from the earliest age of which the member would be entitled to a vested deferred benefit under any of the previously mentioned provisions, if the member had continued in service to that age. Members are entitled to a retirement benefit, payable monthly for life, equal to 2% of the member's final compensation (defined below) multiplied by the member's years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination.

Final average compensation is the average monthly earnings during the highest 60 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.

Retirement Benefits- MPERS

Members of MPERS with membership beginning prior to January 1, 2013 are eligible for regular retirement after he or she 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 of creditable service and is age 55. A member is eligible for early retirement after he or she has been a member of MPERS for 20 years of creditable service at any age with an actuarially reduced benefit. Members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third percent (3.33 percent) of the member's final compensation (employee's average salary over the 36 consecutive or joined months that produce the highest average) multiplied by the member's years of creditable service.

Members of MPERS with membership beginning on or after January 1, 2013 are eligible for regular retirement, early retirement, disability and survivor benefits 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 or she has been a member of MPERS and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he or she 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 or she 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 three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100 percent of final salary.

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

Retirement Benefits- FRS

Members of the FRS 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 percent of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

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

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

Retirement Benefits- LASERS

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. Members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. Members may also choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5 percent to 3.5 percent of average compensation multiplied by the number of years of creditable service. Act 992 of the 2010 Louisiana Regular Legislative Session, changed the benefit structure for LASERS members hired on or after January 1, 2011. This resulted in three new plans: regular, hazardous duty, and judges. The new regular plan includes regular members and those members who were formerly eligible to participate in specialty plans, excluding hazardous duty and judges. Regular members and judges are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Hazardous duty members are eligible to retire with twelve years of creditable service at age 55, 25 years of creditable service at any age or with a reduced benefit after 20 years of creditable service. Average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment for all three new plans. Members in the regular plan will receive a 2.5 percent accrual rate, hazardous duty plan a 3.33 percent accrual rate, and judges a 3.5 percent accrual rate. Act 992 eliminated the extra 1 percent accrual rate for each year of service for court officers, the governor, lieutenant governor, legislators, house clerk, sergeants at arms, or Senate secretary, employed after January 1, 2011. Specialty plan and regular members, hired prior to January 1, 2011, who are hazardous duty employees have the option to transition to the new hazardous duty plan. A member leaving employment before attaining minimum retirement age, but after completing certain minimum service requirements, becomes eligible for a benefit provided the member lives to the minimum service retirement age, and does not withdraw their accumulated contributions. The minimum service requirement is ten years of service.

Deferred Retirement Options

In lieu of terminating employment and accepting a service retirement allowance, any member of MERS who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. A MERS member may participate in DROP only once. 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, are credited to the MERS member's individual DROP account. Interest is earned when the member has completed DROP participation. Upon termination of employment prior to or at the end of the participation period, the member may receive a lump sum from the account or a true annuity based on the account balance. If employment is not terminated at the end of the three year DROP participation period, payments into the DROP account cease and the person resumes active contributing membership in MERS.

A member of MPERS is eligible to enter DROP when he or she is eligible for regular retirement based on the members' sub plan participation. At the entry date into DROP, employee and employer contributions cease. The amount deposited into the DROP account for MPERS members is equal to the benefit computed under the retirement plan elected by participant date of application. Interest is earned when the MPERS member has completed DROP participation. Upon termination of employment prior to or at the end of the participation period, the MPERS member may receive a lump sum from the account or a true annuity based on the account balance.

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

A member of LASERS is eligible to enter DROP when he or she is eligible for regular retirement based on service requirements. The State Legislature authorized LASERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period of up to three years. The election is irrevocable once participation begins. During DROP participation, accumulated retirement benefits that would have been paid to each retiree are separately tracked. For members who entered DROP prior to January 1, 2004, interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero) will be credited to the retiree after participation ends. At that time, the member must choose among available alternatives for the distribution of benefits that have accumulated in the DROP account. Members who enter DROP on or after January 1, 2004, are required to participate in LASERS Self-Directed Plan (SDP) which is administered by a third-party provider. The SDP allows DROP participants to choose from a menu of investment options for the allocation of their DROP balances. Participants may diversify their investments by choosing from an approved list of mutual funds with different holdings, management styles, and risk factors. 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. For members who selected the IBO option prior to January 1, 2004, such amount may be withdrawn or remain in the IBO account earning interest at a rate of one-half percent less than the System's realized return on its portfolio (not to be less than zero). Those members who select the IBO on or after January 1, 2004, are required to enter the SDP as described above.

Disability Benefits

A member of MERS Plan B is eligible to retire and receive a disability benefit if he or she has at least 10 years of creditable service, is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. The monthly maximum retirement benefit under Plan B of MERS is the lesser of an amount equal to two percent of member's final compensation multiplied by years of service (not less than 30 percent of member's final compensation) or an amount equal to what the member's normal retirement benefit would be based on final compensation at time of disability, but assuming continuous service until member's earliest normal retirement age.

A member of MPERS is eligible to retire and receive a disability benefit if he or she has been certified as disabled by the State Medical Disability Board. If the disability incurred is job-related, there is no minimum creditable service requirement. If the disability is non-job-related, a minimum of 10 years of creditable service is required if the member was employed on or after July 1, 2008. Members of MPERS employed prior to July 1, 2008 must have a minimum of 5 years of creditable service to be eligible to retire with disability benefits if the disability incurred is non-job-related. The disability

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benefit received by a MPERS member is equal to three percent of his or her final average compensation multiplied by years of creditable service (not less than 40%, nor more than 60% of final average compensation). At the time the disabled MPERS member reaches normal retirement age, he or she will have the option to continue to receive the disability retirement benefit or to receive his or her vested retirement benefit.

A member of FRS disability benefit or any member who has been officially certified as totally disabled 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, is entitled to disability benefits. Any member under the age of fifty who becomes totally disabled will receive a disability benefit equal to 60 percent of final compensation for an injury received in the line of duty; or 75 percent of his accrued retirement benefit with a minimum of 25 percent of average salary for any injury received, even though not in the line of duty. Any member aged fifty or older who becomes totally disabled from an injury sustained in the line of duty is entitled to a disability benefit equal to the greater of 60 percent final compensation or his accrued retirement benefit. Any member aged fifty or older who becomes totally disabled as a result of any injury, even though not in the line of duty, is entitled to a disability benefit equal to his accrued retirement benefit with a minimum of 25 percent of average salary. The surviving spouse of a member who was on disability retirement at the time of death receives a benefit of \$200 per month. When the member takes disability retirement, he may, in addition, take an actuarially reduced benefit in which case the member's surviving spouse receives 50 percent of the disability benefit being paid immediately prior to the death of the disability retiree. The retirement system may reduce benefits paid to a disability retiree who is also receiving workers compensation payments.

A member of LASERS with ten or more years of credited service who becomes disabled may receive a maximum disability retirement benefit equivalent to the regular retirement formula without reduction by reason of age. Upon reaching age 60, the disability retiree may receive a regular retirement benefit by making application to the Board of Trustees. For injuries sustained in the line of duty, hazardous duty personnel in the Hazardous Duty Services Plan will receive a disability benefit equal to 75 percent of final average compensation.

Survivor's Benefit

The surviving spouse (defined as someone married to the deceased member for at least 12 months immediately preceding the member's death) of a MERS Plan B member (not eligible for retirement at the time of death) will receive a survivor benefit, provided that the member had 5 or more years of creditable service. The surviving spouse will be paid either a monthly benefit equal to 30 percent of member's final compensation, payable when surviving spouse attains the age of 60 or becomes disabled, or a monthly benefit equal to actuarial equivalent of the benefit described previously (not less than 15 percent of member's final compensation), payable upon the death of the member. A MERS Plan B member who is eligible for normal retirement at the time of death will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse upon the date of death. Benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

Survivor benefits for MPERS members are payable to the surviving spouse or surviving minor child/children of a deceased active contributing member or a deceased disability retiree. Survivor benefits are not payable to survivors of retirees receiving benefits under the provisions of early or normal service retirement. The maximum benefit for a surviving spouse of a MPERS member is equal to the regular retirement formula, regardless of age, but not less than 40 percent or more than 60 percent of the deceased member's final average compensation. There is no requirement for minimum years of creditable service. If the MPERS member is fatally injured in the line of duty, the surviving spouse shall receive a benefit equal to 100 percent of the deceased member's final average compensation, less any survivor benefits payable to a child or children. Each surviving minor child of the MPERS member will receive a benefit equal to 10 percent of deceased member's final average compensation or \$200 per month, whichever is greater. Benefits for a surviving child cease upon the child's attainment of age 18 or upon marriage, whichever occurs first. The benefit may continue after

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age 18 if the child meets certain educational or disability requirements. The surviving minor child may receive an increased benefit if there is no surviving spouse of the MPERS member.

Survivor benefits for FRS are payable to survivors of a deceased member who dies and is not eligible for retirement as follows. If any member is fatally injured in the line of duty and leaves a surviving eligible spouse, the spouse is entitled to an annual benefit equal to two-thirds of the deceased member's final compensation. If any member dies from a cause not in the line of duty, the surviving spouse is entitled to an annual benefit equal to 3 percent of the deceased member's average final compensation multiplied by his total years of creditable service; however, in no event is the annual benefit less than 40 percent nor more than 60 percent of the deceased member's average final compensation. Children of the deceased member who are under the age of eighteen years are entitled to the greater of \$200 per month or 10 percent of average final compensation (not to exceed 100 percent of average final compensation) until reaching the age of eighteen or until the age of twenty-two if enrolled full-time in an institution of higher learning, unless the surviving child is physically handicapped or mentally disabled in which case the benefit is payable regardless of age. If a deceased member dies leaving no surviving spouse, but at least one minor child, each child is entitled to receive forty percent of the deceased's average final compensation, not to exceed an aggregate of sixty percent of average final compensation.

Certain eligible LASERS surviving dependents receive benefits based on the deceased member's compensation and their relationship to the deceased. The deceased member who was in state service at the time of death must have a minimum of five years of service credit, at least two of which were earned immediately prior to death, or who had a minimum of twenty years of service credit regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Benefits are payable to an unmarried child until age 18, or age 23 if the child remains a full-time student. The aforementioned minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or qualified handicapped child.

Cost of Living Increases

MERS is authorized under state law to grant an annual cost of living adjustment to members who have been retired for at least one year. The adjustment cannot exceed 2 percent of the retiree's original benefit and may only be granted if sufficient funds are available. The cost-of-living increase must be paid from investment income in excess of normal requirements.

MPERS is authorized to provide annual cost of living adjustments to members who have been retired for at least one full fiscal year. The adjustment cannot exceed 3 percent in any given year. MPERS members who elect early retirement are not eligible for a cost-of-living adjustment until they reach regular retirement age.

FRS is authorized to grant retired members and widows of members who have retired an annual cost of living increase up to 3 percent of their current benefit, and all retired members and widows who are 65 years of age and older a 2 percent increase in their annual benefits. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to finding status and interest earnings.

The present value of future LASERS retirement benefits are based on benefits currently being paid by the System and include previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic. As fully described in Title 11 of the Louisiana Revised Statutes, LASERS allows for the payment of permanent benefit increases, also known as cost-of-living adjustments (COLAs) that are funded through investment earnings when recommended by the Board of Trustees and approved.

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Contributions

The MERS, MPERS, FRS, and LASERS employer contribution rates are established annually under LRS 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the system's actuary. Each plan pays a separate actuarially-determined employer contribution rate. For the year ending September 30, 2024 the employer contribution rate for MERS Plan B was 14.00%; MPERS was 35.60%; FRS was 33.25%; and LASERS was 38.31% & 38.31% for those hired after January 1, 2011. Employer contributions to MERS, MPERS, FRS, and LASERS were \$2,958,078; \$3,398,464; \$2,995,620; and \$14,803 respectively, for the year ended September 30, 2024. Employees participating in MERS are required to contribute 5.00%; employees participating in MPERS are required to contribute 10.00%; employees participating in the FRS are required to contribute 10.00%; employees participating in LASERS are required to contribute 11.50% & 13% hired after January 1, 2011.

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. MERS receives ad valorem taxes and state revenue sharing funds. MPERS receives insurance premium tax monies appropriated by the legislature each year based on an actuarial study. FRS receives insurance premium tax monies appropriated by the legislature each year based on an actuarial study. The City of Lake Charles recognizes revenue in an amount equal to its proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended September 30, 2024, the City of Lake Charles recognized revenue as a result of support received from non-employer contributing entities of \$763,610 for its participation in MERS; \$791,713 for its participation in MPERS; \$973,845 for its participation in the FRS; and \$4,705 for its participation in LASERS.

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

On September 30, 2024, the City of Lake Charles reported a liability for MERS, MPERS, FRS, and LASERS of \$13,114,055, \$25,068,036, \$17,585,191, and \$85,543, respectively, for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2024 and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuations as of that date. The City of Lake Charles's proportion of the net pension liability for each retirement system was based on a projection of the City of Lake Charles's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the City of Lake Charles's proportion for MERS was 21.476727% and increased by 0.136055% to 21.612782% for June 30, 2024. The City's proportion of MPERS at June 30, 2023 was 2.825029% and decreased by 0.058125% to 2.766904% at June 30, 2024. The City's proportion of FRS was 3.219872% at June 30, 2023 and decreased by 0.096710% to 3.123162% at June 30, 2024. At June 30, 2023, the City of Lake Charles's proportion for LASERS was 0.001640% and decreased by 0.00007% to 0.001570% for June 30, 2024.

For the year ended September 30, 2024, the City of Lake Charles recognized pension expense, for which there were no forfeitures, as follows:

Pension Plan	Pension Expense
MERS	\$ 1,650,800
MPERS	3,977,916
FRS	2,868,699
LASERS	8,940
Total	\$ 8,506,355

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At September 30, 2024, the City of Lake Charles reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources					
	MERS	MPERS	FRS	LASERS	Total
Differences between expected and actual experience	\$ 124,515	\$ 1,357,250	\$ 1,320,248	\$ -	\$ 2,802,013
Changes in assumptions	-	-	752,297	598	752,895
Net difference between projected and actual earnings on pension plan investments	472,008	696,874	177,880	-	1,346,762
Changes in Proportion and differences between employer contributions and proportionate share of contributions	62,277	-	65,290	-	127,567
Employer contributions subsequent to measurement date	717,147	939,510	759,395	3,289	2,419,341
Total	\$ 1,375,947	\$ 2,993,634	\$ 3,075,110	\$ 3,887	\$ 7,448,578

Deferred Inflows of Resources					
	MERS	MPERS	FRS	LASERS	Total
Differences between expected and actual experience	\$ 107,260	\$ 758,315	\$ 418,216	\$ 379	\$ 1,284,170
Changes in assumptions	488,166	-	-	-	488,166
Net difference between projected and actual earnings on pension plan investments	-	-	-	10,199	10,199
Changes in Proportion and differences between employer contributions and proportionate share of contributions	188,803	961,395	1,307,499	-	2,457,697
Employer contributions subsequent to measurement date	-	-	-	-	-
Total	\$ 784,229	\$ 1,719,710	\$ 1,725,715	\$ 10,578	\$ 4,240,232

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During the year ended September 30, 2024, employer contributions totaling \$717,147; \$939,510; \$759,396; and \$3,289 were made subsequent to the measurement date for MERS, MPERS, FRS, and LASERS respectively. These contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	MERS	MPERS	FRS	LASERS
2025	\$ (345,812)	\$ (305,961)	\$ (338,802)	\$ (6,133)
2026	907,491	2,052,201	1,892,858	2,635
2027	(391,176)	(972,540)	(625,319)	(3,931)
2028	(295,918)	(439,287)	(471,649)	(2,551)
2029			72,565	
2030			60,346	
Total	<u>\$ (125,415)</u>	<u>\$ 334,413</u>	<u>\$ 589,999</u>	<u>\$ (9,980)</u>

Actuarial Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. The components of the net pension liability of MERS, MPERS, FRS, and LASERS employers as of June 30, 2024 are as follows:

	MERS Plan B	MPERS
Total pension liability	\$ 304,909,334	\$ 3,750,021,042
Plan fiduciary net position	244,232,011	2,844,025,169
Total net pension liability	<u>\$ 60,677,323</u>	<u>\$ 905,995,873</u>
	FRS	LASERS
Total pension liability	\$ 3,073,207,753	\$ 21,404,414,095
Plan fiduciary net position	2,510,150,455	15,966,194,298
Total net pension liability	<u>\$ 563,057,298</u>	<u>\$ 5,438,219,797</u>

The City of Lake Charles's allocation is 21.612782% of the Total Net Pension Liability for MERS; 2.766904% of the Total Net Pension Liability for MPERS; 3.123162% of the Total Net Pension Liability for the FRS, and 0.001570% of the Total Net Pension Liability for LASERS.

The total pension liabilities for MERS, MPERS, FRS, and LASERS in the June 30, 2024 actuarial valuations were determined using the following actuarial assumptions:

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	MERS	MPERS												
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost												
Expected remaining service lives	3 years	4 years												
Investment rate of return	6.85%, net of investment expense, including inflation	6.75%, net of investment expense												
Inflation rate	2.5%	2.5%												
Projected salary increases	<table><tr><td>Years of Service</td><td>Salary Growth Rate</td></tr><tr><td>1-2</td><td>9.5% (Plan B)</td></tr><tr><td>2 & over</td><td>4.6% (Plan B)</td></tr></table>	Years of Service	Salary Growth Rate	1-2	9.5% (Plan B)	2 & over	4.6% (Plan B)	<table><tr><td>Years of Service</td><td>Salary Growth Rate</td></tr><tr><td>1-2</td><td>12.3%</td></tr><tr><td>2 & over</td><td>4.7%</td></tr></table>	Years of Service	Salary Growth Rate	1-2	12.3%	2 & over	4.7%
Years of Service	Salary Growth Rate													
1-2	9.5% (Plan B)													
2 & over	4.6% (Plan B)													
Years of Service	Salary Growth Rate													
1-2	12.3%													
2 & over	4.7%													
Cost of living adjustments	None	None												
Mortality	For Annuitant and beneficiary mortality tables used were: PubG-2010(B) set equal to 115%. For employees, PubG-2010(B) tables set equal to 115% were used. PubNS-2010(B) table set equal to 115% was selected for disabled annuitants. Annuitant/beneficiary, employee, and disabled were all adjusted to male and female MP2021 scales.	Mortality Rate assumptions were based off an experience study performed from July 1, 2014 - June 30, 2019. For Healthy Annuitants, Beneficiaries, & Employees mortality tables used were: Pub-2010 set equal to 115% for males & 125% for females. Pub-2010 table set equal to 105% for males & 115% for females was selected for disabled annuitants. Full generational projection used MP2019 scales.												

	FRS	LASERS																		
Actuarial cost method	Entry Age Normal Cost	Entry Age Normal Cost																		
Expected remaining service lives	7 years	2 years																		
Investment rate of return	6.90%, net of investment expense including inflation	7.25%, net of investment expense																		
Inflation rate	2.5%	2.4%																		
Projected salary increases	<table><tr><td>Years of Service</td><td>Salary Growth Rate</td></tr><tr><td>1-2</td><td>14.1%</td></tr><tr><td>3 & over</td><td>5.2%</td></tr></table>	Years of Service	Salary Growth Rate	1-2	14.1%	3 & over	5.2%	<table><tr><td>Member Type</td><td>Lower to Upper Range</td></tr><tr><td>Regular</td><td>3.3% - 14.0%</td></tr><tr><td>Judges</td><td>2.4% - 4.8%</td></tr><tr><td>Corrections</td><td>4.4% - 15.3%</td></tr><tr><td>Hazardous Duty</td><td>4.4% - 15.3%</td></tr><tr><td>Wildlife</td><td>4.4% - 15.3%</td></tr></table>	Member Type	Lower to Upper Range	Regular	3.3% - 14.0%	Judges	2.4% - 4.8%	Corrections	4.4% - 15.3%	Hazardous Duty	4.4% - 15.3%	Wildlife	4.4% - 15.3%
Years of Service	Salary Growth Rate																			
1-2	14.1%																			
3 & over	5.2%																			
Member Type	Lower to Upper Range																			
Regular	3.3% - 14.0%																			
Judges	2.4% - 4.8%																			
Corrections	4.4% - 15.3%																			
Hazardous Duty	4.4% - 15.3%																			
Wildlife	4.4% - 15.3%																			
Cost of living adjustments	Only those previously granted	Only those previously granted																		
Mortality	Mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees for active members, healthy annuitants & beneficiaries, and disabled retirees. In all cases the base table was multiplied by 105% for males and 115% for females, with full generational projection using MP-2019 scales.	For Non-Disabled Members – PubG-2010 Healthy Retiree mortality table was used with mortality improvement projected using the MP-2021 scale. For Disabled Members - RP-2000 Disabled Retiree mortality table was used with no projection for mortality improvement. Termination, disability, and retirement assumptions were projected based off a 5 year experience study for the System's members.																		

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The MERS actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023. The MPERS and FRS actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2014 through June 30, 2019.

The forecasted long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return for MERS is 6.85%, MPERS is 7.86%, FRS is 7.91%, and LASERS is 8.15% for the year ended June 30, 2024.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation for MERS, MPERS, FRS and LASERS as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocations				Long Term Expected Real Rate of Return			
	MERS	MPERS	FRS	LASERS	MERS	MPERS	FRS	LASERS
Equity	56%	52.0%	54%	n/a	2.44%	3.14%	3.48%	n/a
Fixed income	29%	34.0%	30%	n/a	1.26%	1.07%	0.67%	n/a
Alternatives	15%	14.0%	16%	n/a	0.65%	1.03%	1.25%	n/a
Subtotal	100%	100%	100%	n/a	4.35%	5.24%	5.41%	5.75%
Inflation adjustment					2.50%	2.62%	2.50%	2.40%
Total					6.85%	7.86%	7.91%	8.15%

Discount Rates

The discount rate used to measure the total pension liability for MERS was 6.85%, MPERS was 6.75%, and FRS was 6.90%. The discount rate used to measure the total pension liability for LASERS was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the actuary. Based on those assumptions, the net position of MERS, MPERS, FRS, and LASERS were 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 Rates

The following table presents the City of Lake Charles's proportionate share of the net pension liability using the discount rate of 6.85% for MERS, 6.75% for MPERS, 6.90% for FRS, and 7.25% for

CITY OF LAKE CHARLES, LOUISIANA
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LASERS as well as what the City of Lake Charles's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.85% for MERS, 5.75% for MPERS, 5.90% for FRS, and 6.25% for LASERS) or one percentage-point higher (7.85% for MERS, 7.75% for MPERS, 7.90% for FRS, and 8.25% for LASERS) than the current rate:

Pension Plan	1% Decrease	Net Pension Liability at Current Discount	1% Increase
MERS	\$ 20,363,121	\$ 13,114,055	\$ 6,987,410
MPERS	37,237,948	25,068,036	14,908,524
FRS	29,195,100	17,585,191	7,901,405
LASERS	118,133	85,543	57,849
Total	\$ 86,914,302	\$ 55,852,825	\$ 29,855,188

Payables to the Pension Plans

At September 30, 2024, payables to MERS, MPERS, FRS, and LASERS were \$288,264, \$349,097, \$332,008, and \$1,469 respectively, for September 30, 2024 employee and employer legally-required contributions.

H. Federally Assisted Grant Programs

The City participates in a number of federally assisted grant programs, with the principal grantor agencies being the U.S. Department of Transportation, the Department of Treasury, the Department of Housing and Urban Development, and the U.S. Department of Military Affairs. These programs are subject to compliance audits by the grantors or their representatives, and the City's compliance with applicable grant requirements for the year ended September 30, 2024, will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Federal and state governmental units represent an important source of supplemental funding used to finance housing, construction and infrastructure programs, disaster recovery and other activities beneficial to the City. These funds, primarily in the form of grants, are recorded in the General, Special Revenue, Capital Project and Enterprise Funds. A grant receivable is recorded when the City has a right to reimbursement under the related grant. The grants normally specify the purpose for which the funds may be used and are subject to audit by the granting agency or its representative using standards established under the Single Audit Act of 1984 and Uniform Guidance Supplemental Reports. The compliance audit report is not included within this report but will be issued as a separate supplementary report.

During fiscal year 2024, the following amounts were recorded in the accompanying financial statements under various federal and state pass-through entitlements:

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Fund	Fiscal year 2024
General Fund	\$ 31,349
Community Development	3,416,970
Grant Fund	134,743
Capital Projects Fund	10,466,667
Transit Enterprise Fund	3,256,570
Recreation Fund	1,250
Disaster Recovery Fund	20,092,936
Water Utility	4,118,034
Total	\$ 41,518,519

I. Dedication of Proceeds and Flow of Funds - Two and One-Half Percent Sales and Use Tax

In November 2023, voters approved two ballot propositions to change the sales and use tax structure of the City's collections. The first ballot measure will take two one percent sales taxes into a combined 2% collection in perpetuity. This will guarantee that the City will be able to continually fund the most basic operations. The second ballot measure will take two one quarter of one percent sales taxes into one combined half of one percent sales tax for a term of 25 years. At this time, no actions have been taken to allocate the levies in any different manner than described below.

One Percent Sales and Use Tax:

Proceeds of the one percent sales tax levied by the City of Lake Charles (2024 collections \$30,433,295; 2023 collections \$31,995,079; 2022 collections \$31,665,960) are collected by the General Fund and may be used for virtually any operating or capital needs of the City of Lake Charles. This tax levy was originally authorized in 1965 and was recently combined with the additional one percent described below. The tax was authorized to continue in perpetuity beginning July 1, 2024.

Additional Dedicated One Percent Sales Tax:

In November 1986, a sales tax election was held, and the City of Lake Charles was authorized to collect an additional dedicated one percent sales tax levy for a period of five years commencing January 1, 1987. This tax has been combined with the one percent described above. The term this tax was authorized to continue in perpetuity beginning July 1, 2025. Proceeds of this additional one percent sales tax levied by the City of Lake Charles (2024 collections \$30,433,295; 2023 collections \$31,995,079; 2022 collections \$31,665,960) were deposited directly in the funds for which they are dedicated on a percentage basis as follows:

General Fund	
Public safety purposes	20%
Public works purposes	28%
Wastewater Special Revenue Fund	
Wastewater or sanitary sewerage services or facilities	16%
Recreation Special Revenue Fund	
Recreation	8%
Capital Project Fund	
Certain types of capital improvements	28%

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One-Quarter Percent Sales Tax – Employee salary and Benefits:

The voters originally approved a sales tax levy of one-quarter of one percent in January 1995 for the purpose of maintaining the salaries and benefits of City employees. The November 2023 election reauthorized this levy for a period of 25 years beginning January 1, 2025. The election additionally combined this levy with the one-quarter percent tax described below. Proceeds of this tax (2024 collections \$7,608,325; 2023 collections \$7,998,770; 2022 collections \$7,916,490) are recorded exclusively in the General Fund.

Additional One-Quarter Percent Sales Tax:

The voters originally approved a sales tax levy of one-quarter of one percent in October 2015 for the purpose of securing the bonded debt of the City, should primary sources of repayment become insufficient. Funds not used for this purpose shall be reauthorized for capital improvements. The balance of funds not otherwise needed for the bond reserve fund shall be used to pay for salaries, operational, maintenance and other capital needs. The November 2023 election reauthorized this levy for a period of 25 years beginning January 1, 2025. The election combined this levy with the one-quarter percent tax described above. Proceeds of this tax (2024 collections \$7,604,184; 2023 collections \$7,851,618; 2022 collections \$7,914,892) were deposited into the General Fund and the Sales Tax Reserve Fund.

J. Economic Development Districts

State Law authorizes the City of Lake Charles to create special economic development districts and political subdivisions of the State to be designated by an ordinance that shall designate the boundaries of the district. The district may levy new sales taxes that can be used to fund a portion of the costs of an economic development project within the defined district. Two of the City's economic development districts levy a sales tax and the proceeds of these are included in the Economic Development District Special Revenue Fund.

MorganField Economic Development District:

Per City ordinance adopted June 2018, the District is empowered to levy ad valorem taxes, sales taxes or hotel occupancy taxes within the District up to five mills of ad valorem taxes, up to two percent of sales taxes, or up to two percent of hotel occupancy taxes, or any combination of such taxes. Such levy would be above and in addition to any other ad valorem taxes, sales taxes, or hotel occupancy taxes, or combination of such taxes, then in existence or permitted to be in existence in the economic development district.

Owners of the property within the district requested that the Board of the MorganField District authorize (a) the levy of one percent of sales and use taxes upon the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services in the MorganField District and one percent of hotel occupancy taxes within the MorganField District commencing January 1, 2018; and (b) the pledge and the disbursement of the new tax for the benefit of the owners in completing and operating the project. Proceeds of this tax are as follows: (2024 collections \$157,880; 2023 collections \$121,893; 2022 collections \$109,935).

Lakefront Economic Development District:

Per City ordinance adopted June 2018, the District is empowered to levy ad valorem taxes, sales taxes, or hotel occupancy taxes within the district up to five mills of ad valorem taxes, up to two percent of sales taxes, or up to two percent of hotel occupancy taxes, or any combination of such taxes. Such levy would be above and in addition to any other ad valorem taxes, sales taxes, or hotel occupancy taxes, or combination of such taxes, then in existence or permitted to be in existence within the district. Proceeds of this tax are as follows: (2024 collections \$46,835; 2023 collections \$31,249; 2022 collections \$34,790).

Nelson Market Economic Development District:

Per City ordinance adopted August 2019, the District is empowered to levy ad valorem taxes, sales taxes, or hotel occupancy taxes within the district up to five mills of ad valorem taxes, up to two percent of sales taxes, or

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up to two percent of hotel occupancy taxes, or any combination of such taxes. Such levy would be above and in addition to any other ad valorem taxes, sales taxes, or hotel occupancy taxes, or combination of such taxes, then in existence or permitted to be in existence within the district.

The Owners intend to develop the Property together with other property owned by Owners, as commercial project ("Project") in multiple phases. Owners of the property within the district requested that the Board of the Nelson Market District authorize (a) the levy of one (1%) of sales and use taxes upon the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services in the Nelson Market District and one (1%) percent of hotel occupancy taxes within the Nelson Market District commencing January 1, 2020; and (b) the pledge and the disbursement of the New Tax for the benefit of the Owners in completing and operating the project. Proceeds of this tax are as follows: (2024 collections \$189,653; 2023 collections \$174,330; 2022 collections \$192,868). Total disbursements of the New Tax to the Owners as of September 30, 2023 were \$212,241.

Enterprise Economic Development District:

Per City ordinance adopted June 2018, the District local and State sales tax increments and local hotel occupancy tax increments are expected to be determined and used to fund Enterprise Boulevard Economic Development District Trust Fund. The District, in cooperation with the executive branch of the City, shall develop and formulate economic development plans to be presented to the District for approval. Such economic development plans may include financial incentives to public or private entities for projects in the District that utilize (i) revenues of sales taxes and/ or hotel occupancy taxes levied by the District, (ii) lawfully available sales tax revenues provided by the City of Lake Charles, and (iii) any other funds, whether public or private, that may be available for such purposes. Proceeds of this tax for fiscal year 2024 were \$0; 2023 were \$5,098; 2022 were \$0.

K. Schedule of Compensation Paid to Governing Board

	Salary	Vehicle Usage	Per Diem	Total
Mayor:				
Nicholas Hunter	\$ 142,366	\$ 7,200	\$ 84	\$ 149,650
Councilmen:				
Luvertha August	18,000	-	-	18,000
Mark Eckard	18,000	-	93	18,093
Rodney Geyen	18,000	-	-	18,000
John Ieyoub	18,000	-	-	18,000
Ronnie Harvey	18,000	-	-	18,000
Craig Marks	18,000	-	-	18,000
Stuart Weatherford	18,000	-	-	18,000
Total	\$ 268,366	\$ 7,200	\$ 177	\$ 275,743

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REQUIRED SUPPLEMENTAL INFORMATION



CITY OF LAKE CHARLES, LOUISIANA

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 72,065,213	\$ 72,065,213	\$ 74,029,065	\$ 1,963,852
Licenses and permits	6,177,600	6,177,600	7,814,071	1,636,471
Intergovernmental	3,730,790	3,730,790	4,198,359	467,569
Charges for services	3,239,400	3,239,400	3,667,426	428,026
Fines and forfeitures	171,600	171,600	215,196	43,596
Miscellaneous	1,629,600	1,629,600	3,848,969	2,219,369
Total revenues	<u>87,014,203</u>	<u>87,014,203</u>	<u>93,773,086</u>	<u>6,758,883</u>
Expenditures:				
Current:				
General government	4,802,238	4,997,238	4,612,060	385,178
Finance	2,341,792	2,341,792	2,101,750	240,042
Human Resources	490,700	490,700	414,402	76,298
Fire	22,824,207	22,824,207	20,298,323	2,525,884
Police	24,704,126	24,704,126	23,217,620	1,486,506
Public works	22,227,544	22,227,544	20,118,961	2,108,583
Planning	3,493,630	4,118,630	3,686,657	431,973
General services	7,857,188	7,857,188	6,427,698	1,429,490
Debt Service:				
Principal	-	-	418,919	(418,919)
Interest and fees	-	-	16,574	(16,574)
Total expenditures	<u>88,741,425</u>	<u>89,561,425</u>	<u>81,312,964</u>	<u>8,248,461</u>
Excess (deficiency) of rev over exp	<u>(1,727,222)</u>	<u>(2,547,222)</u>	<u>12,460,122</u>	<u>15,007,344</u>
Other financing sources (uses):				
Transfers out	(9,208,109)	(15,708,109)	(16,381,169)	(673,060)
Lease Proceeds			161,302	161,302
Total other financing sources (uses)	<u>(9,208,109)</u>	<u>(15,708,109)</u>	<u>(16,219,867)</u>	<u>(511,758)</u>
Net change in fund balances	(10,935,331)	(18,255,331)	(3,759,745)	14,495,586
Fund balance at beginning of year	<u>55,149,904</u>	<u>55,149,904</u>	<u>55,149,904</u>	<u>-</u>
Fund balance at end of year	<u>\$ 44,214,573</u>	<u>\$ 36,894,573</u>	<u>\$ 51,390,159</u>	<u>\$ 14,495,586</u>

CITY OF LAKE CHARLES, LOUISIANA
Disaster Recovery Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental				
(net of allowance for uncollectable)	\$ 3,884,179	\$ 4,419,094	\$ 4,156,331	\$ (262,763)
Insurance Reimbursement	-	-	-	-
Miscellaneous	394,726	-	852	852
Total revenues	<u>4,278,905</u>	<u>4,419,094</u>	<u>4,157,183</u>	<u>(261,911)</u>
Expenditures:				
Current:				
Personal services	-	30,000	29,062	938
General operating services	-	500	486	14
Maintenance and rentals	-	285,455	221,763	63,692
Contractual and operational	1,578,905	1,937,515	1,572,379	365,136
Materials & supplies	-	19,534	19,534	-
Major Acquisitions & Improvements	-	27,000	26,902	98
Special current charges	3,000,000	5,248,921	5,124,997	123,924
Total expenditures	<u>4,578,905</u>	<u>7,548,925</u>	<u>6,995,123</u>	<u>553,802</u>
Excess (deficiency) of rev over exp	<u>(300,000)</u>	<u>(3,129,831)</u>	<u>(2,837,940)</u>	<u>291,891</u>
Other financing sources (uses):				
Transfers in	-	1,770,000	1,770,000	-
Transfers out	<u>(3,500,000)</u>	<u>(7,500,000)</u>	<u>(7,500,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(3,500,000)</u>	<u>(5,730,000)</u>	<u>(5,730,000)</u>	<u>-</u>
Excess (deficiency) of rev and other sources over exp and other uses	<u>(3,800,000)</u>	<u>(8,859,831)</u>	<u>(8,567,940)</u>	<u>291,891</u>
Fund balance at beginning of year	<u>26,858,707</u>	<u>26,858,707</u>	<u>26,858,707</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 23,058,707</u></u>	<u><u>\$ 17,998,876</u></u>	<u><u>\$ 18,290,767</u></u>	<u><u>\$ 291,891</u></u>

CITY OF LAKE CHARLES, LOUISIANA
Riverboat Gaming Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 11,500,000	\$ 11,500,000	\$ 11,768,182	\$ 268,182
Miscellaneous	300,000	300,000	260,093	(39,907)
Total revenues	11,800,000	11,800,000	12,028,275	228,275
Expenditures:				
Other services and charges	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	11,800,000	11,800,000	12,028,275	228,275
Other financing sources (uses):				
Transfers out	(12,453,104)	(12,453,104)	(12,326,355)	126,749
Total other financing sources (uses)	(12,453,104)	(12,453,104)	(12,326,355)	126,749
Excess (deficiency) of rev and other sources over exp and other uses	(653,104)	(653,104)	(298,080)	355,024
Fund balance at beginning of year	3,357,309	3,357,309	3,357,309	-
Fund balance at end of year	\$ 2,704,205	\$ 2,704,205	\$ 3,059,229	\$ 355,024

CITY OF LAKE CHARLES, LOUISIANA
Wastewater Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Sales tax revenue	\$ 4,760,000	\$ 4,760,000	\$ 4,869,327	\$ 109,327
Charges for services	11,965,500	11,965,500	12,737,577	772,077
Miscellaneous	255,000	255,000	529,292	274,292
Total revenues	16,980,500	16,980,500	18,136,196	1,155,696
Expenditures:				
Personal services	5,030,000	5,030,000	4,558,845	471,155
Contractual and operational services	6,024,110	6,311,752	5,469,343	842,409
Materials & supplies	1,919,915	1,494,205	954,213	539,992
Special Current Charges	1,758,000	2,056,142	1,707,206	348,936
Capital outlay	1,255,000	1,094,926	784,903	310,023
Total expenditures	15,987,025	15,987,025	13,474,510	2,512,515
Excess (deficiency) of rev over exp	993,475	993,475	4,661,686	3,668,211
Other financing sources (uses):				
Transfers in	390,000	390,000	390,000	-
Transfers out	(3,825,000)	(3,825,000)	(3,825,000)	-
Total other financing sources (uses)	(3,435,000)	(3,435,000)	(3,435,000)	-
Excess (deficiency) of rev and other sources over exp and other uses	(2,441,525)	(2,441,525)	1,226,686	3,668,211
Fund balance at beginning of year	6,078,050	6,078,050	6,078,050	-
Fund balance at end of year	\$ 3,636,525	\$ 3,636,525	\$ 7,304,736	\$ 3,668,211

CITY OF LAKE CHARLES, LOUISIANA

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

For Fiscal Year Ended September 30, 2024

Budget to Actual schedules that are included in the RSI Section are reported on the same basis as GAAP.

City of Lake Charles
Schedule of Changes in Total OPEB Liability and Related Ratios
For Fiscal Year Ended September 30, 2024

Financial Statement Reporting Date	Measurement Date	Service Cost	Interest	Difference between actual and expected experience	Changes of Assumptions	Benefit Payments	Net change in Total OPEB Liability	Total OPEB Liability - Beginning	Total OPEB Liability - Ending	Covered - Employee Payroll	Total OPEB Liability as a Percentage of Covered - Employee Payroll
9/30/2024	9/30/2024	\$ 302,170	\$ 335,633	\$ -	\$ 152,947	\$ (657,530)	\$ 133,220	\$ 8,229,485	\$ 8,362,705	\$ 35,695,122	23.43%
9/30/2023	9/30/2023	\$ 251,337	\$ 294,900	\$ 920,126	\$ (290)	\$ (635,862)	\$ 830,211	\$ 7,399,274	\$ 8,229,485	\$ 34,058,745	24.16%
9/30/2022	9/30/2022	\$ 376,761	\$ 191,115	\$ -	\$ (1,007,152)	\$ (479,538)	\$ (918,814)	\$ 8,318,088	\$ 7,399,274	\$ 33,599,489	22.02%
9/30/2021	9/30/2021	\$ 370,490	\$ 182,733	\$ 109,510	\$ (20,990)	\$ (440,861)	\$ 200,882	\$ 8,117,206	\$ 8,318,088	\$ 32,052,136	25.95%
9/30/2020	9/30/2019	\$ 391,295	\$ 214,698	\$ -	\$ 27,822	\$ (390,762)	\$ 243,053	\$ 7,874,153	\$ 8,117,206	\$ 33,948,098	23.91%
9/30/2019	9/30/2019	\$ 246,459	\$ 210,055	\$ 5,309,337	\$ 144,704	\$ (355,885)	\$ 5,554,670	\$ 2,319,483	\$ 7,874,153	\$ 33,948,098	23.19%
9/30/2018	9/30/2018	\$ 80,569	\$ 74,556	N/A	N/A	\$ (169,901)	\$ (14,776)	\$ 2,334,259	\$ 2,319,483	\$ 31,113,777	7.45%

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

There are no assets in a trust compliant with GASB Codification P22.101 or P52.101 to pay related benefits.

CITY OF LAKE CHARLES, LOUISIANA
Schedule of Employer's Proportionate Share Of
Net Pension Liability
For Plan Year Ended June 30, 2024

Plan Year	Employer Proportionate of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
MERS:					
2024	21.612782%	\$ 13,114,055	\$ 19,404,545	67.6%	80.1%
2023	21.476727%	17,221,342	18,118,245	95.0%	73.3%
2022	22.265264%	19,548,533	17,601,281	111.1%	69.6%
2021	23.228564%	13,456,506	17,536,638	76.7%	79.1%
2020	23.992659%	21,742,776	18,238,945	119.2%	66.3%
2019	23.580123%	20,628,206	17,873,547	115.4%	66.1%
2018	23.557030%	19,925,284	17,323,152	115.0%	65.6%
2017	23.681348%	20,489,879	17,438,404	117.5%	63.5%
2016	21.782416%	18,055,628	16,114,347	112.0%	63.3%
2015	20.920534%	14,218,580	14,405,300	98.7%	68.7%
2014	20.829217%	9,779,242	14,297,054	68.4%	76.9%
MPERS:					
2024	2.766904%	\$ 25,068,036	\$ 9,753,827	257.0%	75.8%
2023	2.825029%	29,846,344	9,570,148	311.9%	71.3%
2022	2.962017%	30,277,072	9,146,586	331.0%	70.8%
2021	2.979003%	15,879,715	9,055,281	175.4%	84.1%
2020	2.906732%	26,864,978	8,963,955	299.7%	70.9%
2019	2.905029%	26,382,528	9,096,534	290.0%	71.0%
2018	3.034602%	25,654,711	8,951,135	286.6%	71.9%
2017	3.038824%	26,530,219	9,036,361	293.6%	70.1%
2016	2.900519%	27,186,035	7,918,823	343.3%	66.0%
2015	2.951862%	23,124,753	7,901,901	292.6%	70.7%
2014	2.991097%	18,712,548	7,668,782	244.0%	75.1%
FRS:					
2024	3.213162%	\$ 17,585,191	\$ 8,969,223	196.1%	81.7%
2023	3.219872%	21,015,482	8,653,320	242.9%	77.7%
2022	3.323322%	23,433,715	8,568,405	273.5%	74.7%
2021	3.301325%	11,699,407	8,280,667	141.3%	86.8%
2020	3.354538%	23,252,146	8,352,641	278.4%	72.6%
2019	3.508136%	21,967,632	8,478,716	259.1%	74.0%
2018	3.640922%	20,942,867	8,670,196	241.6%	74.8%
2017	3.620155%	20,750,182	8,444,443	245.7%	73.5%
2016	3.485849%	22,800,604	8,504,518	268.1%	68.2%
2015	3.543553%	19,124,954	7,530,781	254.0%	72.5%
2014	3.805176%	16,932,704	7,478,773	226.4%	76.0%
LASERS:					
2024	0.001570%	\$ 85,543	\$ 34,344	249.1%	74.6%
2023	0.001640%	109,640	34,344	319.2%	68.4%
2022	0.001750%	132,295	34,344	385.2%	63.7%
2021	0.001770%	97,365	34,344	283.5%	72.8%
2020	0.001760%	145,150	34,344	422.6%	58.0%
2019	0.001790%	129,756	34,344	377.8%	62.9%
2018	0.001860%	126,510	34,344	368.4%	64.3%
2017	0.001940%	136,413	34,344	397.2%	62.5%
2016	0.001910%	149,984	34,344	436.7%	57.7%
2015	0.001880%	127,800	34,344	372.1%	62.7%
2014	0.001910%	119,368	34,344	347.6%	65.0%

CITY OF LAKE CHARLES, LOUISIANA

Schedule of Employer's Pension Contributions For Fiscal Year Ended September 30, 2024

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions As a Percent of Covered Payroll
MERS:					
2024	\$ 2,958,078	2,958,078	-	19,580,974	15.11%
2023	2,851,683	2,851,683	-	18,397,967	15.50%
2022	2,818,968	2,818,968	-	18,186,881	15.50%
2021	2,693,440	2,693,440	-	17,377,039	15.50%
2020	2,608,848	2,608,848	-	18,180,203	14.35%
2019	2,521,041	2,521,041	-	18,007,421	14.00%
2018	2,345,618	2,345,618	-	17,466,943	13.43%
2017	1,968,428	1,968,428	-	17,072,028	11.53%
2016	1,649,933	1,649,933	-	16,491,457	10.00%
2015	1,399,446	1,399,446	-	14,730,952	9.50%
2014	1,276,122	1,276,122	-	14,268,318	8.94%
MPERS:					
2024	\$ 3,398,464	3,398,464	-	9,879,752	34.40%
2023	3,059,523	3,059,523	-	9,575,980	31.95%
2022	2,864,483	2,864,483	-	9,502,459	30.14%
2021	2,989,664	2,989,664	-	9,111,746	32.81%
2020	2,918,444	2,918,444	-	8,899,533	32.79%
2019	2,965,386	2,965,386	-	9,178,306	32.31%
2018	2,800,627	2,800,627	-	9,005,739	31.10%
2017	2,748,475	2,748,475	-	8,705,259	31.57%
2016	2,540,782	2,540,782	-	8,216,344	30.92%
2015	2,438,032	2,438,032	-	7,867,402	30.99%
2014	2,415,255	2,415,255	-	7,754,805	31.15%
FRS:					
2024	\$ 2,995,620	2,995,620	-	9,009,349	33.25%
2023	2,911,168	2,911,168	-	8,755,394	33.25%
2022	2,905,037	2,905,037	-	8,639,246	33.63%
2021	2,707,718	2,707,718	-	8,299,710	32.62%
2020	2,410,651	2,410,651	-	8,354,308	28.86%
2019	2,244,074	2,244,074	-	8,371,498	26.81%
2018	2,288,192	2,288,192	-	8,636,937	26.49%
2017	2,189,624	2,189,624	-	8,568,354	25.55%
2016	2,147,160	2,147,160	-	8,032,163	26.73%
2015	2,161,180	2,161,180	-	7,518,430	28.75%
2014	2,148,278	2,148,278	-	7,531,809	28.52%
LASERS:					
2024	\$ 14,803	14,803	-	34,344	43.10%
2023	15,120	15,120	-	34,344	44.03%
2022	14,837	14,837	-	34,344	43.20%
2021	14,763	14,763	-	34,344	42.99%
2020	14,567	14,567	-	34,344	42.41%
2019	13,831	13,831	-	34,344	40.27%
2018	13,675	13,675	-	34,344	39.82%
2017	13,065	13,065	-	34,344	38.04%
2016	13,163	13,163	-	34,344	38.33%
2015	13,162	13,162	-	34,344	38.32%
2014	12,467	12,467	-	34,344	36.30%

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OTHER SUPPLEMENTAL INFORMATION



CITY OF LAKE CHARLES, LOUISIANA

Schedule of Total Compensation for Mayor, City of Lake Charles For Fiscal Year ended September 30, 2024

Compensation for Mayor of City of Lake Charles fiscal year 2024:

Nicholas Hunter, Mayor October 1, 2023 - September 30, 2024	Amount
Purpose:	
Salary	\$142,366
Vehicle Usage	7,200
Benefits - health insurance	18,081
Benefits - FICA & Medicare	10,719
Benefits - retirement	21,533
Travel	84
Total	\$199,983

CITY OF LAKE CHARLES, LOUISIANA

Schedule of Justice System Funding - Receiving Entity For Fiscal Year Ended September 30, 2024

Justice System Funding Schedule - Receiving Entity

As Required by Act 87 of the 2020 Regular Legislative Session

Identifying Information	
Entity Name	City of Lake Charles
LLA Entity ID # (This is the ID number assigned to the entity by the Legislative Auditor for identification purposes.)	2183
Date that reporting period ended (mm/dd/yyyy)	Monday, September 30, 2024

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

Cash Basis Presentation

First Six Month Period Ended	Second Six Month Period Ended
03/31/24	09/30/24

10. Receipts From: (Must include one agency name and one collection type - see below - on each line and may require multiple lines for the same agency. Additional rows may be added as necessary.)

Lake Charles City Court, Criminal Fines - Other	101,961	107,957
Lake Charles City Court, Other	4,207	3,916
Subtotal Receipts	106,168	111,873

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

N/A	N/A
-----	-----

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

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Grant Fund – Accounts for funds received and expended for various categorical grant programs, including law enforcement grants and summer food service program.

Recreation Fund – Accounts for the operation and maintenance of recreational programs and facilities other than the Event Center and Golf Course, and for the receipt and subsequent expenditure of dedicated taxes, user fees and other funds received for recreational services.

Central School Fund – Accounts for receipt and subsequent expenditure of funds for operation, maintenance and improvements of the Central School Arts and Humanities Center.

Special Event Fund – Accounts for receipt and subsequent expenditure of funds for special events and exhibit costs.

2015 One-quarter Cent Sale Tax Fund – Accounts for the collection of no less than 25 percent of the one-quarter cent sales tax levy authorized in 2015. Funds are reserved to meet the annual bonded debt service requirements of the City, should primary sources of repayment become insufficient. Funds not used for this purpose shall be reauthorized for capital improvements in the subsequent year.

Economic Development Districts - Accounts for the collection of tax revenue generated from special districts which were created as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended.

Facility Renewal Fund – Accounts for funds transferred from other sources to provide for long-term accumulation of funds for future maintenance and repair needs.

Community Development – This fund accounts for the receipt and subsequent expenditure of federal funds received from the Department of Housing and Urban Development for housing and community development purposes, including related revenues which are restricted to such purposes by grant agreements. The principal revenue source accounted for within this fund is the Community Development Block Grant Program.

CITY OF LAKE CHARLES, LOUISIANA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2024

	Grants	Recreation	Central School	Special Events	2015 One-Quarter Cent Sales Tax	Economic Dev Districts	Facility Renewal	Community Development	Total Nonmajor Governmental Funds
ASSETS									
Cash (Note 4-A)	\$ 771,201	\$ 1,861,265	\$ 36,843	\$ 180,419	\$ 2,262,089	\$ 670,381	\$ 1,067,393	\$ -	\$ 6,849,591
Investments (Note 4-A)	69,280	91,860	64,085	-	-	-	1,294,537	-	1,519,762
Receivable									
(net of allowance for uncollectable)									
Accounts (Note 4-B)	109	203,041	16,998	-	157,214	33,835	-	-	411,197
Accrued interest	-	-	-	-	-	-	-	-	-
Intergovernmental (Note 4-B)	21,643	2,026	-	-	-	-	-	1,522,292	1,545,961
Due from other funds (Note 4-F)	-	-	-	-	-	-	-	34,931	34,931
Prepaid items		10,955	-	-	-	-	-	-	10,955
Total assets	\$ 862,233	\$ 2,169,147	\$ 117,926	\$ 180,419	\$ 2,419,303	\$ 704,216	\$ 2,361,930	\$ 1,557,223	\$ 10,372,397
LIABILITIES									
Accounts payable	\$ -	\$ 63,937	\$ 3,541	\$ 1,362	\$ -	\$ 94,147	\$ -	\$ 1,345,059	\$ 1,508,046
Escrow	-	5,875	2,578	275	-	-	-	2,006	10,734
Due to other funds	10,117	130,171	-	1	-	-	-	19	140,308
Deferred revenues	-	-	-	-	-	-	-	-	-
Total liabilities	10,117	199,983	6,119	1,638	-	94,147	-	1,347,084	1,659,088
FUND BALANCES									
Nonspendable	-	10,955	-	-	-	-	-	-	10,955
Committed	113,187	589,454	-	15,000	2,419,303	610,069	-	-	3,747,013
Assigned:									
Community Services	123,427	1,368,755	111,807	163,781	-	-	-	210,139	1,977,909
Public Safety	615,502	-	-	-	-	-	-	-	615,502
Capital Projects	-	-	-	-	-	-	2,361,930	-	2,361,930
Unassigned	-	-	-	-	-	-	-	-	-
Total fund balances	852,116	1,969,164	111,807	178,781	2,419,303	610,069	2,361,930	210,139	8,713,309
Total liabilities and fund balances	\$ 862,233	\$ 2,169,147	\$ 117,926	\$ 180,419	\$ 2,419,303	\$ 704,216	\$ 2,361,930	\$ 1,557,223	\$ 10,372,397

CITY OF LAKE CHARLES, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For Fiscal Year Ended September 30, 2024

	Grants	Recreation	Central School	Special Events	2015 One-Quarter Cent Sales Tax	Economic Dev Districts	Facility Renewal	Community Development	Total Nonmajor Governmental Funds
Revenues:									
Taxes	\$ -	\$ 3,909,099	\$ -	\$ -	\$ 1,901,046	\$ 393,918	\$ -	\$ -	\$ 6,204,063
Intergovernmental	420,921	70,723	-	-	-	-	-	3,493,204	3,984,848
Charges for services	-	249,150	-	-	-	-	-	-	249,150
Miscellaneous	12,790	10,889	131,773	54,722	109,520	22,236	107,666	9,595	459,191
Total revenues	433,711	4,239,861	131,773	54,722	2,010,566	416,154	107,666	3,502,799	10,897,252
Expenditures:									
Current operating:									
Police	134,742	-	-	-	-	-	-	-	134,742
Planning and development	-	-	-	-	-	-	-	3,623,811	3,623,811
Community services	-	5,148,983	233,030	258,458	-	-	-	-	5,640,471
General services	-	-	-	-	-	483,701	-	-	483,701
Capital projects	-	-	-	-	-	-	-	-	-
Total expenditures	134,742	5,148,983	233,030	258,458	-	483,701	-	3,623,811	9,882,725
Excess (deficiency) of revenues over expenditures	298,969	(909,122)	(101,257)	(203,736)	2,010,566	(67,547)	107,666	(121,012)	1,014,527
Other financing sources (uses):									
Transfers in	-	805,839	165,000	225,000	-	-	-	122,752	1,318,591
Transfers out	-	-	-	-	(2,000,000)	-	-	-	(2,000,000)
Total other financing sources (uses)	-	805,839	165,000	225,000	(2,000,000)	-	-	122,752	(681,409)
Net change in fund balances	298,969	(103,283)	63,743	21,264	10,566	(67,547)	107,666	1,740	333,118
Fund balance at beginning of year	553,147	2,072,447	48,064	157,517	2,408,737	677,616	2,254,264	208,399	8,380,191
Fund balance at end of year	\$ 852,116	\$ 1,969,164	\$ 111,807	\$ 178,781	\$ 2,419,303	\$ 610,069	\$ 2,361,930	\$ 210,139	\$ 8,713,309

CITY OF LAKE CHARLES, LOUISIANA
Grant Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental:	\$ 162,852	\$ 414,860	\$ 420,921	\$ 6,061
Miscellaneous	-	-	12,790	12,790
Total revenues	<u>162,852</u>	<u>414,860</u>	<u>433,711</u>	<u>18,851</u>
Expenditures:				
Current:				
Public safety	162,852	134,754	134,742	12
Community services	-	-	-	-
Total expenditures	<u>162,852</u>	<u>134,754</u>	<u>134,742</u>	<u>12</u>
Excess of revenues over expenditures	<u>-</u>	<u>280,106</u>	<u>298,969</u>	<u>18,863</u>
Other financing source(uses):				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	-	280,106	298,969	18,863
Fund balance at beginning of year	<u>553,147</u>	<u>553,147</u>	<u>553,147</u>	<u>-</u>
Fund balance at end of year	<u>\$ 553,147</u>	<u>\$ 833,253</u>	<u>\$ 852,116</u>	<u>\$ 18,863</u>

CITY OF LAKE CHARLES, LOUISIANA
Recreation Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 3,805,948	\$ 3,805,948	\$ 3,909,099	\$ 103,151
Intergovernmental	66,000	66,000	70,723	4,723
Charges for services	155,000	155,000	249,150	94,150
Miscellaneous	1,000	1,000	10,889	9,889
Total revenues	<u>4,027,948</u>	<u>4,027,948</u>	<u>4,239,861</u>	<u>211,913</u>
Expenditures:				
Personal services	2,495,100	2,501,490	2,373,604	127,886
Contractual and operational	2,042,415	2,243,165	2,116,505	126,660
Materials and supplies	756,650	611,321	489,428	121,893
Special charges	15,800	25,884	20,487	5,397
Capital outlay	320,500	248,605	148,959	99,646
	<u>5,630,465</u>	<u>5,630,465</u>	<u>5,148,983</u>	<u>481,482</u>
Excess (deficiency) of rev over exp	<u>(1,602,517)</u>	<u>(1,602,517)</u>	<u>(909,122)</u>	<u>693,395</u>
Other financing sources (uses):				
Transfers in	932,588	932,588	805,839	(126,749)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>932,588</u>	<u>932,588</u>	<u>805,839</u>	<u>(126,749)</u>
Excess (deficiency) of rev and other sources over exp and other uses	<u>(669,929)</u>	<u>(669,929)</u>	<u>(103,283)</u>	<u>566,646</u>
Fund balance at beginning of year	<u>2,072,447</u>	<u>2,072,447</u>	<u>2,072,447</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,402,518</u>	<u>\$ 1,402,518</u>	<u>\$ 1,969,164</u>	<u>\$ 566,646</u>

CITY OF LAKE CHARLES, LOUISIANA
Central School Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Miscellaneous	\$ 81,500	\$ 81,500	\$ 131,773	\$ 50,273
Total revenues	81,500	81,500	131,773	50,273
Expenditures:				
Contractual and operational	190,124	198,174	196,864	1,310
Materials and supplies	19,500	13,000	12,091	909
Special charges	32,000	30,450	24,075	6,375
Total expenditures	241,624	241,624	233,030	8,594
Excess of revenue over expenditures	(160,124)	(160,124)	(101,257)	58,867
Other financing sources (uses):				
Transfers in	165,000	165,000	165,000	-
Total other financing sources (uses)	165,000	165,000	165,000	-
Excess (deficiency) of revenue and other sources over expenditures and other uses	4,876	4,876	63,743	58,867
Fund balance at beginning of year	48,064	48,064	48,064	-
Fund balance at end of year	\$ 52,940	\$ 52,940	\$ 111,807	\$ 58,867

CITY OF LAKE CHARLES, LOUISIANA
Special Event Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Miscellaneous	\$ 38,600	\$ 38,600	\$ 54,722	\$ 16,122
Total revenues	<u>38,600</u>	<u>38,600</u>	<u>54,722</u>	<u>16,122</u>
Expenditures:				
Contractual and operational	220,325	220,645	200,577	20,068
Materials and supplies	19,700	19,380	4,381	14,999
Other services and charges	60,500	60,500	53,500	7,000
Total expenditures	<u>300,525</u>	<u>300,525</u>	<u>258,458</u>	<u>42,067</u>
Excess of revenue over expenditures	<u>(261,925)</u>	<u>(261,925)</u>	<u>(203,736)</u>	<u>58,189</u>
Other financing sources:				
Transfers in	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>-</u>
Total other financing sources	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>-</u>
Excess (deficiency) of revenue and other sources over expenditure and other uses	<u>(36,925)</u>	<u>(36,925)</u>	<u>21,264</u>	<u>58,189</u>
Fund balance at beginning of year	<u>157,517</u>	<u>157,517</u>	<u>157,517</u>	<u>-</u>
Fund balance at end of year	<u>\$ 120,592</u>	<u>\$ 120,592</u>	<u>\$ 178,781</u>	<u>\$ 58,189</u>

CITY OF LAKE CHARLES, LOUISIANA
2015 One-Quarter Cent Sales Tax Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 1,859,375	\$ 1,859,375	\$ 1,901,046	\$ 41,671
Miscellaneous	75,000	75,000	109,520	34,520
Total revenues	<u>1,934,375</u>	<u>1,934,375</u>	<u>2,010,566</u>	<u>76,191</u>
Expenditures:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of rev over exp	<u>1,934,375</u>	<u>1,934,375</u>	<u>2,010,566</u>	<u>76,191</u>
Other financing sources (uses):				
Transfers out	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>-</u>
Net change in fund balances	(65,625)	(65,625)	10,566	76,191
Fund balance at beginning of year	<u>2,408,737</u>	<u>2,408,737</u>	<u>2,408,737</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 2,343,112</u></u>	<u><u>\$ 2,343,112</u></u>	<u><u>\$ 2,419,303</u></u>	<u><u>\$ 76,191</u></u>

CITY OF LAKE CHARLES, LOUISIANA
Economic Development District Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes	\$ 281,000	\$ 353,020	\$ 393,918	\$ 40,898
Miscellaneous	5,000	15,020	22,236	7,216
Total revenues	<u>286,000</u>	<u>368,040</u>	<u>416,154</u>	<u>48,114</u>
Expenditures:				
Special charges	<u>114,200</u>	<u>499,200</u>	<u>483,701</u>	<u>15,499</u>
Excess (deficiency) of rev over exp	171,800	(131,160)	(67,547)	63,613
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of rev and other sources over exp and other uses	<u>171,800</u>	<u>(131,160)</u>	<u>(67,547)</u>	<u>63,613</u>
Fund balance at beginning of year	<u>677,616</u>	<u>677,616</u>	<u>677,616</u>	<u>-</u>
Fund balance at end of year	<u>\$ 849,416</u>	<u>\$ 546,456</u>	<u>\$ 610,069</u>	<u>\$ 63,613</u>

CITY OF LAKE CHARLES, LOUISIANA

Facility Renewal Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Interest on investments	\$ 60,000	\$ 60,000	\$ 107,666	\$ 47,666
Total revenues	60,000	60,000	107,666	47,666
Expenditures:	-	-	-	-
Excess (deficiency) of rev over exp	60,000	60,000	107,666	47,666
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of rev and other sources over exp and other uses	60,000	60,000	107,666	47,666
Fund balance at beginning of year	2,254,264	2,254,264	2,254,264	-
Fund balance at end of year	\$ 2,314,264	\$ 2,314,264	\$ 2,361,930	\$ 47,666

CITY OF LAKE CHARLES, LOUISIANA
Community Development Special Revenue Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For Fiscal Year Ended September 30, 2024

	Budgeted Amounts		2024	Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	\$ 5,765,669	\$ 3,514,700	\$ 3,493,204	\$ (21,496)
Miscellaneous	-	9,595	9,595	-
Total revenues	<u>5,765,669</u>	<u>3,524,295</u>	<u>3,502,799</u>	<u>(21,496)</u>
Expenditures:				
Current:				
Personal services	185,600	173,573	237,473	(63,900)
Contract and operational	4,492,235	1,974,444	2,160,368	(185,924)
Material and supplies	3,150	2,315	2,765	(450)
Special current charges	1,170,121	1,497,652	1,223,205	274,447
Total expenditures	<u>5,851,106</u>	<u>3,647,984</u>	<u>3,623,811</u>	<u>24,173</u>
Excess (deficiency) of revenues over expenditures	<u>(85,437)</u>	<u>(123,689)</u>	<u>(121,012)</u>	<u>2,677</u>
Other financing sources:				
Transfers in	85,437	125,429	122,752	(2,677.00)
Total other financing sources	<u>85,437</u>	<u>125,429</u>	<u>122,752</u>	<u>(2,677.00)</u>
Excess (deficiency) of rev and other sources over exp and other uses	-	1,740	1,740	-
Fund balance at beginning of year	<u>205,134</u>	<u>208,399</u>	<u>208,399</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 205,134</u></u>	<u><u>\$ 210,139</u></u>	<u><u>\$ 210,139</u></u>	<u><u>\$ -</u></u>

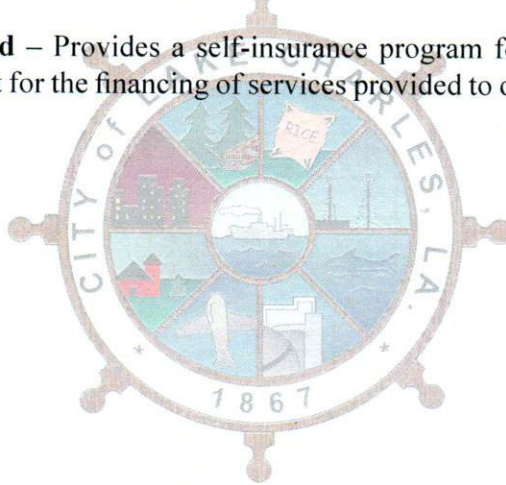
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INTERNAL SERVICE FUNDS

Risk Management Fund – Includes coverage for general liability, auto liability and worker's compensation. This fund is used to account for the financing of services provided by the risk management division to other departments of the City.

Employee Insurance Fund – Provides a self-insurance program for employee health benefits. This fund is used to account for the financing of services provided to other departments of the City.



CITY OF LAKE CHARLES, LOUISIANA

Internal Service Funds Combining Statement of Net Position September 30, 2024

	Risk Management	Employee Insurance	Totals 2024
ASSETS			
Current assets:			
Cash	\$ 21,770,675	\$ 5,563,225	\$ 27,333,900
Investments	16,894,878	2,445,053	19,339,931
Receivables:			
Accounts	530,507	2,632	533,139
Accrued interest	138,535	-	138,535
Due from other funds	-	-	-
Prepaid expenses	3,753,880	-	3,753,880
Total current assets	<u>43,088,475</u>	<u>8,010,910</u>	<u>51,099,385</u>
Noncurrent assets:			
Capital assets (at cost):			
Machinery & equipment	50,022	-	50,022
Less accumulated depreciation	<u>(32,925)</u>	<u>-</u>	<u>(32,925)</u>
Total capital assets (net of accum. depr.)	<u>17,097</u>	<u>-</u>	<u>17,097</u>
Total assets	<u>43,105,572</u>	<u>8,010,910</u>	<u>51,116,482</u>
Deferred Outflows of resources	<u>41,791</u>	<u>-</u>	<u>41,791</u>
LIABILITIES			
Current liabilities:			
Accounts payable	12,760	10,417	23,177
Due to other funds	-	-	-
Total current liabilities	<u>12,760</u>	<u>10,417</u>	<u>23,177</u>
Long-term liabilities:			
Accrued leave benefits	169,405	-	169,405
OPEB payable	63,934	-	63,934
Net pension liability	306,869	-	306,869
Accrued insurance claims	1,949,755	2,700,523	4,650,278
Incurred-not reported claims	175,000	150,000	325,000
Accrued insurance claims - noncurrent	3,065,296	-	3,065,296
Total long-term liabilities	<u>5,730,259</u>	<u>2,850,523</u>	<u>8,580,782</u>
Total liabilities	<u>5,743,019</u>	<u>2,860,940</u>	<u>8,603,959</u>
Deferred Inflows of resources	<u>22,860</u>	<u>-</u>	<u>22,860</u>
NET POSITION			
Net investment in capital assets	17,097	-	17,097
Unrestricted	37,364,387	5,149,970	42,514,357
Total net position	<u>\$ 37,381,484</u>	<u>\$ 5,149,970</u>	<u>\$ 42,531,454</u>

CITY OF LAKE CHARLES, LOUISIANA

Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

For the Fiscal Year Ended September 30, 2024

	Risk Management	Employee Insurance	Totals 2024
Operating revenues:			
Charges for services	\$ 8,920,000	\$ 10,010,601	\$ 18,930,601
Other revenues	23,034	1,367,960	1,390,994
Total operating revenues	<u>8,943,034</u>	<u>11,378,561</u>	<u>20,321,595</u>
Operating expenses:			
Personal services	719,218	1,000,083	1,719,301
Materials and supplies	5,493	13,653	19,146
General and administration	5,230,165	222	5,230,387
Depreciation	7,567	-	7,567
Claims and losses paid	1,448,418	11,518,931	12,967,349
Total operating expenses	<u>7,410,861</u>	<u>12,532,889</u>	<u>19,943,750</u>
Operating income (loss)	<u>1,532,173</u>	<u>(1,154,328)</u>	<u>377,845</u>
Nonoperating revenues:			
Interest	1,856,091	365,972	2,222,063
Litigation Settlement	-	-	-
Loss on retirement of fixed asset	-	-	-
Total nonoperating revenues	<u>1,856,091</u>	<u>365,972</u>	<u>2,222,063</u>
Income (loss) before transfers	<u>3,388,264</u>	<u>(788,356)</u>	<u>2,599,908</u>
Transfer in (out)	<u>(1,770,000)</u>	<u>-</u>	<u>(1,770,000)</u>
Change in net position	1,618,264	(788,356)	829,908
Net position - beginning of fiscal year	35,763,220	5,938,326	41,701,546
Net position - ending of fiscal year	<u>\$ 37,381,484</u>	<u>\$ 5,149,970</u>	<u>\$ 42,531,454</u>

CITY OF LAKE CHARLES, LOUISIANA

Internal Service Fund

Combining Statement of Cash Flows

For the Fiscal Year Ended September 30, 2024

	<u>Risk Management</u>	<u>Employee Insurance</u>	<u>Totals 2024</u>
Cash flows from operating activities:			
Receipts from customers	\$ (258,263)	\$ 1,994,522	\$ 1,736,259
Receipts from interfund charges for risk management services	8,920,000	9,382,948	18,302,948
Payments to employees	(752,444)	(999,652)	(1,752,096)
Payments to suppliers and claimants	(11,690,793)	(11,032,418)	(22,723,211)
Internal activity - payments to other funds	-	-	-
Net cash provided by operating activities	<u>(3,781,500)</u>	<u>(654,600)</u>	<u>(4,436,100)</u>
Cash flow from noncapital financing activities:			
Operating subsidies	-	-	-
Operating payments to other funds	(1,770,000)	-	(1,770,000)
Litigation Settlement	-	-	-
Net cash provided by noncapital financing activities	<u>(1,770,000)</u>	<u>-</u>	<u>(1,770,000)</u>
Cash flow from capital and related financing activities:			
Purchase of capital assets	-	-	-
Net cash used for capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
Cash flow from investing activities:			
Purchase of investment securities	(14,556,759)	(126,706)	(14,683,465)
Proceeds from sale and maturities of investment securities	-	-	-
Interest on investments	1,717,556	365,971	2,083,527
Net cash provided (used for) investing activities	<u>(12,839,203)</u>	<u>239,265</u>	<u>(12,599,938)</u>
Net increase (decrease) in cash and cash equivalents	(18,390,703)	(415,335)	(18,806,038)
Cash and cash equivalents at beginning of year	40,161,377	5,978,561	46,139,938
Cash and cash equivalents at end of year	<u>\$ 21,770,674</u>	<u>\$ 5,563,226</u>	<u>\$ 27,333,900</u>
Reconciliation of operating (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 1,532,173	\$ (1,154,328)	\$ 377,845
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	7,567	-	7,567
(Increase) decrease in accounts receivable	(281,297)	(1,092)	(282,389)
(Increase) decrease in due from other funds	-	-	-
(Increase) decrease in prepaid items	(265,609)	-	(265,609)
(Increase) decrease in deferred outflows of resources NPL	43,811	-	43,811
(Increase) decrease in deferred outflows of resources OPEB	4,166	-	4,166
Increase (Decrease) in accounts payables	(15,894)	296	(15,598)
Increase (Decrease) in accrued insurance claims	(4,725,871)	500,524	(4,225,347)
Increase (Decrease) in compensated absences payable	11,446	-	11,446
Increase (Decrease) in OPEB liability	1,343	-	1,343
Increase (Decrease) in NP liability	(96,110)	-	(96,110)
Increase (Decrease) in due to other funds	(1)	-	(1)
Increase (Decrease) in due deferred inflows of resources NPL	3,841	-	3,841
Increase (Decrease) in due deferred inflows of resources OPEB	(1,065)	-	(1,065)
Total adjustments	<u>(5,313,673)</u>	<u>499,728</u>	<u>(4,813,945)</u>
Net cash provided by operating activities	<u>\$ (3,781,500)</u>	<u>\$ (654,600)</u>	<u>\$ (4,436,100)</u>

Noncash investing, capital and financing activities:

Changes in fair value of investments resulted in an unrealized gain of \$178,421 at year end.

No change in capital assets at year end.

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS



CITY OF LAKE CHARLES, LOUISIANA
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source
September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Governmental funds capital assets		
Land	\$ 19,462,829	\$ 19,072,724
Buildings	56,051,512	56,036,699
Improvements other than buildings	132,580,905	126,903,204
Machinery and Equipment	50,911,529	48,243,216
Infrastructure	454,074,559	434,639,651
Construction in progress	<u>67,613,638</u>	<u>55,234,100</u>
Total general capital assets	<u><u>\$ 780,694,972</u></u>	<u><u>\$ 740,129,594</u></u>
Property acquired prior to October 1, 1985, excluding infrastructure	\$ 23,264,045	\$ 23,312,814
Property acquired after September 30, 1985 from:		
Federal grants	55,095,841	47,822,287
State grants	5,428,266	5,428,266
General fund revenues	224,042,566	215,242,865
Capital projects funds	413,847,470	389,306,578
Donations	<u>59,016,784</u>	<u>59,016,784</u>
Total investments in general capital assets	<u><u>\$ 780,694,972</u></u>	<u><u>\$ 740,129,594</u></u>

Note: This schedule presents the capital asset balances related to governmental funds. Accordingly, the capital assets valued at \$50,022 on 9/30/2024 and \$50,022 on 9/30/2023 that are reported in the internal service funds are excluded from the above amounts. Generally, capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF LAKE CHARLES, LOUISIANA
Schedule of Capital Assets - Governmental Funds
By Function and Activity
September 30, 2024

Function and Activity	Land	Buildings	Improvements Other Than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
GENERAL GOVERNMENT							
Legislative	\$ -	\$ -	\$ -	\$ 78,061	\$ -	\$ -	\$ 78,061
Executive	-	-	-	90,346	-	-	90,346
Judicial	-	5,129,852	-	7,953	-	-	5,137,805
Total general government	-	5,129,852	-	176,360	-	-	5,306,212
STAFF AGENCIES							
Finance	-	-	-	23,496	-	-	23,496
Planning and development	-	-	-	85,961	-	-	85,961
Human Resources	-	-	-	29,261	-	-	29,261
Public works	214,700	1,120,535	275,075	2,217,555	-	456,322	4,284,187
Information Services	-	-	-	711,049	-	-	711,049
General government buildings	5,922,753	5,856,483	4,789,622	607,147	-	1,901,795	19,077,800
Total staff agencies	6,137,453	6,977,018	5,064,697	3,674,469	-	2,358,117	24,211,754
PUBLIC SAFETY							
Police	951,380	738,237	704,088	9,351,618	-	4,342,768	16,088,091
Fire	1,305,150	6,869,373	5,533,923	16,433,134	-	232,194	30,373,774
Permit Center	-	-	-	373,904	-	-	373,904
Total public safety	2,256,530	7,607,610	6,238,011	26,158,656	-	4,574,962	46,835,769
Streets	-	81,870	-	7,080,948	348,156,670	41,462,954	396,782,442
Recreation	9,532,660	5,241,418	36,470,418	2,155,167	-	1,262,440	54,662,103
Community service	5,000	2,549,579	1,123,405	2,471	-	11,186,095	14,866,550
Sanitation and waste	1,531,186	28,464,165	83,684,374	11,663,458	105,917,889	6,769,070	238,030,142
	11,068,846	36,337,032	121,278,197	20,902,044	454,074,559	60,680,559	704,341,237
Total capital assets allocated to functions	\$ 19,462,829	\$ 56,051,512	\$ 132,580,905	\$ 50,911,529	\$ 454,074,559	\$ 67,613,638	\$ 780,694,972

Note: This schedule presents the capital asset balances related to governmental funds. Accordingly, the capital assets valued at \$50,022 on 9/30/2024 and \$50,022 on 9/30/2023 that are reported in the internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF LAKE CHARLES, LOUISIANA
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Fiscal Year Ended September 30, 2024

Function and Activity	General Capital Assets 9/30/2023	Additions	Deletions	General Capital Assets 9/30/2024
GENERAL GOVERNMENT				
Legislative	\$ 78,061	\$ -	\$ -	\$ 78,061
Executive	90,346	-	-	90,346
Judicial	5,137,805	-	-	5,137,805
Total general government	5,306,212	-	-	5,306,212
STAFF AGENCIES				
Finance	23,496	-	-	23,496
Planning and Development	85,961	-	-	85,961
Human Resources	29,261	-	-	29,261
Public Works	3,580,708	812,602	(109,123)	4,284,187
Information Services	704,354	6,695	-	711,049
General Government	18,592,372	553,034	(67,606)	19,077,800
Total staff agencies	23,016,152	1,372,331	(176,729)	24,211,754
PUBLIC SAFETY				
Police	13,199,357	5,390,570	(2,501,836)	16,088,091
Fire	31,064,640	831,300	(1,522,166)	30,373,774
Permit Center	373,904	-	-	373,904
Total public safety	44,637,901	6,221,870	(4,024,002)	46,835,769
Streets	373,376,605	26,122,129	(2,716,292)	396,782,442
Recreation	51,963,997	6,360,871	(3,662,765)	54,662,103
Community service	13,053,281	2,068,615	(255,346)	14,866,550
Sanitation and waste	228,775,446	16,518,097	(7,263,401)	238,030,142
	667,169,329	51,069,712	(13,897,804)	704,341,237
Total capital assets allocated to functions	\$ 740,129,594	\$ 58,663,913	\$ (18,098,535)	\$ 780,694,972

Note: This schedule presents the capital asset balances related to governmental funds. Accordingly, the capital assets valued at \$50,022 on 9/30/2024 and \$50,022 on 9/30/2023 that are reported in the internal service funds are excluded from the above amounts. Generally, capital assets of internal service funds are included as governmental activities in the statement of net position.

STATISTICAL SECTION

This part of the City of Lake Charles' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the government's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess government's more significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

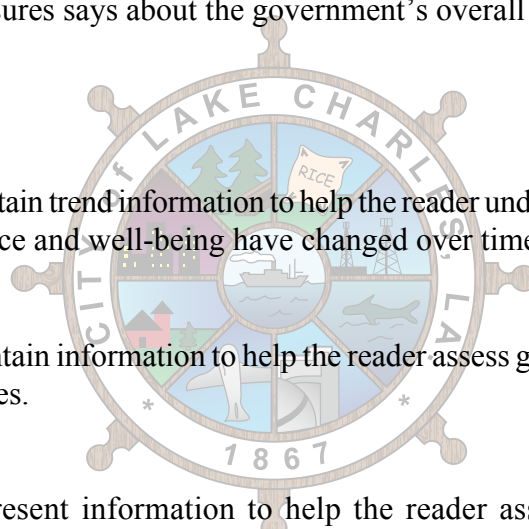
Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Except where noted, the information in these schedules is derived from the City of Lake Charles' annual comprehensive financial reports for the relative year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning that year.



CITY OF LAKE CHARLES, LOUISIANA

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

(amounts expressed in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities				
Net investment in capital assets	\$ 243,940	\$ 259,977	\$ 294,028	\$ 307,134
Restricted	24,596	31,273	33,409	32,950
Unrestricted	72,792	77,180	61,863	68,648
Total governmental activities net position	<u>\$ 341,328</u>	<u>\$ 368,430</u>	<u>\$ 389,300</u>	<u>\$ 408,732</u>
Business-Type activities				
Net investment in capital assets	\$ 69,095	\$ 68,622	\$ 69,202	\$ 73,313
Unrestricted	22,049	24,166	25,356	23,833
Total business-type activities net position	<u>\$ 91,144</u>	<u>\$ 92,788</u>	<u>\$ 94,558</u>	<u>\$ 97,146</u>
Primary Government				
Net investment in capital assets	\$ 313,035	\$ 328,599	\$ 363,230	\$ 380,447
Restricted	24,596	31,273	33,409	32,950
Unrestricted	94,841	101,346	87,219	92,481
Total net position	<u>\$ 432,472</u>	<u>\$ 461,218</u>	<u>\$ 483,858</u>	<u>\$ 505,878</u>

* GASB 68 adopted in 2015

* GASB 87 adopted in 2022

* GASB 96 adopted in 2023

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 313,647	\$ 325,072	\$ 342,958	\$ 350,311	\$ 376,158	\$ 403,813
34,219	34,961	30,666	41,725	42,274	40,654
78,046	76,891	134,080	153,415	175,399	176,034
<u>\$ 425,912</u>	<u>\$ 436,924</u>	<u>\$ 507,704</u>	<u>\$ 545,451</u>	<u>\$ 593,831</u>	<u>\$ 620,501</u>
\$ 73,788	\$ 76,941	\$ 79,624	\$ 97,153	\$ 114,347	\$ 140,102
25,554	24,065	21,720	31,960	27,482	13,520
<u>\$ 99,342</u>	<u>\$ 101,006</u>	<u>\$ 101,344</u>	<u>\$ 129,113</u>	<u>\$ 141,829</u>	<u>\$ 153,622</u>
\$ 387,435	\$ 402,013	\$ 422,582	\$ 447,464	\$ 490,505	\$ 543,915
34,219	34,961	30,666	41,725	42,274	40,654
103,600	100,956	155,800	185,375	202,881	189,554
<u>\$ 525,254</u>	<u>\$ 537,930</u>	<u>\$ 609,048</u>	<u>\$ 674,564</u>	<u>\$ 735,660</u>	<u>\$ 774,123</u>

CITY OF LAKE CHARLES, LOUISIANA

Change in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 5,316,267	\$ 5,612,894	\$ 5,812,852	\$ 6,062,340	\$ 6,585,196	\$ 6,834,478	\$ 6,403,592	\$ 7,190,498	\$ 7,121,487	\$ 7,204,289
Public safety	33,401,455	36,589,474	37,722,822	38,772,282	42,491,635	47,227,209	37,981,928	46,157,158	44,856,154	48,775,886
Public works	32,980,130	34,279,219	42,253,530	42,804,319	44,160,415	83,647,950	113,640,107	53,422,925	48,970,447	52,005,430
Planning and development	2,672,381	2,521,348	2,656,677	2,870,828	3,291,552	2,808,734	2,881,961	3,995,469	11,052,094	8,316,260
General services	6,021,391	5,838,645	6,507,033	6,875,525	6,558,381	8,397,663	8,467,245	9,527,617	15,193,674	12,563,648
Community services	6,668,047	7,191,241	6,158,706	7,110,893	7,519,692	13,132,656	8,005,324	11,109,236	12,827,668	15,232,807
Interest in long-term debt	3,138,628	2,703,865	3,149,772	2,054,636	1,864,766	1,591,346	1,406,245	1,284,127	1,159,064	898,638
Total governmental activities	90,198,299	94,736,686	104,261,392	106,500,823	112,471,637	163,640,036	178,786,402	132,687,030	141,180,588	144,996,958
Business-type activities										
Event center	3,365,531	3,949,094	3,788,824	3,899,346	3,913,590	3,333,299	4,061,374	3,985,423	4,682,599	5,327,616
Golf course	1,648,783	1,680,137	1,718,210	1,873,811	1,815,144	2,844,809	1,538,622	3,529,971	2,383,458	2,587,830
Transit	2,917,813	3,066,511	3,361,381	3,655,630	3,896,717	4,234,999	3,816,851	4,482,088	4,366,206	4,266,205
Water	9,890,095	10,173,955	10,845,330	11,206,906	12,074,665	12,061,138	11,262,743	14,943,823	15,998,277	16,580,225
Total business-type activities	17,822,222	18,869,697	19,713,745	20,635,693	21,700,116	22,474,245	20,679,590	26,941,305	27,430,540	28,761,876
Total primary government	\$ 108,020,521	\$ 113,606,383	\$ 123,975,137	\$ 127,136,516	\$ 134,171,753	\$ 186,114,281	\$ 199,465,992	\$ 159,628,335	\$ 168,611,128	\$ 173,758,834
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 5,730,156	\$ 5,997,403	\$ 6,195,338	\$ 6,469,760	\$ 6,490,449	\$ 6,512,956	\$ 6,849,965	\$ 6,966,608	\$ 7,546,837	\$ 7,414,737
Public works	13,459,995	13,438,315	13,486,598	14,110,034	13,476,408	12,793,705	10,604,922	10,734,411	12,650,041	13,003,042
Other activities	744,123	751,477	753,544	847,379	950,164	603,456	248,435	591,289	1,277,114	1,497,815
Operating grants and contributions	4,675,984	4,002,036	5,142,923	4,522,002	5,011,047	51,496,877	108,912,925	39,782,132	25,420,152	12,215,074
Capital grants and contributions	5,516,540	8,346,684	4,838,875	2,408,146	6,019,529	12,491,015	14,267,362	19,755,714	12,196,903	24,648,360
Total govnmld activity prgrm	30,126,798	32,535,915	30,417,278	28,357,321	31,947,597	83,898,009	140,883,609	77,830,154	59,091,047	58,779,028
Business-type activities:										
Charges for services:										
Event center	1,000,078	1,138,735	971,360	1,033,378	1,021,589	513,434	194,362	625,188	888,060	1,028,059
Golf course	1,012,359	992,086	903,040	988,757	845,364	591,013	11,785	5,132,789	1,316,673	1,551,826
Transit	184,332	189,931	191,826	187,114	190,815	193,154	138,418	197,064	210,019	227,383
Water	12,687,985	12,300,282	13,215,887	13,802,115	13,138,924	12,790,717	11,740,967	12,553,097	14,066,333	16,113,886
Operating grants and contributions	2,303,705	2,834,655	2,751,946	3,043,540	3,103,043	4,168,748	5,138,737	4,011,641	3,996,656	3,456,432
Capital grants and contributions	801,268	266,752	261,931	982,009	179,704	1,819,470	2,680,279	11,220,260	3,672,784	7,061,588
Total busnss-type prgrm revens	17,989,727	17,722,441	18,295,990	20,036,913	18,479,439	20,076,536	19,904,548	33,740,039	24,150,525	29,439,174
Total primary government program	\$ 48,116,525	\$ 50,258,356	\$ 48,713,268	\$ 48,394,234	\$ 50,427,036	\$ 103,974,545	\$ 160,788,157	\$ 111,570,193	\$ 83,241,572	\$ 88,218,202

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (expense)/revenue										
Governmental activities	\$ (60,071,501)	\$ (62,200,771)	\$ (73,844,114)	\$ (78,143,502)	\$ (80,524,040)	\$ (79,742,027)	\$ (37,902,793)	\$ (54,856,876)	\$ (82,089,541)	\$ (86,217,930)
Business-type activities	167,505	(1,147,256)	(1,417,755)	(598,780)	(3,220,677)	(2,397,709)	(775,042)	6,798,734	(3,280,015)	677,298
Total primary government net expenses	\$ (59,903,996)	\$ (63,348,027)	\$ (75,261,869)	\$ (78,742,282)	\$ (83,744,717)	\$ (82,139,736)	\$ (38,677,835)	\$ (48,058,142)	\$ (85,369,556)	\$ (85,540,632)
General Revenues and Other Changes in Net Assets										
Governmental activities										
Taxes										
Property taxes	\$ 9,163,826	\$ 10,217,089	\$ 10,616,469	\$ 10,862,457	\$ 11,246,318	\$ 11,660,793	\$ 10,742,317	\$ 12,375,356	\$ 13,310,273	\$ 13,310,273
Sales taxes	54,786,123	60,570,243	64,596,373	67,840,226	67,169,609	63,188,793	82,759,394	79,929,417	77,021,832	77,021,832
Franchise taxes	5,736,856	5,472,965	5,722,675	5,878,166	5,801,232	5,350,971	5,237,424	6,694,990	6,449,332	6,449,332
Riverboat taxes	11,054,210	10,799,768	10,657,944	10,735,679	11,045,968	9,413,068	7,844,826	10,850,808	11,768,182	11,768,182
Grants and contributions not restricted to specific programs	180,867	194,470	227,691	230,435	238,919	219,227	206,307	160,856	124,466	124,466
Interest and investment earnings	965,038	834,331	1,162,105	2,206,510	4,569,271	2,157,325	624,185	1,054,921	11,135,678	11,135,678
Miscellaneous	4,722,125	3,730,355	4,666,850	2,425,142	2,310,815	2,468,193	2,301,588	2,251,704	23,149,586	2,975,265
Gain (loss) on sales of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	(2,348,768)	(2,515,786)	(2,935,905)	(2,757,752)	(4,677,725)	(3,704,830)	(1,033,408)	(20,710,098)	(9,896,923)	(9,896,923)
Total governmental activities	84,260,277	89,303,435	94,714,202	97,420,863	97,704,407	90,753,540	108,682,633	92,607,954	133,062,426	112,888,105
Business-type activities:										
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	-
Interest and investment earnings	227,141	133,929	251,993	405,633	738,783	357,382	79,068	260,444	1,218,339	1,218,339
Miscellaneous	113,376	141,451	-	-	-	-	-	-	-	-
Gain (loss) on sales of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	2,348,768	2,515,786	2,935,905	2,757,752	4,677,725	3,704,830	1,033,408	20,710,098	9,896,923	9,896,923
Total business type activities	2,689,285	2,791,166	3,187,898	3,163,385	5,416,508	4,062,212	1,112,476	20,970,542	11,115,262	11,115,262
Total primary government	\$ 86,949,562	\$ 92,094,601	\$ 97,902,100	\$ 100,584,248	\$ 103,120,915	\$ 94,815,752	\$ 109,795,109	\$ 113,578,496	\$ 144,177,688	\$ 124,003,367
Change in Net Assets										
Governmental activities	\$ 24,188,776	\$ 27,102,664	\$ 20,870,088	\$ 19,277,361	\$ 17,180,367	\$ 11,011,513	\$ 70,779,840	\$ 37,751,078	\$ 50,972,885	\$ 26,670,175
Business-type activities	2,856,790	1,643,910	1,770,143	2,564,605	2,195,831	1,664,503	337,434	27,769,276	7,835,247	11,792,560
Total primary government	\$ 27,045,566	\$ 28,746,574	\$ 22,640,231	\$ 21,841,966	\$ 19,376,198	\$ 12,676,016	\$ 71,117,274	\$ 65,520,354	\$ 58,808,132	\$ 38,462,735

CITY OF LAKE CHARLES, LOUISIANA
 Governmental Activities Tax and Other Revenues by Source
 Last Ten Fiscal Years
 (accrual basis of accounting)

Fiscal Year	Property Tax	One Percent Sales Tax (1965)	* Additional One Percent Sales Tax (1987)	Employee's Pay Quarter cent Sales Tax (1995)	One-Quarter Cent Sales Tax Debt Reserve Fund (2016)
2015	9,163,826	24,233,672	24,233,672	6,058,418	-
2016	10,217,089	24,759,696	24,759,696	6,189,924	4,571,836
2017	10,616,469	25,695,368	25,695,368	6,423,849	6,372,113
2018	10,862,457	26,833,765	26,833,765	6,708,442	6,635,894
2019	11,246,319	26,711,079	26,711,079	6,677,655	6,619,849
2020	11,660,793	25,125,185	25,125,185	6,238,871	6,212,813
2021	10,742,317	32,801,002	32,801,002	8,200,244	8,198,239
2022	12,375,356	31,665,960	31,665,960	7,916,490	7,914,892
2023	12,796,055	31,995,079	31,995,079	7,998,770	7,851,618
2024	13,310,273	30,433,295	30,433,295	7,608,325	7,604,184

* Sales tax levy above dedicates 28 percent of collections to Capital Projects of which 60 percent can be used for debt service

Notes: The City, through a Cooperative Endeavor Agreement with the Calcasieu Parish Policy Jury, pool gaming revenues received on a parish-wide basis.
 Golden Nugget Casino opened in December 2014.
 2013 property tax revenues reflect the reassessment of property in 2012.
 2017 property tax revenues reflect the reassessment of property in 2016.
 2016 15 year quarter cent sales tax began January 2016

Monthly Sales Tax Receipts 28% Dedicated to Capital Projects (included in above)

Collection Month	2015	2016	2017	2018
November	\$ 529,736	\$ 535,012	\$ 544,564	\$ 595,135
December	541,692	533,725	564,660	560,185
January	702,020	694,329	730,672	763,506
February	500,766	512,445	527,052	550,737
March	514,014	519,495	520,045	563,037
April	617,823	652,316	665,259	690,882
May	540,169	548,264	591,265	599,185
June	547,963	565,631	597,337	640,612
July	598,577	611,634	686,415	682,222
August	577,527	611,509	571,248	633,452
September	549,074	557,614	583,584	603,781
October	566,067	590,743	612,602	630,722
Total	<u>\$ 6,785,428</u>	<u>\$ 6,932,717</u>	<u>\$ 7,194,703</u>	<u>\$ 7,513,456</u>

TIFF District One Percent Sales Tax (2018)	Riverboat Gaming Tax	Electric Utility Franchise	Gas Utility Franchise	Cable Television Franchise	Communication Utility Franchise	Charges for Services User Fees Wastewater
-	11,054,210	4,339,524	420,979	976,353	-	13,323,763
-	10,799,768	4,098,903	360,464	1,013,598	-	13,281,720
-	10,657,944	4,295,722	406,840	1,020,114	-	13,221,450
1,213	10,735,679	4,378,367	483,545	1,016,254	-	13,771,766
48,461	11,045,969	4,306,206	478,226	1,016,801	-	12,667,693
70,875	9,413,068	4,092,816	423,927	834,228	-	12,554,335
168,171	7,844,826	4,243,419	418,240	575,764	-	10,547,714
337,594	10,850,808	5,524,440	546,199	624,352	-	10,478,119
332,572	12,179,035	5,259,521	557,169	536,016	48,787	12,337,939
393,918	11,768,182	4,829,813	522,977	476,315	620,228	12,642,882

2019	2020	2021	2022	2023	2024
\$ 597,575	\$ 528,901	\$ 668,223	\$ 715,232	\$ 749,113	\$ 658,658
478,637	663,989	801,000	721,074	692,796	644,494
895,304	761,692	946,096	935,561	865,464	850,588
526,049	533,912	663,428	673,118	646,271	646,812
559,319	515,864	630,315	654,324	624,411	709,504
665,263	550,828	856,449	839,646	1,237,708	734,699
587,399	489,569	751,264	720,486	633,556	689,554
599,129	596,499	720,668	712,807	661,264	718,576
667,495	650,386	848,946	714,332	708,720	708,106
615,983	429,259	786,718	738,723	727,841	757,360
646,318	684,585	721,577	685,318	677,390	698,647
640,632	629,567	789,596	755,846	734,089	704,325
<u>\$ 7,479,103</u>	<u>\$ 7,035,051</u>	<u>\$ 9,184,280</u>	<u>\$ 8,866,467</u>	<u>\$ 8,958,623</u>	<u>\$ 8,521,323</u>

CITY OF LAKE CHARLES, LOUISIANA

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)
(amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	621,486	666,530	684,120	568,580	629,864	836,789	457,128	338,333	392,371	576,041
Committed	2,413,358	2,061,843	3,561,194	4,145,634	3,472,701	5,996,241	4,485,828	10,979,642	10,935,331	11,368,534
Unassigned	28,338,533	27,297,165	30,764,493	35,078,544	32,989,637	23,524,122	32,905,185	36,169,590	43,822,202	39,445,584
Total General Fund	31,373,377	30,025,538	35,009,807	39,792,758	37,092,202	30,357,152	37,848,141	47,487,565	55,149,904	51,390,159
All other governmental funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	46,917	48,896	62,165	151,535	150,775	171,635	155,179	137,354	141,389	58,686
Restricted	24,595,560	31,272,991	33,409,232	32,950,498	34,219,348	34,961,022	30,665,638	41,725,259	42,273,906	40,653,935
Committed	65,108,250	72,116,986	55,063,188	56,953,479	72,725,077	78,562,670	128,925,381	141,393,669	130,868,423	131,521,377
Assigned	13,392,519	9,851,745	8,994,330	8,681,868	9,033,669	10,343,038	4,872,942	5,889,695	7,414,785	8,260,033
Total all other governmental funds	103,143,246	113,290,618	97,528,915	98,737,380	116,128,869	124,038,365	164,619,140	189,145,977	180,698,503	180,494,031
Total all governmental funds	\$ 134,516,623	\$ 143,316,156	\$ 132,538,722	\$ 138,530,138	\$ 153,221,071	\$ 154,395,517	\$ 202,467,281	\$ 236,633,542	\$ 235,848,407	\$ 231,884,190

* Note GASB 54 adopted in 2011.

* GASB 68 adopted in 2015

* GASB 75 adopted in 2018

* GASB 87 adopted in 2022

* GASB 96 adopted in 2023

CITY OF LAKE CHARLES, LOUISIANA

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes	\$ 77,964,674	\$ 81,278,866	\$ 88,826,340	\$ 92,009,560	\$ 92,611,008	\$ 87,324,814	\$ 103,990,347	\$ 106,383,490	\$ 109,077,288	\$ 105,391,960
Licenses and permits	6,657,120	9,940,761	6,597,424	6,963,073	6,809,618	6,244,424	6,937,495	7,956,630	7,470,149	7,814,071
Intergovernmental	10,364,017	12,965,781	10,603,497	7,114,980	11,028,912	46,030,080	75,791,591	54,128,050	36,232,146	29,154,122
Charges for services	16,016,725	16,050,508	16,286,940	16,766,116	16,296,708	16,715,346	13,180,823	13,573,787	17,306,981	17,169,234
Fines and forfeitures	195,139	186,042	301,103	275,630	242,223	195,363	231,726	183,659	167,577	215,196
Miscellaneous	3,064,934	1,632,574	2,154,234	3,739,329	5,309,737	10,436,272	46,431,644	2,200,771	10,325,574	10,849,664
Total revenues	114,262,609	122,054,532	124,769,538	126,868,688	132,298,206	166,946,299	246,563,626	184,426,387	180,579,715	170,594,247
Expenditures:										
Current operating:										
General government	3,016,207	3,059,233	3,204,360	3,436,047	3,529,417	3,812,868	3,935,483	4,351,665	4,456,845	4,613,554
Finance	1,610,407	1,739,594	1,714,273	1,757,188	1,875,037	1,994,370	1,962,068	2,101,585	2,032,467	2,102,056
Human Resources	367,152	374,721	397,613	390,668	416,168	432,246	398,711	424,474	440,786	414,402
Fire	14,493,469	14,938,379	15,870,091	16,619,281	17,278,379	18,908,742	19,723,560	20,794,899	20,752,791	20,331,730
Police	18,096,917	18,530,921	19,770,508	20,102,125	21,014,854	23,976,208	21,839,150	23,168,248	24,185,983	23,534,882
Public works	22,093,947	23,986,800	26,421,585	25,131,848	25,497,159	66,926,406	96,722,775	35,904,334	33,233,943	33,561,998
Planning and development	2,679,361	2,521,354	2,611,276	2,741,631	3,160,533	2,703,139	2,898,670	3,987,841	11,046,832	8,375,114
Community services	5,389,074	5,509,270	5,998,397	6,019,381	5,975,181	10,855,986	13,784,514	6,933,110	10,969,560	5,808,623
General services	4,415,871	4,629,048	4,788,886	4,830,710	5,192,395	7,584,015	9,795,484	10,081,701	11,956,523	11,702,567
Capital projects	14,829,729	33,685,525	50,470,051	27,909,851	18,686,556	15,553,814	19,202,581	24,338,447	39,051,068	47,436,205
Debt service:										
Principal	5,405,386	5,722,670	6,664,637	6,833,190	8,043,321	7,332,101	7,479,854	5,909,441	7,199,613	7,542,919
Bond issuance costs	-	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	4,591,559	2,854,289	2,719,730	2,450,417	2,260,548	1,987,128	1,715,604	1,554,283	1,439,602	1,168,793
Total expenditures	96,989,079	117,551,804	140,631,407	118,222,337	112,929,548	162,067,023	199,458,454	139,550,028	166,766,013	166,592,843
Excess (deficiency) of revenues over expenditures	17,273,530	4,502,728	(15,861,869)	8,646,351	19,368,658	4,879,276	47,105,172	44,876,359	13,813,702	4,001,404
Other financing sources (uses):										
Transfers in	21,876,158	41,585,711	26,615,768	29,122,749	33,981,729	36,076,763	34,391,184	32,257,250	31,334,762	38,468,304
Transfers out	(26,354,532)	(44,101,497)	(29,551,673)	(31,880,502)	(38,659,454)	(39,781,593)	(33,424,592)	(52,967,348)	(45,933,599)	(46,595,227)
Lease Proceeds										161,302
Issuance of debt - refunding bonds	15,825,000	-	24,140,000	-	-	-	-	-	-	-
Issuance of debt	-	6,812,591	8,012,943	102,818	-	-	-	10,000,000	-	-
Premium on debt issuance	906,376	-	3,687,728	-	-	-	-	-	-	-
Bond refunding-cost of issuance	(270,617)	-	(378,726)	-	-	-	-	-	-	-
Pymnt refunded bond escrow-current	-	-	(5,920,000)	-	-	-	-	-	-	-
Pymnt refunded bond escrow-advance	(14,995,000)	-	(19,720,000)	-	-	-	-	-	-	-
Pymnt refunded bond escrow-interest	-	-	(1,801,605)	-	-	-	-	-	-	-
Total other financing sources(uses)	(3,012,615)	4,296,805	5,084,435	(2,654,935)	(4,677,725)	(3,704,830)	966,592	(10,710,098)	(14,598,837)	(7,965,621)
Net change in fund balances	\$ 14,260,915	\$ 8,799,533	\$ (10,777,434)	\$ 5,991,416	\$ 14,690,933	\$ 1,174,446	\$ 48,071,764	\$ 34,166,261	\$ (785,135)	\$ (3,964,217)
Debt service as a percentage of noncapital expenditures	12.29%	10.47%	10.23%	9.69%	10.75%	6.83%	5.46%	6.94%	6.84%	7.03%

CITY OF LAKE CHARLES, LOUISIANA
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended	Tax Year	Real Property and Mobile		Personal, Business Industry	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2015	2014	483,192,030	4,831,920,800	168,282,760	1,121,835,067
2016	2015	516,842,790	5,168,427,900	164,358,110	1,095,720,733
2017	2016	541,069,351	5,410,693,510	159,795,020	1,065,300,133
2018	2017	580,132,590	5,801,325,900	153,211,230	1,021,408,200
2019	2018	597,738,510	5,977,385,100	160,846,330	1,072,308,866
2020	2019	544,637,920	5,446,379,200	158,937,930	1,059,586,200
2021	2020	628,889,200	6,288,892,000	165,061,750	1,100,411,667
2022	2021	653,274,080	6,532,740,800	162,214,730	1,081,431,533
2023	2022	674,377,630	6,743,776,300	202,331,070	1,348,873,800
2024	2023	689,461,610	6,894,616,100	197,225,680	1,314,837,866

Note:

- (1) Ratios of assessed valuation to actual value are established by state law. Assessment ratios currently applicable to various classes of property are as follows:

10% - Land and residential improvements
15% - Commercial improvements
15% - Personal property
25% - Public Utilities

- (2) All property assessments are made by the Calcasieu Parish Assessor or the Louisiana Tax Commission. Required reassessments of all properties were made in 2016, 2020, and 2024.

Source: Calcasieu Parish Sheriff & Tax Collector and Calcasieu Parish Tax Assessor

Public Utilities		Total all Property		Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
17,272,840	71,272,840	669,293,050	6,025,078,707	15.35	11.11%
19,543,930	78,175,720	700,744,830	6,342,324,353	15.23	11.05%
19,986,390	79,945,560	720,850,761	6,555,939,203	15.23	11.00%
17,285,450	69,141,800	750,629,270	6,891,875,900	15.23	10.90%
18,754,200	75,016,800	777,339,040	7,124,710,766	15.23	10.90%
22,068,590	88,274,360	725,644,440	6,594,239,760	15.05	11.00%
25,817,780	103,271,120	819,768,730	7,492,574,787	15.12	10.90%
24,959,810	99,839,240	840,448,620	7,714,011,573	15.12	10.90%
24,606,410	98,425,640	901,315,110	8,191,075,740	15.12	11.00%
32,721,630	130,886,520	919,408,920	8,340,340,486	14.98	11.00%

CITY OF LAKE CHARLES, LOUISIANA

Property Tax Millage Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

City of Lake Charles			Calcasieu Parish School Board				Calcasieu Parish							
Calendar Year	Fiscal Year	General and Special Revenue		Debt		Parish Police	Road Districts	Gravity Drainage	Recreation		Airport		Parish	
		Funds	Total	General Fund	Service Funds				Total	Centers	Fire Protection	Harbor & Terminal	Water & Sewer	Total
2014	2015	15.35	15.35	18.04	22.20	40.24	35.46	4.06	5.57	7.40	10.85	8.19	15.37	86.90
2015	2016	15.23	15.23	17.23	21.00	38.23	32.86	3.88	5.79	7.93	11.54	8.58	12.51	83.09
2016	2017	15.23	15.23	17.23	21.00	38.23	34.29	3.88	5.79	7.59	11.54	8.58	12.43	84.10
2017	2018	15.23	15.23	17.23	29.85	47.08	34.29	3.88	5.79	7.95	11.54	8.58	14.24	86.27
2018	2019	15.23	15.23	17.23	42.10	59.33	34.09	3.88	5.79	7.60	11.54	8.58	14.24	85.72
2019	2020	15.05	15.05	17.00	37.00	54.00	34.51	3.83	5.71	7.82	11.38	8.45	14.33	86.03
2020	2021	15.12	15.12	17.00	31.50	48.50	36.51	3.83	5.71	7.42	11.38	8.45	14.33	87.63
2021	2022	15.12	15.12	17.00	21.30	38.30	36.41	3.83	5.71	7.21	11.38	8.45	14.33	87.32
2022	2023	15.12	15.12	17.00	20.65	37.65	37.36	3.83	5.71	7.42	11.38	8.45	14.33	88.48
2023	2024	14.98	14.98	17.00	19.00	36.00	38.00	4.06	5.75	6.84	11.45	8.45	14.03	88.58

Source: Information obtained from Calcasieu Parish Tax Assessor

Note: Overlapping rates are those of local governmental entities that apply to property owners within the City of Lake Charles. Not all overlapping rates apply to all property owners.
Please note Gravity Drainage District #4 Ward 3L (35) has been consolidated into Consolidated Gravity Drainage #2 East

CITY OF LAKE CHARLES, LOUISIANA

Principal Property Taxpayers

Tax Year December 31, 2024 and December 31, 2015

for Fiscal Year Ended September 30, 2024 and September 30, 2015

Taxpayer	Type of Business	2024			2015		
		Assessed Valuation 2023	Rank	Percentage of Total Valuation	Assessed Valuation 2014	Rank	Percentage of Total Valuation
GOLDEN NUGGET LAKE CHARLES LLC	Hotel/Casino	\$63,141,670	1	6.87 %	53,485,200	1	7.99 %
PNK (LAKE CHARLES) LLC	Hotel/Casino	41,055,080	2	4.47 %	45,086,810	2	6.74 %
ENTERGY GULF STATES LOUISIANA LLC	Electric Utility	14,767,380	3	1.61 %	9,347,910	5	1.40 %
WAL-MART REAL ESTATE BUSINESS TRUST	Retail	8,549,580	4	0.93 %	4,380,130	6	0.65 %
JP MORGAN CHASE BANK NA	Bank	6,721,820	5	0.73 %	4,156,390	7	0.62 %
FIRST HORIZON BANK * IBERIA BANK IN 2020	Bank	6,201,520	6	0.67 %			
HANCOCK WHITNEY	Bank	5,492,850	7	0.60 %			
CARBOLINE CO	Petrochemical Manufacturing	5,135,870	8	0.56 %	3,538,270	9	0.53 %
TWAIN GL XV LLC	Residential Development	4,408,660	9	0.48 %			
MARK DODGE	Automotive Sales	4,225,120	10	0.46 %			
CROWLEY MARINE SERVICES	Transportation Services				15,882,920	3	2.37 %
PRESSURE PUMPING	Oil/Gas Pumping Services				12,784,310	4	1.91 %
BELL SOUTH TELECOMMUNICATIONS	Telephone				4,113,880	8	0.61 %
WOMEN'S & CHILDREN'S HOSPITAL	Hospital				3,436,730	10	0.51 %
		<u>159,699,550</u>		<u>17.38%</u>	<u>156,212,550</u>		<u>23.33%</u>

2024 Total city valuation: \$ 919,408,920

2015 Total city valuation: \$ 669,293,050

Source: Calcasieu Parish Tax Collector

CITY OF LAKE CHARLES, LOUISIANA

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Tax Year	Total Tax Levy	Less: Cancellations and Reductions	Net Tax Levy
2015	2014	9,142,203	58,897	9,083,306
2016	2015	10,283,298	57,120	10,226,178
2017	2016	10,684,965	62,362	10,622,603
2018	2017	10,991,532	144,645	10,846,887
2019	2018	11,445,052	79,203	11,365,849
2020	2019	11,852,788	34,779	11,818,009
2021	2020	10,935,455	138,164	10,797,291
2022	2021	12,409,304	100,033	12,309,271
2023	2022	12,742,324	67,265	12,675,059
2024	2023	13,665,043	334,547	13,330,496

Source: Calcasieu Parish Sheriff & Tax Collector

Less: Outstanding Delinquent Taxes	Net Total Taxes Collected	Percent of Net Taxes Collected	Percent of Delinquent Taxes to Net Levy
20,265	9,063,041	99.78	0.22
34,563	10,191,615	99.66	0.34
34,374	10,588,229	99.68	0.32
66,975	10,779,912	99.38	0.62
49,484	11,316,365	99.60	0.44
88,015	11,729,994	99.30	0.75
58,754	10,738,537	98.20	0.55
26,892	12,282,379	98.98	0.22
24,698	12,650,361	99.28	0.20
36,300	13,294,196	97.29	0.27

CITY OF LAKE CHARLES, LOUISIANA

Sales Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Calendar Year		City of Lake Charles										Calcasieu Parish			State of Louisiana		
		Dedicated 1%					Employee's					School Board		Law		Tourism	
		Fiscal Year	General Fund	Public Safety	Public Works	Waste Water	Recreation	Capital Project	Pay	General	Salaries	Enforcement	General	Promotion	Total		
2014	2015	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.25%	1.50%	0.50%	0.75%	3.97%	0.03%	9.00%			
2015	2016	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.25%	1.50%	*1.00%	0.75%	3.97%	0.03%	9.50%			
2016	2017	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	+0.50%	1.50%	1.00%	0.75%	**4.97%	0.03%	10.75%			
2017	2018	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.50%	1.50%	1.00%	0.75%	++4.42%	0.03%	10.20%			
2018	2019	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.50%	1.50%	1.00%	0.75%	4.42%	0.03%	10.20%			
2019	2020	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.50%	1.50%	1.00%	0.75%	4.42%	0.03%	10.20%			
2020	2021	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.50%	1.50%	1.00%	0.75%	4.42%	0.03%	10.20%			
2021	2022	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.50%	1.50%	1.00%	0.75%	4.42%	0.03%	10.20%			
2022	2023	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.50%	1.50%	1.00%	0.75%	4.42%	0.03%	10.20%			
2023	2024	1.00%	0.20%	0.28%	0.16%	0.08%	0.28%	0.50%	1.50%	1.00%	0.75%	4.42%	0.03%	10.20%			

*Rate increased from 0.50% to 1.00% July 1, 2015

+Rate increased from 0.25% to 0.50% January 1, 2016

**Rate increased from 3.97% to 4.97% April 1, 2016

++Rate decreased from 4.97% to 4.42% July 1, 2018

Morganfield Economic Development District (MEDD) 1% additional rate established January 1, 2018 (total sales tax inside district 11.2%)

Lakefront Economic Development District (LEDD) 1% additional rate established June 1, 2021 (total sales tax inside district 11.2%)

Nelson Economic Development District (LEDD) 1% additional rate established October 1, 2018 (total sales tax inside district 11.2%)

Source: Information obtained from Calcasieu Parish Sales and Use Tax office.

CITY OF LAKE CHARLES, LOUISIANA

Principal Sales Taxpayers

Tax Year June 30, 2024 and June 30, 2015

for Fiscal Year Ended September 30, 2024 and September 30, 2015

Type of Business	2024			2015		
	Tax Paid	Rank	Percentage of Total Valuation	Tax Paid	Rank	Percentage of Total Valuation
Retail	\$ 6,647,561	1	8.66%	\$ 5,871,138	1	10.89%
Government	3,463,207	2	4.51%	3,014,979	2	5.59%
Hotel and Casino	2,245,792	3	2.93%	1,307,587	3	2.43%
Health Care	\$1,723,700	4	2.25%	616,346	9	1.14%
Grocery	1,221,835	5	1.59%	885,024	5	1.64%
Building Supply	1,073,447	6	1.40%	836,987	6	1.55%
Hotel and Casino	1,002,326	7	1.31%	1,145,652	4	2.12%
Retail	811,913	8	1.06%	683,035	8	1.27%
Health Care	748,657	9	0.98%	691,291	7	1.28%
Building Supply	699,821	10	0.91%			
Grocery				590,641	10	1.10%
	<u>\$19,638,259</u>		<u>25.58%</u>	<u>\$15,642,680</u>		<u>29.01%</u>

2024 Total sales tax: \$ 76,778,404

2015 Total sales tax: \$ 53,917,165

CITY OF LAKE CHARLES, LOUISIANA

Governmental Activity Ratios of Outstanding Debt
Last Ten Fiscal Years

Fiscal Year	Bonded Debt								
	LCDA	Deferred Amount	2007	Deferred Amount	2010	Deferred Amount	2014	Deferred Amount	2017
	Sewer	LCDA Sewer	LCDA Public	LCDA Public	LCDA Public	LCDA Public	LCDA Public	LCDA Public	LCDA Public
	Refunding	Refunding	Improvement	Improvement	Improvement	Improvement	Improvement	Improvement	Improvement
	Bonds	Bonds	Bonds	2007 Bonds	Bonds	2010 Bonds	Refinancing Bonds	2014 Bonds	Refinancing Bonds
2014	10,930,000	313,625	25,565,000	753,436	32,315,000	1,370,241	-	-	-
2015	9,535,000	235,219	9,080,000	256,639	30,410,000	1,169,717	15,775,000	854,085	-
2016	8,100,000	196,016	7,530,000	224,560	28,445,000	1,069,455	15,605,000	784,364	-
2017	6,600,000	156,813	-	-	6,685,000	259,273	15,430,000	714,643	24,140,000
2018	5,045,000	117,610	-	-	4,550,000	172,849	13,710,000	644,922	24,140,000
2019	3,430,000	78,407	-	-	2,315,000	86,425	11,925,000	575,201	24,140,000
2020	1,750,000	39,204	-	-	-	-	11,760,000	505,480	22,425,000
2021	-	-	-	-	-	-	11,590,000	435,759	18,200,000
2022	-	-	-	-	-	-	9,555,000	366,036	15,825,000
2023	-	-	-	-	-	-	9,380,000	296,315	11,240,000
2024	-	-	-	-	-	-	7,150,000	226,594	8,630,000

CITY OF LAKE CHARLES, LOUISIANA

Business-Type Ratios of Outstanding Debt
Last Ten Fiscal Years

Loans			Other Debt		
DHH Loan					
Direct			Right-of-use	Total	Percentage
Placement			Obligations	of All	of Personal
				Debt	Income
2022	-		235,518	235,518	0.01%
2023	2,317,438		171,147	2,488,585	0.18%
2024	5,280,708		98,787	5,379,495	0.37%
					Per Capita

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

None of this debt is General Obligation Debt.

See the Schedule of Demographics and Economic Statistics for personal income and population data.

						Other Debt			
Deferred Amount	2021								
LCDA Public	LCDA Public	Total	DEQ Loan	LC City	Total		Total	Percentage	
Improvement	Improvement	Bonded	Direct	Court Direct	Direct	Right-of-use	of All	of Personal	Per
2017 Bonds	Bonds	Debt	Placement	Placement	Placement	Obligations	Debt	Income	Capita
-	-	71,247,302	4,146,649	2,700,000	6,846,649	-	78,093,951	2.93%	1,063
-	-	67,315,660	3,934,648	2,590,000	6,524,648	-	73,840,308	2.75%	986
-	-	61,954,395	10,509,239	2,475,000	12,984,239	-	74,938,634	2.68%	985
3,687,728	-	57,673,457	17,558,182	2,360,000	19,918,182	-	77,591,639	2.69%	1,010
3,318,955	-	51,699,336	16,656,001	2,235,000	18,891,001	-	70,590,337	2.24%	915
2,950,182	-	45,500,215	15,642,000	1,105,000	16,747,000	-	62,247,215	1.92%	798
2,581,409	-	39,061,093	14,618,000	965,000	15,583,000	-	54,644,093	1.62%	697
2,212,636	-	32,438,395	13,462,000	825,000	14,287,000	-	46,725,395	1.45%	551
1,843,864	10,000,000	37,589,900	12,295,000	675,000	12,970,000	499,373	51,059,273	1.97%	623
1,475,091	9,080,000	31,471,406	11,117,000	520,000	11,637,000	919,770	44,028,176	1.62%	545
1,106,318	8,145,000	25,257,912	9,928,000	360,000	10,288,000	662,154	36,208,066	1.27%	446

CITY OF LAKE CHARLES, LOUISIANA

Direct and Overlapping Governmental Activities Debt

As of September 30, 2024

Jurisdiction	Direct Debt	Percentage Applicable to City of Lake Charles	Amount Applicable to Lake Charles
Direct:			
City of Lake Charles	\$ 36,208,066	100%	\$ 36,208,066
Total direct debt	<u>36,208,066</u>		<u>36,208,066</u>
Overlapping:			
Calcasieu Parish School Board	129,825,000	15%	19,024,023
Calcasieu Parish Police Jury	<u>7,273,953</u>	74%	<u>5,411,877</u>
Total overlapping debt	<u>137,098,953</u>		<u>24,435,900</u>
Total Direct and Overlapping Debt	<u>\$ 173,307,019</u>		<u>\$ 60,643,966</u>

Sources: Assessed value data used to estimate applicable percentages provided by Calcasieu Parish Tax Collector.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Lake Charles. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden is borne by the residents, and businesses should be taken into account.

However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of the parish's taxable assessed value that is within the government's boundaries and dividing it by the parish's total taxable assessed value.

CITY OF LAKE CHARLES, LOUISIANA

Computation of Legal Debt Margin

Last Ten Fiscal Years

(amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 67,169	\$ 70,314	\$ 75,308	\$ 75,325	\$ 78,017	\$ 73,658	\$ 83,219	\$ 85,319	\$ 91,498	\$ 93,320
Total net debt applicable to limit	0	0	0	0	0	0	0	0	0	0
Legal debt margin	\$ 67,169	\$ 70,314	\$ 75,308	\$ 75,325	\$ 78,017	\$ 73,658	\$ 83,219	\$ 85,319	\$ 91,498	\$ 93,320

applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
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Legal Debt Margin Calculation for Fiscal Year 2024

(amounts expressed in thousands)

Assessed value	\$ 919,409
Add back: exempt real property	13,789
Total assessed value	\$ 933,198
Debt limit (10% of total assessed value)	\$ 93,320
Total outstanding General Obligation Bonds of City of Lake Charles	-
Legal capacity of City of Lake Charles for General Obligation Bonds	\$ 93,320

Note:

Under state finance law, the City of Lake Charles' outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds. The City of Lake Charles had \$25,257,912 outstanding bonded debt at September 30, 2024. None of this debt is General Obligation Debt secured by ad valorem taxes, and the amount applicable to the legal debt limitation is therefore zero. All City of Lake Charles general obligation debt was paid in fiscal year 1997.

CITY OF LAKE CHARLES, LOUISIANA

Demographic and Economic Statistics

Last Ten Calendar Years

Calendar		Personal	Per		Public	Private	Total	Unemployment
Year	Population	Income	Capita	Median	City School	City School	City School	Percentage
		(amts in	Personal	Age	Enrollment	Enrollment	Enrollment	Rate
		thousands)	Income (1)		(K-12 Grades)	(K-12 Grades)	(K-12 Grades)	
2014	74,889	2,683,273	35,830	34.1	13,333	4,435	17,768	5.8 %
2015	76,070	2,795,649	36,751	31.8	13,357	4,430	17,787	4.2 %
2016	76,848	2,879,110	37,465	34.1	13,451	3,998	17,449	4.2 %
2017	77,117	3,154,856	40,910	35.0	12,756	4,366	17,122	3.2 %
2018	78,001	3,240,006	41,538	35.2	12,678	4,354	17,032	3.8 %
2019	78,396	3,366,481	42,942	36.2	13,457	3,591	17,048	9.4 %
2020	84,872	3,216,140	37,894	37.6	12,471	3,029	15,500	12.6 %
2021	81,097	2,561,854	31,590	37.6	10,513	2,970	13,483	4.6 %
2022	79,113	2,716,820	34,341	37.7	11,238	2,866	14,104	3.5 %
2023	79,633	2,854,604	35,847	38.1	11,734	2,987	14,721	4.0 %

Notes:

(1) Estimates for population, income, age and unemployment provided by the Bureau of Labor Statistics and the US Census Bureau

(2) School enrollment includes public and state approved private schools only as provided by the Calcasieu Parish School Board and the Louisiana Department of Education

CITY OF LAKE CHARLES, LOUISIANA

Principal Employers in the MSA

Calendar Year 2024 and 2015

Employer	Type of Business	2024		2015	
		Number of Employees*	Rank	Number of Employees	Rank
Calcasieu Parish School System	Education	4,900	1	4,840	1
Lake Charles Memorial Health System	Health Care	2,600	2		
Turner Industries Group	Contractor	2,100	3	1,650	4
Westlake Chemical Corporation	Chemicals	2,000	4		
Golden Nugget	Casino/Hotel/Entertainment	1,700	5		
L'Auberge Du Lac	Casino/Hotel/Entertainment	1,600	6	2,400	2
Sun Industrial Group	Contractor	1,000	7		
Versa Integrity Group	Contractor	1,000	8		
Christus St. Patrick Hospital	Health Care	1,000	9	939	9
Citgo Petroleum	Oil Products	1,000	10	1,200	6
Axiall Corporation (formerly PPG)	Basic Chemical			1,700	3
Lake Charles Memorial Hospital	Health Care			1,470	5
Isle of Capri Casino	Gaming			1,155	7
City of Lake Charles	Government			1,093	8
Calcasieu Parish Sheriff's Office	Government			864	10
		<u>18,900</u>		<u>17,311</u>	

Source: SWLA Economic Development Alliance and Imperial Calcasieu Regional Planning and Development (Major Employers in Southwest Louisiana with 100+ full-time, non-contract employees)

CITY OF LAKE CHARLES, LOUISIANA

Full-time Equivalent City Employees by Function
Last Ten Fiscal Years

<u>Functions/Programs</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General government	46.5	46.5	46.5	46.5	46.5	46.5	46.5	46.5	46.5	47.5
Finance (includes										
Water business office)	30	30	30	30	30	30	30	30	30	30
Human Resources	4	4	4	4	4.5	4.5	4.5	4.5	4.5	4.5
Public safety										
Fire	182	182	182	182	182	182	182	182	182	182
Police	189	196	196	196	195	195	195	195	190	188
Public works	157	165.5	165.5	165.5	165.5	165.5	165.5	164.5	166.5	169
Wastewater	65	65.5	65.5	65.5	69.5	69.5	69.5	69.5	69.5	70.5
Transit	19	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	20
Water utility	56	58.5	58.5	58.5	60.5	60.5	60.5	59.5	59.5	59
Planning and development	24	25	25	25	26	26	27.5	31.5	31.5	33.5
General services	27.5	29	30	30	30	30.5	30.5	29.5	30.5	31
Community Services	71	86.5	87	87.5	86.5	81	80	79	66.5	54
Total	<u>871</u>	<u>908</u>	<u>909.5</u>	<u>910</u>	<u>915.5</u>	<u>910.5</u>	<u>911</u>	<u>911</u>	<u>896.5</u>	<u>889</u>

Source: City budget reports

Note: Personnel count includes full time and regular part-time positions. Temporary and seasonal employees are not included.

CITY OF LAKE CHARLES, LOUISIANA

Operating Indicators by Function

Last Ten Fiscal Years

	Fiscal Year									
Function	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Government:										
Legal: Requests for Legal Action	103	87	75	69	82	106	41	103	101	N/A
Printing/Communication:										
Number of mail pieces metered	85,851	79,967	61,347	60,135	63,037	58,242	52,116	53,107	53,824	49,068
Risk Management:										
Accident reports/investigations	503	553	558	558	425	397	349	244	505	510
Claims	249	273	322	322	207	222	191	126	219	400
Finance/includes Water Business:										
Checks issued	11,652	13,520	11,412	11,408	11,616	10,066	9,729	10,667	10,509	10,565
Occupational licenses processed	5,193	5,206	5,230	5,263	5,273	4,327	4,230	4,326	5,116	5058
Purchase Orders processed	2,694	2,938	2,840	2,606	2,820	2,447	2,744	2,658	2,723	3,081
Water: Number of customers	29,980	30,226	30,862	30,993	32,104	30,051	31,288	30,753	31,286	31,550
Water: Average daily consumption (millions of gallons per day)	8.75	8.68	10.73	9.65	9.26	8.52	9.72	7.87	8.17	11.47
Human Resources:										
Applications received	971	1,011	956	825	1,016	500	532	585	610	725
New hires	416	412	417	438	385	80	122	132	227	206
Employee Health Fair participants	530	450	405	289	265	N/A	125	105	150	125
Public Safety:										
Fire: Calls for service	3,299	3,619	3,979	4,543	4,327	5,533	4,754	3,979	4,108	4,215
Fire: Code inspections	2,929	2,929	2,929	2,929	3,613	1,086	2,722	1,992	2,351	2,167
Police: Calls for service	106,110	130,060	128,351	132,455	136,471	84,227	81,833	65,972	86,528	68,199
Public Works:										
Solid Waste:										
Tons garbage collected	25,855	26,782	27,048	27,283	26,613	29,002	32,266	33,204	22,861	22,344
Tons incinerated	4,920	4,761	4,351	4,787	4,160	3,729	355	2,334	1,744	2,683
Tons trash collected	7,032	7,295	7,557	7,214	8,184	7,752	10,328	10,318	7,393	4,722
Streets: Work Orders	1,556	2,054	2,054	2,054	1,822	1,550	678	801	997	708
Transit: Bus riders	265,459	258,442	262,603	261,964	289,645	95,627	77,763	147,044	181,289	219,140
Vehicle Maintenance: Work Order:	6,078	6,598	6,444	5,660	5,386	4,367	4,871	5,038	4,815	4,851
Wastewater: Work Orders	11,787	13,823	11,195	20,199	24,567	28,325	37,522	32,663	29,912	33,752
Planning and Development:										
Building permits issued	4,603	4,840	4,331	3,983	4,981	5,973	4,415	3,099	4,427	5,346
Community Development:										
Down Payment Assistance	17	11	3	4	3	0	1	1	1	1
Rehab/Reconstruction	5	3	6	5	9	1	5	5	84	10
Street Projects	0	0	2	2	3	2	1	1	0	0
Community Services:										
Recreation and Parks										
Athletic teams	823	808	751	654	751	N/A	N/A	N/A	N/A	81
Summer camp attendance	355	355	261	788	780	N/A	N/A	N/A	N/A	501
Event Center: Events	356	344	332	347	329	148	83	177	216	274
Golf Course: Rounds of golf	33,000	32,780	30,439	33,070	27,508	20,407	N/A	N/A	N/A	37,126
Art Center/Museum										
Art exhibits	16	15	16	16	15	5	12	15	22	32
Concerts/events	28	26	16	15	16	2	13	16	47	81

Source: Various city departments

+ Includes tournament teams

CITY OF LAKE CHARLES, LOUISIANA

Capital Assets Statistics by Function

Last Ten Fiscal Years

	Fiscal Year									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Fire Stations in City limits	8	8	8	8	8	8	8	8	8	8
Fire Stations outside City limits	2	2	2	2	2	2	2	2	2	2
Police:										
Stations	3	4	7	7	7	7	2	1	1	1
Patrol units	87	114	154	179	158	158	161	148	118	109
Solid Waste/Recycling:										
Collection trucks	33	33	33	32	29	29	31	34	34	39
Streets:										
Streets (miles)	535	549	553	562	562	562	562	550	550	620
Streetlights	11,000	11,000	11,000	11,000	11,000	9,318	9,318	10,000	10,000	12,500
Traffic signals	64	66	64	66	63	62	60	66	66	62
Transit:										
Public buses	4	5	5	5	6	8	9	9	9	10
Para-transit buses	2	2	2	2	4	4	4	4	4	4
Trolley	1	1	1	1	1	1	1	1	1	0
Wastewater:										
Sanitary sewers (miles)	600	600	600	600	600	600	600	600	600	650
Storm sewers (miles)	425	425	425	425	425	425	425	425	425	425
Maximum daily treatment capacity (millions of gallons per day)	18	18	18	20	20	20	20	19.65	19.65	19.65
Water Utility:										
Water mains (miles)	473	480	480	490	495	495	525	550	550	650
Fire hydrants	3,050	3100	3150	3300	3350	3350	3350	4000	4000	3450
Maximum daily capacity (millions of gallons per day)	22	22	22	22	22	22	22	22	22	22
Recreation and Parks:										
Park acreage	502	502	502	502	502	502	502	502	502	502
Parks	33	33	33	33	33	33	33	33	33	33
Swimming pools	2	2	2	2	2	2	2	2	2	2
Spray parks	2	2	2	2	2	2	2	2	2	2
Tennis courts	11	11	11	11	11	11	11	11	11	11
Community Centers	13	13	13	13	13	13	13	13	13	13
Event Center	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1
Art Center/Museum	2	2	2	2	2	2	2	2	2	2