

CITY OF SLIDELL, LOUISIANA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2021**

Submitted by:

Department of Finance

Blair Ellinwood
Director

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INTRODUCTORY SECTION



The City of Slidell

P.O. Box 828, Slidell, Louisiana 70459
Telephone (985) 646-4333
Fax (985) 646-4209

GREG CROMER
MAYOR

December 14, 2021

To the Honorable Mayor Greg Cromer, Members of the Slidell City Council and
Citizens of the City of Slidell:

State law requires that all governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that deadline, we hereby issue the comprehensive annual financial report of the City of Slidell, Louisiana (the "City") for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Ericksen Krentel, L.L.P., a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2021 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2021 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

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

Profile of the Government

Slidell, the largest municipality in St. Tammany Parish, was founded in 1888. The City's system of government is established by its Home Rule Charter, which was adopted in 1978. The Louisiana Constitution prohibits the state legislature from enacting any law affecting the structure, organization, or distribution of the power and functions of any local subdivision that operates under a Home Rule Charter.

The City has a Mayor-Council form of government. The governing council is responsible, among other things, for passing ordinances and adopting the budget. The Mayor is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members and the Mayor serve four-year terms and are limited to two consecutive terms. Seven of the council members are elected by district. The Mayor and the two remaining council members are elected at large.

The City provides a full range of services including police protection; water and sewer services; airport facilities; the construction and maintenance of highways, streets, drainage and infrastructure; recreational activities and cultural events. The financial reporting entity consists of the primary government and other organizations for which the primary government is financially accountable. The City is financially accountable for three legally separate economic development districts. The Fremaux Economic Development District, the Camellia Square Economic Development District, and the Northshore Square Economic Development District are reported separately within the City's financial statements. Additional information on these legally separate entities can be found in the notes to the financial statements (see Note 15).

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the Mayor on or before mid-January each year. The Mayor uses these requests as the starting point for developing a proposed budget. The Mayor then presents this proposed budget to the council for review by April 1st. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30th. Operating budgets are prepared by fund and by department. Department heads may make transfers of appropriations within a department, as authorized by the Mayor. The transfer of appropriations between departments requires the approval of the governing council. The Mayor also recommends to the City Council a capital improvement program for the next five years and a capital budget by project for the first year of the program. The City Council is obligated to approve a capital budget program and adopts the capital budget concurrently with the annual operating budget. Transfers between capital project line items require approval by the City Council. Unexpended capital appropriations carry over for a total of three years or until re-appropriated.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, Sales Tax Fund, Grants and Donations Fund, Public Safety Fund, and Katrina Fund this comparison is presented on pages 72-78 as part of the basic financial statements for the governmental funds. For other governmental funds with an appropriated annual budget, this comparison is presented in the governmental fund subsection of this report, which is presented on pages 88-89.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local economy

Slidell (population: approximately 27,600) is located in the southeastern portion of St. Tammany Parish - about 20 miles from New Orleans. The City is uniquely located at the intersection of 3 interstates – Interstate 10, 12 and 59. The City is primarily a residential area that continues to benefit from population growth and commercial development. Due to its proximity to New Orleans, residents have access to broad and diverse employment opportunities. The City's transportation accessibility, low business costs, availability of labor, superb school system, low crime rate, and first-rate medical facilities encourage continued growth.

Slidell has traditionally served as a retail center for the unincorporated areas of southeastern St. Tammany Parish. Recent commercial development in the surrounding communities took shoppers away from Slidell resulting in stagnant growth from 2009 to 2013 for sales tax revenue, the City's major revenue source. Due to the opening of a major new shopping center located in the Fremaux Economic Development District in March 2014, the City is attracting many shoppers to return to Slidell as a shopping destination.

The average unemployment rate in St. Tammany Parish and the New Orleans metropolitan area is 4.4 % and 8.9%, respectively.

Long-term financial planning

Twenty years ago the City embarked on a \$30 million capital improvement program that included issuance of general obligation bonds for drainage projects, sales tax revenue bonds for street projects, and utility revenue bonds for water and sewer projects. With the end of debt service on those bonds, the City embarked on another large scale capital improvement plan of a similar magnitude. In 2010 and 2016 the city issued \$10 million and \$12 million, respectively, in General Obligation Bonds for streets, bridges and drainage improvements. The 2020 and 2021 budgets include funding in the Utility Fund to provide debt service for issuance of \$18.9 million in utility revenue bonds. The City entered into a loan agreement in 2018 for a 0.95% interest rate loan from the DEQ Clean Drinking Water Revolving Loan Fund Program to finance \$10 million in improvements to the wastewater treatment plant and to fund \$6.4 million in improvements to sewer lift stations. As of June 30, 2021, \$1,497,266 has been drawn on this line of credit. The City has also been given approval from the EPA Clean Drinking Water Revolving Loan Fund Program for a 2.45% interest rate loan to fund \$2.5 million for water system distribution improvements. The City expects to close on this loan in 2021.

FEMA has obligated \$125.7 million dollars for Hurricane Katrina damages sustained by the City on August 29, 2005. To date, the City has received \$110.1 million dollars - \$11.4 million for debris removal, \$9.2 million for emergency protective measures, \$4.7 million for street damages, \$2.4 million for damage to water control facilities, \$17.5 million for building and equipment damages, \$64.1 million for sub-surface drainage and sewerage system damages and \$800,000 for park damages. Construction on the sub-surface drainage projects started in June of 2018 and is expected to be completed in 2021.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Slidell for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2020. This is the thirty-third consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Blair Ellinwood
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Slidell
Louisiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

**CITY OF SLIDELL, LOUISIANA
PRINCIPAL ELECTED OFFICIALS
JUNE 30, 2021**

MAYOR

Greg Cromer – Mayor

COUNCIL MEMBERS

William Borchert – Councilman-at-Large

Glynn Pichon – Councilman-at-Large

Leslie Denham – District A

David Dunham – District B

Warren Crocket – District C

Eric Shives – District D

Kenneth Tamborella – District E

Kim Baronet Harbison – District F

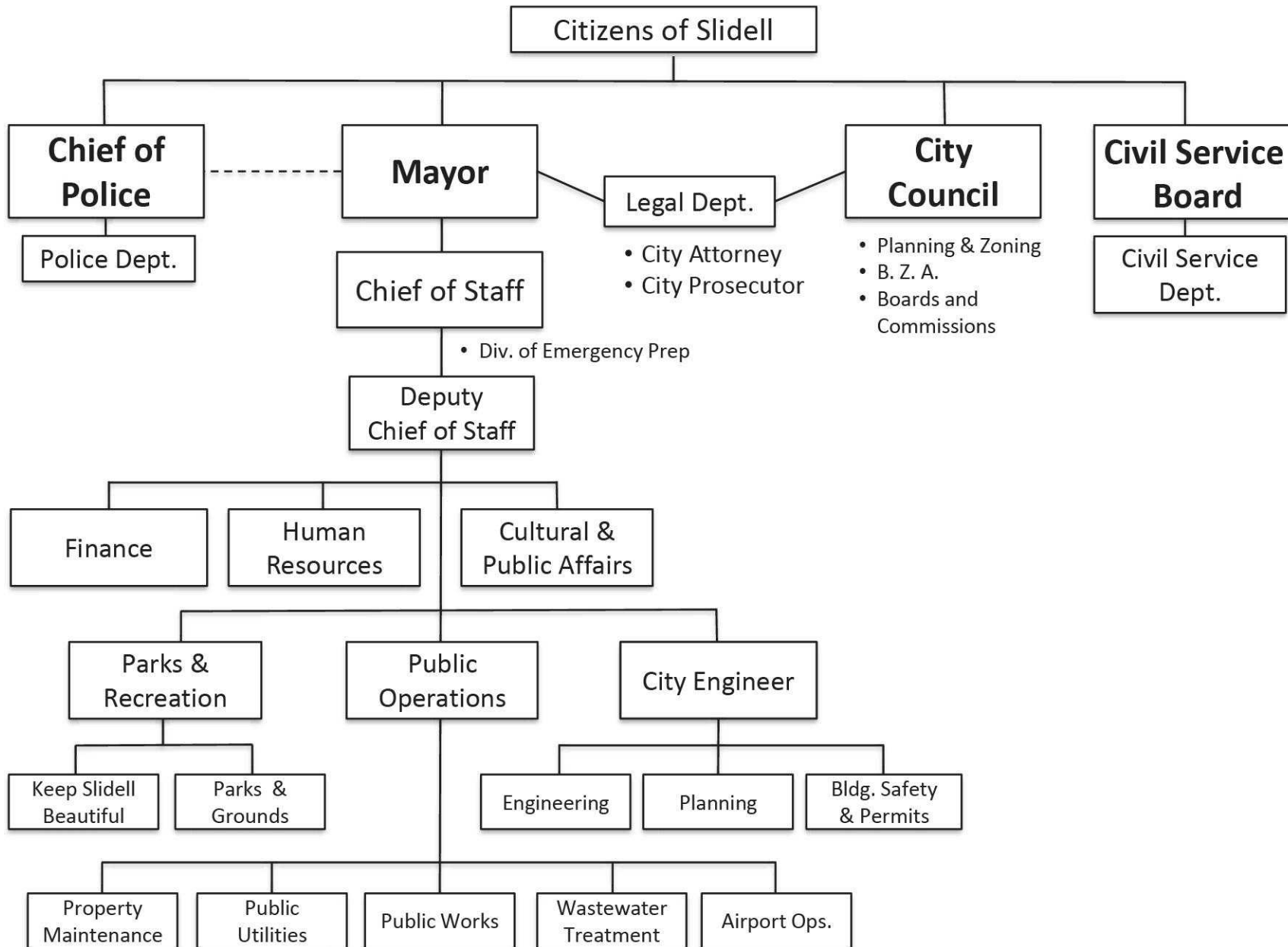
Cynthia King – District G

CHIEF OF POLICE

Randy Fandal – Chief of Police

Organization Plan Government of the City of Slidell

7/23/2021



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Slidell, Louisiana

Report on the Financial Statements

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 Slidell, Louisiana (the "City"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the Honorable Mayor and Members of the City Council
City of Slidell, Louisiana
December 14, 2021

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Slidell, Louisiana, as of June 30, 2021, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net OPEB liability and related ratios, schedule of employer contributions, schedule of proportionate share of the net pension liability and schedule of contributions - retirement plan on pages 4 through 14 and 72 through 84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor governmental funds, component unit, and fiduciary fund financial statements, nonmajor fund budgetary comparison schedules, supporting schedules on pages 97 through 102, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.



ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Honorable Mayor and Members of the City Council
City of Slidell, Louisiana
December 14, 2021

The combining and individual nonmajor governmental funds, component unit, and fiduciary fund financial statements, nonmajor fund budgetary comparison schedules, supporting schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major governmental funds and fiduciary fund financial statements, non-major fund budgetary comparison schedules, supporting schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Mandeville, Louisiana
December 14, 2021

Ericksen Krentel, LLP
Certified Public Accountants

BASIC FINANCIAL STATEMENTS

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

Our discussion and analysis of the City of Slidell's (the "City") financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with the transmittal letter on pages I through V and the City's financial statements, which begin on page 15.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 15 and 16) provide information about the activities of the City as a whole and present a long-term view of the City's finances.

Fund financial statements start on page 17. For governmental activities, these statements report how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as an agent for the benefit of those outside of the government.

The Statement of Net Position and the Statement of Activities

Our analysis of the City as a whole begins on page 6. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's financial activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. As such, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. You can think of the City's net position—the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources—as one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall financial health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities—Most of the City's basic services are reported here, including the police, public works, and parks departments, and general administration. Sales and use taxes, property taxes, franchise fees, and state and federal grants finance most of these activities.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

- **Business-type activities**—The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system and airport are reported here.

Fund Financial Statements

Our analysis of the City's major funds begins on page 9. The fund financial statements begin on page 17 and provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City establishes other funds to help it control and manage money for particular purposes or to account for it to meet legal responsibilities for using certain taxes, grants, and other money. The City's two kinds of funds—governmental and proprietary—use different accounting approaches.

- **Governmental funds**—Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.
- **Proprietary funds**—When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Reporting the City's Fiduciary Responsibilities

The City also holds certain assets in a fiduciary capacity for individuals, organizations and others. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position on page 26. We exclude these assets from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 27 of this report.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary basis reporting for the General Fund, Sales Tax Fund, Grants and Donations Fund, Public Safety Fund, and Katrina Fund and changes in net OPEB liability and related ratios, employer contributions, proportionate share of net pension liability, and contributions-retirement plan. Required supplementary information can be found on pages 72 to 84 of this report.

The combining statements of non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 85 to 89 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$218.5 million at the close of fiscal year 2021 as compared to \$210.5 million at the close of fiscal year 2020.

Table 1
Net Position
(In Thousands)

	MD&A ANALYSIS					
	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 70,806	\$ 63,771	\$ 25,208	\$ 22,204	\$ 96,014	\$ 85,975
Capital assets	<u>171,254</u>	<u>170,735</u>	<u>58,354</u>	<u>56,786</u>	<u>229,608</u>	<u>227,521</u>
Total assets	242,059	234,506	83,562	78,990	325,622	313,496
 Total deferred outflow of resources	 13,735	 13,269	 2,532	 2,873	 16,267	 16,142
Long-term liabilities	88,767	86,488	16,794	17,331	105,561	103,819
Other liabilities	<u>12,727</u>	<u>12,170</u>	<u>2,100</u>	<u>632</u>	<u>14,827</u>	<u>12,802</u>
Total liabilities	101,494	98,658	18,895	17,963	120,388	116,621
 Total deferred inflows of resources	 2,718	 2,248	 328	 306	 3,046	 2,554
Net investment in capital assets	165,140	164,638	56,178	54,651	221,318	219,289
Restricted	11,077	12,424	785	785	11,862	13,209
Unrestricted	<u>(24,636)</u>	<u>(30,193)</u>	<u>9,908</u>	<u>8,157</u>	<u>(14,726)</u>	<u>(22,036)</u>
Total net position	<u>\$ 151,582</u>	<u>\$ 146,869</u>	<u>\$ 66,872</u>	<u>\$ 63,593</u>	<u>\$ 218,454</u>	<u>\$ 210,462</u>

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

Table 2
Changes in Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services	\$ 5,362	\$ 5,055	\$ 11,546	\$ 11,007	\$ 16,908	\$ 16,062
Operating grants	2,484	1,961	86	-	2,570	1,961
Capital grants	7,401	20,595	569	469	7,971	21,064
General revenues:						
Sales tax	25,868	21,544	-	-	25,868	21,544
Property tax	4,975	4,843	2,433	2,412	7,408	7,255
Other tax	1,838	3,298	-	-	1,838	3,298
Other general revenue	455	1,105	178	125	632	1,230
Total revenues	48,382	58,401	14,812	14,013	63,194	72,414
Program Expenses						
General government	11,568	9,882	-	-	11,568	9,882
Public works	14,770	13,851	-	-	14,770	13,851
Public safety	13,470	13,885	-	-	13,470	13,885
Recreation and culture	3,254	3,100	-	-	3,254	3,100
Judicial system	664	537	-	-	664	537
Interest on long-term debt	502	533	-	-	502	533
Utilities	-	-	9,729	11,255	9,729	11,255
Airport	-	-	1,247	1,214	1,247	1,214
Total expenses	44,228	41,788	10,977	12,469	55,205	54,257
Excess before transfers	4,154	16,613	3,836	1,544	7,990	18,157
Transfers	558	(5,201)	(558)	5,201	-	-
Increase in net assets	\$ 4,712	\$ 11,413	\$ 3,278	\$ 6,745	\$ 7,990	\$ 18,157
Ending net position from Statement of Activities	<u>\$ 151,582</u>	<u>\$ 146,870</u>	<u>\$ 66,871</u>	<u>\$ 63,593</u>	<u>\$ 218,454</u>	<u>\$ 210,463</u>

By far the largest portion of the City's net position (101.31%) reflects its investment in capital assets (e.g. infrastructure, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

An additional portion of the City's net position (5.43%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is a negative \$(14.73) million. The primary reason for the deficit is due to reporting the net pension liability and the net other post-employment benefits liability.

At the end of the current fiscal year and the prior fiscal year, the City is able to report positive balances in all three categories of net position for its separate business-type activities and is able to report positive balances in two of three categories for governmental activities.

The City's net position increased \$7.99 million during the current fiscal year.

Governmental Activities

Governmental activities increased the City's net position by \$4.71 million in 2021.

Total revenue from governmental activities decreased \$10.02 million or 17.16% in 2021. Revenue from capital grants (\$7.41 million in 2021) decreased by \$13.19 million primarily due to a public assistance grant from the Federal Emergency Management Agency ("FEMA") for repair of damage to City infrastructure during Hurricane Katrina on August 29, 2005.

Total expenses for governmental activities increased by \$2.44 million or 5.84% in 2021. Program expenses for general government increased by \$1.69 million primarily due to the home elevation program starting back up in the City. Program expenses for public works increased by \$919,000 due to the addition of long term transactions in the government wide conversion.

Business-type Activities

Business-type activities increased the City's net position by \$3.28 million in 2021.

Total revenue for business-type activities increased by \$0.80 million in 2021. The charges for service increased by \$0.54 million primarily due to an increase in the number of gallons of fuel sold at the airport.

Total program expenses for business-type activities decreased by 11.97%. Salaries, wages and related benefits decreased by \$1.66 million due to a staffing shortage in Utilities.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$48.45 million, an increase of \$3.25 million from 2020. Governmental fund revenues exceeded expenditures by \$2.69 million and the net transfer from other funds was \$558,000.

Of the total fund balance amount, \$37.26 million or 76.90% is reported as unrestricted fund balance, either committed, assigned, or unassigned. The unrestricted fund balance includes \$28.31 million in committed funds which are formally dedicated by City Council ordinance for specific purposes. As of June 30, 2021, \$15.36 million is committed for capital outlay, \$10.049 million is committed for contingencies, and \$2.91 million is committed for operating reserves. Approximately \$10.64 million, or 21.97%, are funds which are assigned for specific purposes in accordance with an ordinance of the City Council and other assignments based on the purpose of the individual governmental fund. Assigned fund purposes include assignments for claims, public improvements, and compensated absences. The General Fund has \$2.82 million in unassigned fund balance, which is available for spending at the government's discretion. The Katrina Fund has an unassigned deficit fund balance of \$4.52 million. The remainder of fund balance is either non-spendable (0.90%) or restricted (22.20%). Restricted fund balance of \$10.76 million is primarily restricted to debt service and capital outlay for unexpended bond proceeds.

Fund balance in the General Fund increased by \$198,000 during the current fiscal year.

Total revenue in the General Fund decreased by \$2.17 million or 26.31% in 2021. Revenue from franchise fees decreased by \$1.46 million primarily due to renegotiations that resulted in a one-time payment in 2020 and other revenues decreased \$593,000 primarily due to a decrease in interest rates.

Total expenditures in the General Fund increased by \$641,000 or 10.77% in 2021 primarily due to an increase in salaries and benefits.

Transfers from the General Fund increased by \$1.46 million primarily due to a decrease in General Fund support of Public Safety Fund in accordance with budgetary authorizations.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

Fund balance in the Sales Tax Fund increased \$4.56 million in the current fiscal year.

Revenue in the Sales Tax Fund increased by \$2.17 million in 2021. Beginning July 1, 2013, a portion of the sales tax revenue stream that was previously recorded in the Sales Tax Fund was rededicated by voter approval to be used for police department operations. Accordingly, sales tax revenue is recorded in both the Sales Tax Fund and the Public Safety Fund. The Sales Tax Fund recorded sales tax revenue of \$15.23 million and \$13.47 million in 2021 and 2020, respectively. The Public Safety Fund recorded sales tax revenue of \$10.63 million and \$8.07 million in 2021 and 2020, respectively. Overall, total revenue from sales tax collections increased \$4.32 or 20.07% in 2021.

Expenditures in the Sales Tax Fund increased \$708,000 or 6.45% from 2020 to 2021. Capital expenditures increased \$1.05 million or 6.00%. Fluctuations in capital expenditures from one year to the next are common. Capital appropriations are for a minimum three-year period because capital projects often require time for design and engineering before more cost intensive construction occurs. General governmental expenditures increased by \$271,000 or 8.59% due to an increase in contract services to offset the staffing shortage. Public works expenditures decreased by \$635,000 or 14.47% from 2020 to 2021 primarily due to a staffing shortage.

The Public Safety Fund was established in 2014 to account for the City's police department, which is primarily funded by a portion of re-dedicated 1987 sales and use tax. The balance of funding comes from an operating transfer from the General Fund, property tax, state supplemental pay, fines and service charges. The growth in sales tax revenue is discussed above. Operating expenditures in the Public Safety Fund decreased by \$336,000 or 2.69% primarily due to a decrease in salaries and benefits.

The Grants and Donations Fund accounts for various grants and donations that are not accounted for in other funds. Total revenues was \$2.03 million and total expenditures were \$1.44 million resulting in a net decrease in fund balance of \$590,000 for the 2021 fiscal year-end. Reimbursements that are not received within 60 days after fiscal year end are recorded as a deferred inflow on the balance sheet of governmental funds. The City recorded \$1.19 million and \$1.48 million for deferred inflows related to grants as of June 30, 2021 and 2020, respectively.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

The Katrina Fund accounts for FEMA reimbursements, insurance proceeds and related costs associated with the storm. Total revenue was \$3.61 million and total expenditures were \$4.72 million, resulting in a net decrease in fund balance of \$1.11 million for the 2021 fiscal year-end. The City recorded \$8.45 million and \$5.09 million in deferred inflows related to grants as of June 30, 2021 and 2020, respectively. Deferred inflows result from the gap in time between when the City requests reimbursement for grant related expenditures and when the funds are received from the grantor. Reimbursements that are not received within 60 days after fiscal year end are recorded as deferred inflows on the balance sheet of governmental funds. In 2021, the City had \$42.86 million in construction in progress funded by the Katrina placed into service. \$19.70 was additions to the City's Drainage system and \$23.16 was additions to the City's Street systems. The remaining projects will be completed in fiscal year 2022.

The General Obligation Bonds 2016 Fund was created in 2017 to account for the proceeds and uses of General Obligation Bonds, Series 2016. The proceeds of the bonds are dedicated to street, bridge and drainage improvements. In 2021, revenue from interest income totaled \$6,000 and expenditures totaled \$2.33 million primary for street repairs.

General Fund Budgetary Highlights

The City Council revised the 2021 original adopted budget for the General Fund twice. The first budget amendment restored sales tax revenues to pre-COVID projections by increasing sales tax by \$2.21 million. The City then reinstated 3% raises for all City employees by \$258,000 and appropriated funds from unassigned fund balance at June 30, 2020 to increase capital expenditures by \$2.65 million. The second budget amendment decreased interest revenues by \$350,000 and moved funding between departments within the General Fund.

By budgetary policy, revenue and expenditure estimates are prepared with a conservative bias. Overall, General Fund revenue in 2021 experienced a negative variance of 1.68% from the final adopted budget. Actual expenditures of \$4.72 million were \$264,000 less than the final adopted budget primarily due the conservative bias in expenditure forecasting.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the City had \$229.61 million invested in a broad range of capital assets, including police and public works equipment, buildings, park facilities, roads, drainage, bridges, airport facilities, wastewater treatment plant, water lines, and sewer lines (See Table 3). This amount represents a net increase (including additions and deductions) of \$2.1 million from last year.

Table 3
Capital Assets at Year-end
(Net of Depreciation, In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
Land	\$ 21,977	\$ 21,977	\$ 76	\$ 76	\$ 22,053	\$ 22,053
Building and building improvements	30,728	31,340	740	664	31,468	32,004
Land improvements	4,045	4,478	2,706	2,881	6,751	7,359
Machinery and equipment	4,050	4,491	2,446	2,396	6,496	6,887
Infrastructure	98,018	59,836	45,916	42,205	143,934	102,041
Construction-in-progress	12,436	48,613	6,471	8,564	18,907	57,177
 Total capital assets, net	 \$ 171,254	 \$ 170,735	 \$ 58,355	 \$ 56,786	 \$ 229,609	 \$ 227,521

Capital asset additions for governmental activities (\$9.45 million) in 2021 include \$7.49 million for construction-in-progress (primarily for street and drainage rehabilitation funded by FEMA public assistance), \$2.32 million for street rehabilitation primarily funded by General Obligation Bonds, and \$134,000 for building improvements. Capital additions for business-type activities (\$4.53 million) in 2021 include \$3.70 million for construction-in-progress primarily for waste water treatment plant improvements funded by utility revenue bonds.

More detailed information about the City's capital assets is presented in Note 8 to the financial statements.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

Debt

At year-end, the City had \$17.80 million in bonds and notes outstanding versus \$18.76 million last year as shown in Table 4.

Table 4
Outstanding Debt, at Year-end
(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
General obligation bonds (backed by property tax)	\$ 15,609	\$ 16,608	\$ -	\$ -	\$ 15,609	\$ 16,608
Revenue bonds and notes (backed by specific tax and fee revenue)	-	-	2,187	2,149	2,187	2,149
Total outstanding debt	<u>\$ 15,609</u>	<u>\$ 16,608</u>	<u>\$ 2,187</u>	<u>\$ 2,149</u>	<u>\$ 17,796</u>	<u>\$ 18,757</u>

In 2021, principal additions were \$323,000 in the business type activities and principal reductions were \$999,000 and \$285,000 in the governmental and business-type activities, respectively. Standards & Poor Global Ratings assigned its "AA" rating and stable outlook to the City's General Obligation Bonds. The State limits the amount of general obligation debt that cities can issue to 35% of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt (\$15.61 million) is significantly below this \$94.94 million state-imposed limit.

The City is self-insured with excess coverage for workers' compensation, general liability, auto liability, and employee medical. Claims and judgments of \$3.84 million and \$2.59 million were outstanding for the years ended 2021 and 2020, respectively. Other obligations include compensated absences (\$2.42 million), net other post-employment benefit liability (\$48.91 million) and net pension liability (\$31.92 million).

More detailed information about the City's long-term liabilities is presented in Notes 3, 5, 10, 11 and 12 to the financial statements.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Original Adopted Budget 2022

Total budgeted revenues for operations in 2022 are \$49.48 million, and budgeted expenditures for departmental operations, debt service, grant related expenditures and capital outlay/reserves are \$43.85 million, \$2.85 million, \$7.00 million and \$1.70 million, respectively.

Sales tax revenue which represents 45.07% of recurring revenue in the 2022 budget is budgeted with a conservative bias and is monitored very carefully throughout the year. Although the 2022 budget for sales tax revenue was estimated to approximate 2021 sales tax revenue and a 10% decrease due to COVID-19, actual revenue for the first five months of 2022 is 9.20% greater than the first five months of 2021. This increase is attributed to healthy retail sales in the Fremaux Economic Development District and construction activity. Property tax rates are 26.09 mills in 2021 and 2022 budget respectively. Collections from various utility fees and charges were projected to grow in accordance with the annual rate adjustment based on the increase in the consumer price index. All other revenue and expenditure projections were budgeted with a conservative bias.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's Office at 2045 Second Street, Slidell, Louisiana or by phone at (985)-646-4316.

CITY OF SLIDELL, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2021

	PRIMARY GOVERNMENT			COMPONENT UNITS		
	Governmental Activities	Business-type Activities	Total	Fremaux EDD	Northshore Square EDD	Camellia Square EDD
<u>ASSETS:</u>						
Cash and cash equivalents	\$ 63,082,811	\$ -	\$ 63,082,811	\$ -	\$ -	\$ -
Investments	2,388,036	-	2,388,036	-	-	-
Receivables, net of allowances for uncollectibles:						
Taxes	3,026,187	-	3,026,187	137,846	17,729	23,766
Water, sewerage and garbage	-	1,141,509	1,141,509	-	-	-
Unbilled receivables	-	567,042	567,042	-	-	-
Other	60,443	73,446	133,889	-	-	-
Internal balances	(22,296,440)	22,296,440	-	-	-	-
Inventory	158,840	187,472	346,312	-	-	-
Prepaid items	277,691	94,980	372,671	-	-	-
Due from other governments	10,319,385	62,175	10,381,560	-	-	-
Due from local entities	194,116	-	194,116	-	-	-
Restricted assets:						
Cash and cash equivalents	13,294,555	785,283	14,079,838	1,221,308	28,414	31,226
Investments	300,000	-	300,000	-	-	-
Capital assets not being depreciated	34,414,018	6,546,529	40,960,547	-	-	-
Capital assets being depreciated, net of accumulated depreciation	136,839,495	51,807,494	188,646,989	-	-	-
Total assets	242,059,137	83,562,370	325,621,507	1,359,154	46,143	54,992
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>						
Deferred charges on refundings	283,319	11,166	294,485	-	-	-
Pensions	7,766,089	1,104,768	8,870,857	-	-	-
OPEB	5,685,403	1,415,987	7,101,390	-	-	-
Total deferred outflows of resources	13,734,811	2,531,921	16,266,732	-	-	-
<u>LIABILITIES:</u>						
Accounts payable and other current liabilities	11,989,895	2,100,174	14,090,069	81,180	355	434
Due to other governments	737,268	-	737,268	136	120	257
Noncurrent liabilities:						
Due within one year	3,663,069	379,756	4,042,825	-	-	-
Due in more than one year	18,518,367	2,164,510	20,682,877	9,053,189	-	-
Other noncurrent liabilities due in more than one year:						
Net other post employment benefits liability	39,158,049	9,752,571	48,910,620	-	-	-
Net pension liability	27,427,458	4,497,152	31,924,610	-	-	-
Total liabilities	101,494,106	18,894,163	120,388,269	9,134,505	475	691
<u>DEFERRED INFLOWS OF RESOURCES:</u>						
OPEB	677,484	168,732	846,216	-	-	-
Pensions	2,040,435	159,751	2,200,186	-	-	-
Total deferred inflows of resources	2,717,919	328,483	3,046,402	-	-	-
<u>NET POSITION:</u>						
Net investment in capital assets	165,139,686	56,177,924	221,317,610	-	-	-
Restricted for:						
Debt service	2,536,702	785,283	3,321,985	1,033,949	-	-
Streets and drainage	8,241,170	-	8,241,170	-	-	-
Workers compensation	300,000	-	300,000	-	-	-
Unrestricted	(24,635,635)	9,908,438	(14,727,197)	(8,809,300)	45,668	54,301
Total net position (deficit)	\$ 151,581,923	\$ 66,871,645	\$ 218,453,568	\$ (7,775,351)	\$ 45,668	\$ 54,301

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position					
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-type Activities	Total	Fremaux EDD	Northshore Square EDD	Camellia Square EDD
PRIMARY GOVERNMENT:										
Governmental Activities:										
General government	\$ 11,568,059	\$ 3,665,041	\$ 1,445,677	\$ -	\$ (6,457,341)	\$ -	\$ (6,457,341)	\$ -	\$ -	\$ -
Public works	14,769,977	-	103,427	7,241,165	(7,425,385)	-	(7,425,385)	-	-	-
Public safety	13,469,894	1,598,184	797,986	-	(11,073,724)	-	(11,073,724)	-	-	-
Recreation and culture	3,253,980	42,116	136,753	160,282	(2,914,829)	-	(2,914,829)	-	-	-
Judicial system	664,232	56,690	-	-	(607,542)	-	(607,542)	-	-	-
Interest on long-term debt	500,807	-	-	-	(500,807)	-	(500,807)	-	-	-
Total governmental activities	44,226,949	5,362,031	2,483,843	7,401,447	(28,979,628)	-	(28,979,628)	-	-	-
Business-type Activities:										
Utilities	-	-	16,394	2,612	-	19,006	19,006	-	-	-
Water	3,352,741	4,501,728	-	-	-	1,148,987	1,148,987	-	-	-
Sewer	3,909,922	4,834,230	-	-	-	924,308	924,308	-	-	-
Solid waste disposal	2,466,747	1,402,332	-	-	-	(1,064,415)	(1,064,415)	-	-	-
Airport	1,247,197	807,895	69,854	566,842	-	197,394	197,394	-	-	-
Total business-type activities	10,976,607	11,546,185	86,248	569,454	-	1,225,280	1,225,280	-	-	-
Total primary government	\$ 55,203,556	\$ 16,908,216	\$ 2,570,091	\$ 7,970,901	(28,979,628)	1,225,280	(27,754,348)	-	-	-
COMPONENT UNITS:										
Fremaux Economic Development District	539,411	-	-	-	-	-	-	(539,411)	-	-
Northshore Square Economic Development District	94,133	-	-	-	-	-	-	-	(94,133)	-
Camellia Square Economic Development District	98,132	-	-	-	-	-	-	-	-	(98,132)
Total component units	\$ 731,676	\$ -	\$ -	\$ -	-	-	-	(539,411)	(94,133)	(98,132)
General Revenues:										
Taxes:										
Ad Valorem					4,974,570	2,433,337	7,407,907	-	-	-
Sales and use					25,867,981	-	25,867,981	740,597	106,924	98,177
Hotel occupancy					-	-	-	-	-	24,564
Franchise					1,760,966	-	1,760,966	-	-	-
Beer and tobacco					76,581	-	76,581	-	-	-
Other general revenues					258,329	177,054	435,383	-	-	-
Investment earnings					65,789	190	65,979	202	10	10
Miscellaneous					130,480	-	130,480	-	-	-
Transfers					557,582	(557,582)	-	-	-	-
Total general revenues and transfers					33,692,278	2,052,999	35,745,277	740,799	106,934	122,751
Change in net position					4,712,650	3,278,279	7,990,929	201,388	12,801	24,619
Net position (deficit) - beginning of year					146,869,273	63,593,366	210,462,639	(7,976,739)	32,867	29,682
Net position (deficit) - end of year					\$ 151,581,923	\$ 66,871,645	\$ 218,453,568	\$ (7,775,351)	\$ 45,668	\$ 54,301

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	ASSETS							
	General Fund	Sales Tax Fund	Public Safety Fund	Grants and Donations Fund	Katrina Fund	General Obligation Bonds 2016 Fund	Other Governmental Funds	Total Governmental Funds
CURRENT ASSETS:								
Cash and cash equivalents	\$ 63,082,036	\$ 200	\$ 375	\$ 200	\$ -	\$ -	\$ -	\$ 63,082,811
Investments	-	-	-	-	-	-	2,388,036	2,388,036
Receivables, net of allowances for uncollectibles:								
Taxes	662,584	2,363,603	-	-	-	-	-	3,026,187
Other	7,321	1,179	28,092	-	9,895	-	13,956	60,443
Due from other funds	3,076,834	22,766,738	4,419,811	72,354	-	-	5,531,678	35,867,415
Due from local entities	49,871	144,245	-	-	-	-	-	194,116
Due from other governments	24,569	54,085	211,979	1,578,482	8,449,677	-	593	10,319,385
Inventory	158,840	-	-	-	-	-	-	158,840
Prepaid items	102,251	77,549	67,715	-	-	-	30,176	277,691
Restricted assets:								
Cash	1,028,006	-	-	-	-	9,457,031	2,809,518	13,294,555
Investments	300,000	-	-	-	-	-	-	300,000
Total assets	\$ 68,492,312	\$ 25,407,599	\$ 4,727,972	\$ 1,651,036	\$ 8,459,572	\$ 9,457,031	\$ 10,773,957	\$ 128,969,479
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES:								
Accounts, salaries, and other payables	\$ 4,792,041	\$ 532,882	\$ 191,042	\$ 787,466	\$ 1,381,693	\$ 1,646,497	\$ 2,495,881	\$ 11,827,502
Due to other funds	55,291,844	-	-	-	3,149,068	-	-	58,440,912
Due to other governments	-	460,091	-	-	-	-	-	460,091
Total liabilities	<u>60,083,885</u>	<u>992,973</u>	<u>191,042</u>	<u>787,466</u>	<u>4,530,761</u>	<u>1,646,497</u>	<u>2,495,881</u>	<u>70,728,505</u>
DEFERRED INFLOWS OF RESOURCES:								
Unavailable revenue - intergovernmental	4,371	86,317	63,805	1,185,473	8,449,677	-	593	9,790,236
Total deferred inflows of resources	<u>4,371</u>	<u>86,317</u>	<u>63,805</u>	<u>1,185,473</u>	<u>8,449,677</u>	<u>-</u>	<u>593</u>	<u>9,790,236</u>
FUND BALANCES:								
Nonspendable:								
Inventory	158,840	-	-	-	-	-	-	158,840
Prepaid items	102,251	77,549	67,715	-	-	-	30,176	277,691
Restricted for:								
Debt service	-	-	-	-	-	-	2,536,702	2,536,702
Streets and drainage	-	-	-	-	-	7,810,534	430,636	8,241,170
Workers compensation	300,000	-	-	-	-	-	-	300,000
Committed to:								
Capital outlay	-	10,597,047	1,282,122	-	-	-	3,476,926	15,356,095
Contingencies	1,878,000	5,322,000	1,274,815	-	-	-	1,574,523	10,049,338
Operating reserves	566,000	1,758,997	584,000	-	-	-	-	2,908,997
Assigned to:								
Compensated absences	694,000	-	-	-	-	-	-	694,000
Claims - workers compensation	612,533	-	-	-	-	-	-	612,533
Claims - general liability	1,270,078	-	-	-	-	-	-	1,270,078
Claims - medical	-	-	-	-	-	-	-	-
Public improvements, facilities & equipment	-	6,572,716	-	-	-	-	228,520	6,801,236
Public safety	-	-	1,264,473	-	-	-	-	1,264,473
Unassigned	2,822,354	-	-	(321,903)	(4,520,866)	-	-	(2,020,415)
Total fund balances	<u>8,404,056</u>	<u>24,328,309</u>	<u>4,473,125</u>	<u>(321,903)</u>	<u>(4,520,866)</u>	<u>7,810,534</u>	<u>8,277,483</u>	<u>48,450,738</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ 68,492,312	\$ 25,407,599	\$ 4,727,972	\$ 1,651,036	\$ 8,459,572	\$ 9,457,031	\$ 10,773,957	\$ 128,969,479

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Amounts reported for governmental activities in the Statement of Net Position are different because:

Funds balances, total governmental funds	\$	48,450,738
The focus of governmental funds is on short-term financing; however, some assets will not be available to pay for current-period expenditures. Those assets are offset by unavailable revenue - intergovernmental in the governmental funds and are thus not included in fund balance.		9,790,236
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		171,253,513
Deferred outflows of resources related to net pension liability are not reported in governmental funds.		7,766,089
Deferred inflows of resources related to net pension liability are not reported in governmental funds.		(2,040,435)
Deferred outflows of resources related to other postemployment benefit liability are not reported in governmental funds.		5,685,403
Deferred inflows of resources related to other postemployment benefit liability are not reported in governmental funds.		(677,484)
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued interest payable		(162,393)
Claims		(3,838,623)
Compensated absences		(2,058,000)
Other postemployment benefits liability		(39,158,049)
Pension liability		(27,427,458)
Bonds, notes, and loans payable (net of premiums, discounts and deferred charges)		(16,001,614)
		(88,646,137)
Net position of governmental activities	\$	151,581,923

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	Sales Tax Fund	Public Safety Fund	Grants and Donations Fund	Katrina Fund	General Obligation Bonds 2016 Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:								
Taxes and assessments:								
Sales taxes	\$ -	\$ 15,234,394	\$ 10,633,587	\$ -	\$ -	\$ -	\$ -	\$ 25,867,981
Ad valorem	1,385,611	547,998	1,399,807	-	-	-	1,641,154	4,974,570
Franchise	1,760,966	-	-	-	-	-	-	1,760,966
Licenses and permits	2,259,657	-	-	-	-	-	-	2,259,657
Intergovernmental revenues:								
Federal and state grants	-	342,969	-	1,860,536	3,609,633	-	167,825	5,980,963
Other state and local governmental revenues	76,581	16,040	1,455,117	13,505	-	-	-	1,561,243
State supplemental pay	-	-	494,067	-	-	-	-	494,067
Fines and forfeitures	279,576	-	-	-	-	-	-	279,576
Service charges	156,359	42,116	290,301	-	-	-	1,005,778	1,494,554
Contributions	-	8,000	-	153,324	-	-	-	161,324
Other revenues, primarily interest	168,972	140,518	15,318	-	-	6,441	1,794	333,043
Total revenues	<u>6,087,722</u>	<u>16,332,035</u>	<u>14,288,197</u>	<u>2,027,365</u>	<u>3,609,633</u>	<u>6,441</u>	<u>2,816,551</u>	<u>45,167,944</u>
EXPENDITURES:								
Current:								
General government	4,717,467	3,423,980	340,617	1,074,064	79,875	-	977,600	10,613,603
Public works	1,013,164	3,751,786	-	71,684	-	5,000	-	4,841,634
Public safety	-	-	11,817,416	168,380	-	-	-	11,985,796
Recreation and culture	292,446	1,718,285	-	116,958	-	-	-	2,127,689
Judicial system	571,854	-	-	-	-	-	-	571,854
Debt service:								
Principal retirement	-	-	-	-	-	-	999,000	999,000
Interest and fiscal charges	-	-	-	-	-	-	520,680	520,680
Bond issuance cost	-	-	-	-	-	-	-	-
Capital outlay	-	2,792,064	739,141	6,056	4,503,763	2,324,494	452,485	10,818,003
Total expenditures	<u>6,594,931</u>	<u>11,686,115</u>	<u>12,897,174</u>	<u>1,437,142</u>	<u>4,583,638</u>	<u>2,329,494</u>	<u>2,949,765</u>	<u>42,478,259</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(507,209)</u>	<u>4,645,920</u>	<u>1,391,023</u>	<u>590,223</u>	<u>(974,005)</u>	<u>(2,323,053)</u>	<u>(133,214)</u>	<u>2,689,685</u>
OTHER FINANCING SOURCES (USES):								
Transfers in	792,000	-	55,137	-	-	-	29,339	876,476
Transfers (out)	(86,361)	(90,522)	-	-	(134,634)	-	(7,376)	(318,893)
Total other financing sources (uses)	<u>705,639</u>	<u>(90,522)</u>	<u>55,137</u>	<u>-</u>	<u>(134,634)</u>	<u>-</u>	<u>21,963</u>	<u>557,583</u>
Net change in fund balances	198,430	4,555,398	1,446,160	590,223	(1,108,639)	(2,323,053)	(111,251)	3,247,268
Fund balances - beginning of year	8,205,626	19,772,911	3,026,965	(912,126)	(3,412,227)	10,133,587	8,388,734	45,203,470
Fund balances - end of year	<u>\$ 8,404,056</u>	<u>\$ 24,328,309</u>	<u>\$ 4,473,125</u>	<u>\$ (321,903)</u>	<u>\$ (4,520,866)</u>	<u>\$ 7,810,534</u>	<u>\$ 8,277,483</u>	<u>\$ 48,450,738</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

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

Net change in fund balances, total governmental funds	\$	3,247,268
<p>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.</p>		
Capital outlay		9,452,472
Depreciation expense		<u>(8,929,123)</u>
		523,349
<p>In the Statement of Activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale of these assets increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold.</p>		
		(5,208)
<p>The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is issued, whereas these amounts are amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		999,000
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p>		
Claims		(1,245,691)
Compensated absences		(62,000)
Amortization of deferred charges		8,595
OPEB		(1,385,523)
Accrued interest expense		11,167
Pensions		(1,217,565)
Non-employer contributions for pensions		<u>619,867</u>
		(3,271,150)
<p>Revenue is reported in the Statement of Activities at the time it is earned, without regard to timeliness of collection:</p>		
Unavailable revenue - intergovernmental for the current year		9,790,236
Less: unavailable revenue - intergovernmental for the prior year		<u>(6,570,845)</u>
		<u>3,219,391</u>
Change in net position of governmental activities	\$	<u>4,712,650</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Utilities	Airport	Total
<u>ASSETS:</u>			
Current assets:			
Cash and cash equivalents	\$ -	\$ -	\$ -
Accounts receivable, net of allowances for doubtful accounts of \$2,060,473 in 2021	1,141,509	-	1,141,509
Unbilled receivables	567,042	-	567,042
Other receivables	-	73,446	73,446
Prepaid expenses	92,767	2,213	94,980
Due from other funds	21,757,271	539,169	22,296,440
Inventory	138,828	48,644	187,472
Due from other governments	16,395	45,780	62,175
Total current assets	23,713,812	709,252	24,423,064
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	785,283	-	785,283
Capital assets, net of accumulated depreciation	54,409,434	3,944,589	58,354,023
Total noncurrent assets	55,194,717	3,944,589	59,139,306
Total assets	78,908,529	4,653,841	83,562,370
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Deferred charges on refundings	11,166	-	11,166
Pensions	1,082,082	22,686	1,104,768
OPEB	1,351,624	64,363	1,415,987
Total deferred outflows of resources	2,444,872	87,049	2,531,921
<u>LIABILITIES:</u>			
Current liabilities:			
Accounts payable	2,015,492	77,092	2,092,584
Interest payable	7,590	-	7,590
Bonds payable	302,000	-	302,000
Compensated absences	77,756	-	77,756
Total current liabilities	2,402,838	77,092	2,479,930
Non-current liabilities:			
Bonds payable	1,885,266	-	1,885,266
Compensated absences	257,244	22,000	279,244
Total OPEB liability	9,309,272	443,299	9,752,571
Net pension liability	4,378,044	119,108	4,497,152
Total noncurrent liabilities	15,829,826	584,407	16,414,233
Total liabilities	18,232,664	661,499	18,894,163

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2021

	Utilities	Airport	Total
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Pensions	164,665	(4,914)	159,751
OPEB	161,062	7,670	168,732
Total deferred inflows of resources	325,727	2,756	328,483
 <u>NET POSITION:</u>			
Net investment in capital assets	52,233,335	3,944,589	56,177,924
Restricted for:			
Debt service	785,283	-	785,283
Unrestricted	9,776,392	132,046	9,908,438
Total net position	\$ 62,795,010	\$ 4,076,635	\$ 66,871,645

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Utilities	Airport	Total
<u>OPERATING REVENUES:</u>			
Charges for services:			
Water	\$ 4,318,499	\$ -	\$ 4,318,499
Sewer	4,650,445	-	4,650,445
Solid waste disposal	1,402,332	-	1,402,332
Connection charges	170,626	-	170,626
Fuel	-	692,749	692,749
Tie down and rental revenues	-	115,142	115,142
Penalties	196,388	4	196,392
Total operating revenues	10,738,290	807,895	11,546,185
<u>OPERATING EXPENSES:</u>			
Salaries, wages and related benefits	2,720,948	240,584	2,961,532
Solid waste disposal	2,598,457	-	2,598,457
Repairs and maintenance	680,639	120,133	800,772
Fuel	-	367,178	367,178
Materials and supplies	329,461	3,468	332,929
Utilities	461,892	7,515	469,407
Gas and oil	57,697	3,509	61,206
Insurance	91,929	8,386	100,315
Office expense	9,877	3,387	13,264
Certification and training	10,833	421	11,254
Other	228,146	34,158	262,304
Depreciation	2,503,138	458,458	2,961,596
Total operating expenses	9,693,017	1,247,197	10,940,214
Operating income (loss)	1,045,273	(439,302)	605,971
<u>NON-OPERATING REVENUES (EXPENSES):</u>			
Ad valorem taxes assessed for sewerage maintenance	1,340,188	-	1,340,188
Ad valorem taxes assessed for garbage service	1,093,149	-	1,093,149
Federal grants	16,394	69,854	86,248
Interest income	190	-	190
Interest and fiscal charges	(36,393)	-	(36,393)
Other revenues (expenses)	161,818	15,236	177,054
Total non-operating revenues	2,575,346	85,090	2,660,436
Income (loss) before contributions and transfers	3,620,619	(354,212)	3,266,407
Capital contributions	2,612	566,842	569,454
Transfers in	173,235	61,183	234,418
Transfers out	(792,000)	-	(792,000)
Change in net position	3,004,466	273,813	3,278,279
Net position - beginning of the year	59,790,544	3,802,822	63,593,366
Net position - end of the year	\$ 62,795,010	\$ 4,076,635	\$ 66,871,645

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Utilities	Airport	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>			
Receipts from customers and users	\$ 10,654,569	\$ 767,550	\$ 11,422,119
Payments for goods and services	(3,128,629)	(519,241)	(3,647,870)
Payments to employees	(2,939,525)	(237,698)	(3,177,223)
	4,586,415	10,611	4,597,026
<u>CASH FLOWS FROM NON-CAPITAL FINANCING</u>			
<u>ACTIVITIES:</u>			
Transfers from other funds	173,235	61,182	234,417
Transfers to other funds	(792,000)	-	(792,000)
Advances to other funds	(2,970,446)	189,996	(2,780,450)
Property tax assessed for sewer maintenance	1,340,188	-	1,340,188
Property tax assessed for garbage service	1,093,149	-	1,093,149
Other non-operating revenue	161,683	12,549	174,232
	(994,191)	263,727	(730,464)
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING</u>			
<u>ACTIVITIES:</u>			
Capital contributions	19,006	636,697	655,703
Acquisition and construction of capital assets	(3,616,932)	(913,722)	(4,530,654)
Principal paid on capital debt	(285,000)	-	(285,000)
Proceeds from capital debt	322,887	-	322,887
Interest paid on capital debt	(33,343)	-	(33,343)
Proceeds from sale of capital assets	932	2,687	3,619
	(3,592,450)	(274,338)	(3,866,788)
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>			
Receipts of interest income	190	-	190
	190	-	190
Net decrease in cash and cash equivalents	(36)	-	(36)
Cash and cash equivalents, beginning of year	785,319	-	785,319
Cash and cash equivalents, end of year	\$ 785,283	\$ -	\$ 785,283

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Utilities	Airport	Total
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>			
Operating income (loss)	\$ 1,045,273	\$ (439,302)	\$ 605,971
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	2,503,108	458,458	2,961,566
Change in allowance for doubtful accounts	90,534	-	90,534
Pension expense	271	27	298
Change in asset and liabilities:			
(Increase) decrease in accounts receivable/other assets	(262,816)	(41,958)	(304,774)
(Increase) decrease in inventory	12,177	(21,873)	(9,696)
Increase (decrease) in accounts payable	1,415,716	56,400	1,472,116
Increase (decrease) in OPEB liability	<u>(217,848)</u>	<u>(1,141)</u>	<u>(218,989)</u>
Net cash provided by operating activities	<u>\$ 4,586,415</u>	<u>\$ 10,611</u>	<u>\$ 4,597,026</u>
<u>Noncash investing, capital and financing activities:</u>			
Bond refunding premiums/discounts	<u>\$ (3,723)</u>	<u>\$ -</u>	<u>\$ (3,723)</u>
<u>Reconciliation of cash and cash equivalents to statement of net position:</u>			
Cash and cash equivalents, restricted	<u>\$ 785,283</u>	<u>\$ -</u>	<u>\$ 785,283</u>
Cash and cash equivalents, end of year	<u>\$ 785,283</u>	<u>\$ -</u>	<u>\$ 785,283</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2021

ASSETS

	<u>Custodial Funds</u>
Cash and cash equivalents	\$ 6,050
Restricted cash	96,293
Due from General Fund	<u>277,177</u>
 Total assets	 <u>\$ 379,520</u>

LIABILITIES

Accounts payable	\$ 7,128
Due to local entities	<u>372,392</u>
 Total liabilities	 <u>\$ 379,520</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of City of Slidell, Louisiana (the “City”) have been prepared in conformity with generally accepted accounting principles (GAAP); these financial statements present the City as the primary government. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government’s accounting policies are described below.

Reporting Entity

The City is a municipal corporation governed by an elected nine-member Council. As required by generally accepted accounting principles, these financial statements present the City as the primary government. Generally accepted accounting principles require the financial statements of the reporting entity to present the primary government (the Council) and its component units. Component units are defined as legally separate organizations for which the elected officials of the primary government (the Council) are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization’s governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. Discretely presented component units are presented in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Discretely Presented Component Units

Fremaux Economic Development District, State of Louisiana

The Fremaux Economic Development District, State of Louisiana (the “District”) was created by an ordinance of the City Council of the City on March 25, 2008, pursuant to the Louisiana Cooperative Economic Development Law. On the same date, the Council passed ordinance number 3461 levying an additional sales tax of one percent (1%) in the District and passed ordinance number 3462 levying a hotel occupancy tax of one percent (1%) in the District. On December 13, 2011, the City Council adopted ordinance number 3636 to reduce the levy from one percent (1%) to one-half of one percent (0.50%). The District encompasses 89 acres of land where a mixed-use development is being constructed in multiple phases. The purpose of the District is to issue sales tax and hotel occupancy increment revenue bonds to reimburse a developer for economic development in the District. The audited financial statements for this entity may be obtained by contacting the Finance Director’s Office at 2045 Second Street, Slidell, Louisiana or by phone at (985) 646-4316.

The City of Slidell appoints the District’s governing body and can impose its will on the District; however, the District does not meet any of the blending criteria as set forth in GASB No. 61. Accordingly, the District has been determined to be a discretely presented component unit of the City.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity - Discretely Presented Component Units (continued)

Camellia Square Economic Development District, State of Louisiana

The Camellia Square Economic Development District, State of Louisiana (the “District”) was created by an ordinance of the City Council of the City on September 12, 2012, pursuant to the Louisiana Cooperative Economic Development Law. On May 14, 2013, the Council passed ordinance number 3686 levying an additional sales tax of one percent (1%) in the District. The Council passed ordinance number 3487 levying a hotel occupancy tax of two percent (2%). The purpose of the District is to reimburse a developer for economic development (a shopping center and hotel) within the District. Fund financial statements are included in the Other Supplementary Information section of this report for the Camellia Square Economic Development District. Separate financials are not issued for this district since the City performs administrative and accounting services for the District.

The City appoints the District’s governing body and can impose its will on the District; however, the District does not meet any of the blending criteria as set forth in GASB No. 61. Accordingly, the District has been determined to be a discretely presented component unit of the City.

Northshore Square Economic Development District, State of Louisiana

The Northshore Square Economic Development District, State of Louisiana (the “District”) was created by an ordinance of the City Council of the City on September 23, 2014, pursuant to the Louisiana Cooperative Economic Development Law. Ordinance number 3753 levied a one half of one percent (0.5%) sales and use tax beginning April 1, 2015 for the purpose of paying the costs of economic development projects. The purpose of the District is to finance economic development projects within the District. Fund financial statements are included in the Other Supplementary Information section of this report for the Northshore Square Economic Development District. Separate financials are not issued for this district since the City performs administrative and accounting services for the District.

The City appoints the District’s governing body and can impose its will on the District; however, the District does not meet any of the blending criteria as set forth in GASB No. 61. Accordingly, the District has been determined to be a discretely presented component unit of the City.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all the nonfiduciary activities of the City. The effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (continued)

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except custodial funds which do not have a measurement focus). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For 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 and so 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.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The City reports the following major governmental funds:

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

The *Sales Tax Fund* accounts for the bond proceeds and subsequent debt service and expenditures funded by the City's one percent 1963 sales and use tax and a portion of one percent 1987 sales and use tax, which are primarily dedicated for public improvements.

The *Public Safety Fund* accounts for the City's police department that is primarily funded by that portion of the 1987 one percent sales and use tax, which is dedicated to public safety.

The *Grants and Donations Fund* accounts for federal and other grant programs not accounted for elsewhere.

The *Katrina Fund* accounts for FEMA reimbursements, insurance proceeds and the related costs associated with the storm.

The *General Obligation Bond 2016 Fund* accounts for the use of bond proceeds dedicated to improvements to the City's streets, bridges and drainage.

The City reports the following major proprietary funds:

The *Utility Fund* accounts for the operations of the water and sewerage systems and the solid waste disposal system.

The *Airport Fund* accounts for operations of the Slidell Municipal Airport.

Additionally, the City reports the following fund type:

An *Custodial Fund* is used to account for the activities of the Animal Assistance League of Slidell. This fund accounts for assets held by the City in a fiduciary capacity for individuals, organizations and others.

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

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Accounting

Budget Policies – The City legally adopts annual budgets for only the General Fund and Special Revenue Funds in accordance with state law. The Mayor and City Council approve, prior to the beginning of each year, an annual operating budget prepared on the modified accrual basis for general governmental activities, except state supplemental pay (\$494,067 in 2021) to police officers is not treated as budgeted revenues and expenditures of the Public Safety Fund. Payments under capital leases are treated as expenditures in the year of payment for budgetary purposes. At the end of the fiscal year, unexpended and unencumbered appropriations of these funds automatically lapse except for capital outlay appropriations, which lapse after three fiscal years.

During the year, the Mayor may authorize transfers between line items within a department without Council approval. Upon request by the Mayor, the Council may amend departmental or fund level appropriations during the year. The budget data reflected in the Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budgetary Basis, (see pages 72 to 78 and 86 to 89) includes the effect of such appropriation amendments approved by the City Council during the current year. These amendments may reappropriate committed funds rolling forward from the previous year for various capital projects as well as amend the distributions of operating funds already appropriated.

Cash and Cash Equivalents

For the purpose of the Statement of Net Position, cash includes all demand, savings accounts, and certificates of deposit of the City. For the purpose of the proprietary funds Statement of Cash Flows, all highly liquid investments (including certificates of deposit) with maturity of three months or less when purchased are considered to be cash equivalents.

The City is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the United States, or laws of the United States. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. State Law R.S. 39:1225 provides that the amount of the security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposits insured by the United States.

Investments

State Law R.S. 33:2955 allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book-entry-only securities guaranteed by the U.S. government; time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana; savings accounts or shares of certain savings and loan associations and savings banks; certain accounts of federally or state chartered credit unions, and certain mutual or trust fund institutions.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (continued)

Investments are stated at fair value in accordance with the Governmental Accounting Standards Board Statement (GASB) No. 31 *“Accounting and Financial Reporting for Certain Investments and for External Investment Pools.”*

Interfund Transactions

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

The permanent reallocation of resources between funds of the City are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated. Interfund services provided and used are not eliminated in the process of consolidation.

Payment in Lieu of Taxes

Costs associated with general governmental operations of the City are initially recorded in the General Fund. A portion of these costs is applicable to the administration and operation of the Utility Fund.

In the Utility Fund, the payment in lieu of taxes is made to the General Fund based on rates the General Fund would have charged a third party for the services provided. The rates are determined based on the current franchise and property millage tax rates.

Inventories and Prepaids

Inventories are valued at cost using the average cost method. Inventories in the governmental funds consist of materials and supplies held for consumption and are accounted for using the consumption method whereby individual items are recorded as expenditures when they are consumed. Inventories in the governmental funds are equally offset by non-spendable fund balance, which indicates that although inventories are a component of net current assets, they do not constitute “available spendable resources.” Inventories in the proprietary funds consist of chemicals, repair materials, and spare parts. These inventories are also accounted for using the consumption method.

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Assets

Restricted investments on the Balance Sheet of the General Fund represent a certificate of deposit of \$300,000 required to be maintained and held by the Workers Compensation Fund (a State of Louisiana agency) as collateral against the City's self-insured portion of workers' compensation claims. A corresponding amount of fund balance is restricted as these monies are legally segregated for a specific future use. Restricted cash on the Balance Sheet of the General Fund totals \$1,028,006, which represents cash received through grants and donations that are restricted for future activity.

Restricted assets on the Statement of Net Position of the Utility Fund of \$785,283 represents funds which are required to be maintained pursuant to ordinances relating to the Utilities Revenue Bonds and Certificates of Indebtedness.

Restricted cash on the Balance Sheet of Other Governmental Funds American Rescue Plan of \$2,378,882 represents unspent proceeds related to the American Rescue Plan.

Restricted cash on the Balance Sheet of the Other Governmental Funds General Obligation Bonds 2010 Fund of \$430,636 represents unspent bond proceeds and interest earnings related to the Series 2010 General Obligation Bond. A corresponding amount of fund balance is restricted as these monies are legally segregated for a specific future use.

Restricted cash on the Balance Sheet of the General Obligation Bonds 2016 Fund of \$9,457,031 represents unspent bond proceeds and interest earnings related to the Series 2016 General Obligation Bond. A corresponding amount of fund balance is restricted as these monies are legally segregated for a specific future use.

Capital Assets

Capital assets, which include land and land improvements, buildings, equipment, and infrastructure assets (streets, roads, bridges, canals, and sewer and drainage systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated 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 acquisition value at the date of donation. Major additions are capitalized as projects are constructed.

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

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (continued)

Depreciation on all capital assets, excluding land and construction in progress, is calculated on the straight-line method over the following estimated useful lives:

Land improvements	7 to 20 years
Buildings and building improvements	20 to 50 years
Street system	10 to 20 years
Drainage system	20 years
Office equipment	4 to 10 years
Machinery and equipment	10 years
Vehicles	4 years
Bridges	25 years
Water system	20 to 50 years
Sewerage system	10 to 50 years

Pensions

The City is a participating employer in three defined benefit pension plans as described in Note 3. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value within each plan.

Deferred Outflows and Inflows of Resources

The Statement of Net Position includes a separate section for Deferred Outflows of Resources. This represents the usage of net position applicable to future periods and will be recognized as expenditures in the future period to which it applies. This category includes deferred charge on refunding reported on the government-wide Statement of Net Position. The deferred charge on refunding is the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or the refunding debt. This category also includes amounts related to pensions and other post-employment benefits for certain actuarially determined differences projected and actual investment earnings.

The Statement of Net Position also includes a separate section for Deferred Inflows of Resources. This represents the acquisition of net position applicable to future periods and will be recognized as revenue in the future period to which it applies. Currently, this category includes revenue received in advance, and amounts related to pensions and other post-employment benefits for certain actuarially determined differences between projected and actual experience.

Deferred Inflows of Resources in the Governmental Funds Balance Sheet include unavailable revenue. Unavailable revenue consists primarily of grant related receivables. The City considers revenues available if they are collected within 60 days of the end of the fiscal year.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

Vacation and sick leave benefits are based on the number of years of service. Unused sick leave may be carried forward to subsequent years. Only 30 days of unused vacation may be carried forward to subsequent years. However, upon retirement or termination 30 days of earned vacation will be paid to City employees. In addition, 30 days of earned sick leave will be paid to City employees only upon retirement. Upon retirement, unused and unpaid sick leave and vacation leave are converted to time served for retirement credit. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements.

In the fund financial statements, the governmental funds report a liability for compensated absences for the amount that has matured as a result of employee resignations and retirements.

Compensated absences are liquidated by the funds in which the employees' salaries were reported. In prior years, the funds which have typically been used to liquidate compensated absences have been the General, Sales Tax, Public Safety, Utility and Airport Funds.

Other Post-Employment Benefits

The City provides certain health care and life insurance benefits for retired employees. The primary government recognizes the costs associated with providing these benefits as claims are paid. In the government-wide financial statements and proprietary fund types in the fund financial statements, other post-employment benefits are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Long-Term Debt

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

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

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Ad Valorem Taxes

Ad valorem taxes are levied based on a calendar year. The tax is due and becomes an enforceable lien on the property when the tax bills are mailed in early December. Although the bill states the property taxes are due on December 31st, penalties are assessed for any payment not received by January 15th. Taxes are billed and collected by the St. Tammany Sheriff's Office, which receives a fee per property tax bill for its services. Property tax revenues are recognized when levied to the extent that they are determined to be currently collectible. Any unpaid taxes are collected in connection with a tax sale held in June.

Equity Classifications

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

- a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any related deferred outflows of resources and deferred inflows of resources.
- b. Restricted net position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted for other purposes on the Statement of Net Position consist of grant related cash, workers compensation investments, and Economic Development District.
- c. Unrestricted net position - all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

The equity of the fund financial statements is defined as "fund balance" and is classified in the following categories:

- a. Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).
- b. Restricted Fund Balance - This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors or laws and regulations of their governments.
- c. Committed Fund Balance - This represents the portion of a governmental fund's resources whose use is subject to a legally binding constraint that is imposed by the City Council that remains legally binding unless removed in the same manner. These constraints are set by the City Council through an ordinance.
- d. Assigned Fund Balance - This represents amounts constrained for the intent to be used for a specific purpose by the City Council or Finance Director that has been delegated authority to assign amounts by the City Council through an ordinance.
- e. Unassigned Fund Balance - This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications (continued)

When both restricted and unrestricted fund balances are available for use, it is the City's policy to use restricted resources first, then unrestricted as needed. When committed, assigned or unassigned fund balances are available for use, it is the City's policy to use committed resources first, then assigned resources and unassigned resources as they are needed.

Minimum Unrestricted Fund Balance Policy

Unrestricted fund balance is defined as total fund balance less non-spendable fund balance less restricted fund balance. The City has adopted the following minimum unrestricted fund balance policy:

General fund – The minimum unrestricted fund balance shall be 25% of operating revenue per the last audited financial statements of the City.

Special revenue funds primarily funded by sales tax – The minimum unrestricted fund balance shall be 25% of operating revenue per the last audited financial statements of the City plus funds committed to capital outlay.

DISA Building Fund – The minimum unrestricted fund balance shall be 60% of operating expenditures per the last audited financial statements of the City plus funds committed to capital outlay.

Replenishment – Should the minimum fund balance fall below the targeted levels defined above, the Mayor shall propose a plan to the Council for their approval to restore the fund balance to the target level within 24 months. If restoration to the minimum fund balance target cannot be accomplished within such a period without severe hardship to the City, the Council will establish a different time frame.

Deficit Fund Balances

The Grants and Donations Fund and Katrina Fund had a deficit fund balance of \$(321,903) and \$(4,520,866), respectively, at June 30, 2021. The deficit fund balance results primarily from expenditures incurred for which the related revenue is unavailable at June 30, 2021.

Encumbrances

The City uses encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation. Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Appropriations for operating expenditures lapse at the end of the year but appropriations for capital expenditures are carried forward. Unfilled purchase orders encumbering operating budgets are cancelled and they are only reissued upon reauthorization. Appropriations for capital expenditures are carried forward for three years. Encumbrances at year end do not constitute expenditures or liabilities.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

Subsequent Events

Subsequent events have been evaluated through December 14, 2021, the date the financial statements were available to be issued.

(2) CASH AND INVESTMENTS

Deposits

The City had the following cash as of June 30, 2021:

	Total
<u>Governmental funds:</u>	
Unrestricted:	
Petty cash	\$ 1,825
Demand deposits	63,080,991
Restricted: Demand deposits	13,294,555
 <u>Proprietary funds:</u>	
Restricted: Demand deposits	785,283
 <u>Fiduciary Funds:</u>	
Unrestricted: Petty cash	6,050
Restricted: Demand deposits	96,293
	\$ 77,264,997

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be recovered. The City's deposit policy for custodial credit risk conforms to state law, as described in Note 1. At June 30, 2021, the City's demand deposit bank balances of \$78,545,940 were entirely secured by federal deposit insurance and pledged securities held by the City's agent in the City's name.

Investments

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its investment. The City is not exposed to custodial credit risk at June 30, 2021 since investments are held in the name of the City. The City's investment policy conforms to state law, as described in Note 1.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(2) CASH AND INVESTMENTS (CONTINUED)

Investments (continued)

Concentration of credit risk relates to the amount of investments in any one entity. At June 30, 2021, the City had no investments in any one entity which exceeded five percent of total investments, except obligations of federally sponsored entities, which are implicitly guaranteed by the federal government.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy conforms to state law, which includes a policy that limits investment maturities to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity. This reduces exposure to fair value losses arising from increasing interest rates.

As of June 30, 2021, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>Greater than 10</u>
U.S. Agencies	\$ 2,388,036	\$ 2,388,036	\$ -	\$ -	\$ -
Certificates of Deposit	300,000	300,000	-	-	-
	<u>\$ 2,688,036</u>	<u>\$ 2,688,036</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2021, the City's investments are in obligations of or guaranteed by the U.S. government. The City's investment policy minimizes credit risk by limiting its investments to those which are either obligations of, guaranteed by, or collateralized by the U.S. government.

The fair value measurements of the investments noted above have been classified by the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of investments. The levels of the fair value hierarchy are as follows:

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

There were no Level 2 or 3 inputs used by the City for the year ended June 30, 2021.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS

Plan Description

The City provides pension benefits for all of its full-time employees through three separate cost-sharing, multiple-employer public employee retirement systems. All full-time City employees, except police, are members in the Municipal Employees' Retirement System of the State of Louisiana (the Municipal System). All full-time police are members of the Municipal and State Police Retirement System of Louisiana (the Police System). The City Court Judge is a member of the Louisiana State Employees' Retirement System (LASERS).

Prior to January 1, 2013, municipal employees participating in the Municipal System are entitled to a retirement benefit at or after age 60 with 10 years of creditable service or at any age with 25 years of creditable service. The retirement benefit is generally two percent of the member's final compensation multiplied by his years of creditable service. After 2013, municipal employees participating in the Municipal System are entitled to a retirement benefit at or after age 67 with 7 years of creditable service, at or after age 62 with 10 years of creditable service, at or after age 55 with 30 years of creditable service, or at any age with 25 years of creditable service with an actuarially reduced early benefit. The retirement benefit is generally two percent of the member's final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. The system also provides death and disability benefits as well as a deferred retirement option. Benefits are established by state legislation. The Municipal System issues a publicly available financial report that includes the financial statements and required supplementary information for the Municipal System. That report may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 7937 Office Park Blvd., Baton Rouge, Louisiana 70809.

Police participating in the Police System prior to January 1, 2013 for at least one year are eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit. The retirement benefit is generally three and one - third percent of the members' average final compensation multiplied by their years of creditable service (not to exceed 100% of average final compensation). Police participating in the Police System after January 1, 2013, under the Hazardous Duty sub plan, is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under the Hazardous and Non Hazardous Duty sub plans, the benefit rates are 3% (generally) and 2½%, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary. The system also provides death and disability benefits as well as a deferred retirement option. Benefits are established by State legislation. The Police System issues a publicly available financial report that includes the financial statements and required supplementary information for the Police System. That report may be obtained by writing to the Municipal and State Police Retirement System of Louisiana, 8401 United Plaza Building, Room 235, Baton Rouge, Louisiana 70809.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Plan Description (continued)

For LASERS participants, 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. The majority of LASERS rank-and-file 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. The rank-and-file members hired between July 1, 2006 and June 30, 2015 may retire at age 60 upon completing 5 years of creditable service or those hired on or after July 1, 2015 may retire at age 62 with 5 years of creditable service. Additionally, members may 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% to 3.5% of average compensation multiplied by the number of years of creditable service. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Contributions

Contributions to the retirement systems were based on participating full-time employee earnings, which were approximately as follows for fiscal 2021:

Municipal System		\$ 6,804,000
Police System		4,814,000
LASERS System		<u>41,000</u>
Total		<u>\$ 11,659,000</u>

According to state statute, contributions requirements for all City employers are actuarially determined each year by the Public Retirement Systems' Actuarial Committee. For the year ended June 30, 2021, the employer and employee contribution rates were 29.50% and 9.50% of employee earnings, respectively, for the Municipal System, 33.75% and 9.00% of employee earnings, respectively, for the Police System, as well as 43.60% and 13.0% of employee earnings, respectively, for the LASERS System.

The City's 2021 contributions to the Municipal System consisted of 29.50% of participating employee earnings. The City's 2021 contributions to the Police System consisted of 33.75% of participating employee wages. The City's 2021 contributions to the LASERS System consisted of 43.60%, of the participating judge's wages.

The City's contributions to the Municipal System for the year ended June 30, 2021 were approximately \$2,007,000, equal to the required contribution for each year. The City's contributions to the Police System for the years ended June 30, 2021 were approximately \$1,625,000, equal to the required contribution for each year. The City's contributions to the LASERS System for the year ended June 30, 2021 was approximately \$18,000, equal to the required contribution for the year.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

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

At June 30, 2021, the City reported a liability totaling \$31,924,610 of which \$16,336,459 was for its proportionate share of the net pension liability for the Municipal System, \$15,413,971 for the Police System, and \$174,180 for the LASERS System. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The City's proportion of the Net Pension Liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the City's proportion was 3.778606% for the Municipal System, which was a decrease of .102799% from its proportion measured as of June 30, 2019. At June 30, 2020, the City's proportion was 1.667758% for the Police System, which was an increase of .151322% from its proportion measured as of June 30, 2019. At June 30, 2020, the City's proportion was .002106% for the LASERS System, which was a decrease of .000022% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the City recognized pension expense totaling \$4,984,399, of which \$2,362,621 was for the Municipal System, \$2,599,336 for the Police System, and \$22,442 for the LASERS System, plus the City's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions totaling \$1,118,368, of which \$506,027 was for the Municipal System, \$611,160 for the Police System, and \$1,181 for the LASERS System.

For the year ended June 30, 2021, the City recognized revenue for the support provided by non-employer contributing entities totaling \$619,867, of which \$256,342 was for the Municipal System and \$363,525 was for the Police System.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

	Deferred Outflows of Resources				Deferred Inflows of Resources			
	Municipal	Police	LASERS	Total	Municipal	Police	LASERS	Total
Differences between expected and actual experience	\$ 7,575	\$ -	\$ -	\$ 7,575	\$ 92,608	\$ 607,144	\$ 1,673	\$ 701,425
Change in assumptions	274,833	366,271	527	641,631	-	380,394	-	380,394
Net difference between projected and actual earnings on pension plan investments	1,630,208	1,849,214	25,462	3,504,884	-	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,066,819	-	1,066,819	506,027	611,160	1,180	1,118,367
Employer contributions subsequent to the measurement date	2,007,112	1,624,873	17,963	3,649,948	-	-	-	-
Total	\$ 3,919,728	\$ 4,907,177	\$ 43,952	\$ 8,870,857	\$ 598,635	\$ 1,598,698	\$ 2,853	\$ 2,200,186

Employer contributions subsequent to the measurement date totaling \$3,649,948 and reported as deferred outflows of resources will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. 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:	Municipal	Police	LASERS	Total
2022	351,822	213,384	2,062	567,268
2023	352,783	490,433	7,343	850,559
2024	370,417	628,604	7,868	1,006,889
2025	238,959	351,185	5,892	596,036
Total	\$ 1,313,981	\$ 1,683,606	\$ 23,165	\$ 3,020,752

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions – Municipal System Plan A

The actuarial assumptions used in the June 30, 2020 valuation for the Municipal System were based on the results of an experience study, for the period July 1, 2013 through June 30, 2018. The total pension liability as of June 30, 2020 is based on actuarial valuations for the same period, updated using generally accepted actuarial procedures. Information on the actuarial valuation and assumptions is as follows:

Valuation Date:	June 30, 2020	
Actuarial Cost Method:	Entry Age Normal	
Actuarial Assumptions:		
Investment Rate of Return	6.95%, net of investment expense, including 2.5% inflation	
Projected Salary Increases	Years of Service <u>(less than or equal to)</u>	Salary Increase <u>(in the following year)</u>
	1-4	6.4%
	Above 4	4.5%
Mortality Rates	120% of the PubG-2010(B) Employee Tables for males and females, each with the full generational MP2018 scale	
	120% of the PubG-2010(B) Healthy Retiree Tables for males and females, each adjusted using MP2018 scale	
	120% of the PubNS-2010(B) Disabled Retiree Tables for males and females, each with the full generational MP2018 scale	
Expected Remaining Service Lives	3 years	

The 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.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions – Municipal System Plan A (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	53%	2.33%
Public fixed income	38%	1.67%
Alternatives	9%	0.40%
Total	100%	4.40%
Inflation		2.60%
Expected Arithmetic Nominal Return		7.00%

Discount Rate

The discount rate used to measure the total pension liability was 6.95% for the year ended June 30, 2021. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems’ Actuarial Committee. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions – Municipal System Plan A (continued)

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability using the discount rate of 6.95%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate:

	Municipal System Plan A		
	1% Decrease	Current	1% Increase
	5.95%	Discount Rate 6.95%	7.95%
City’s proportionate share of the Net Pension Liability	\$ 21,251,943	\$ 16,336,459	\$ 12,180,210

Detailed information about the pension plan’s fiduciary net position is available in the separately issued stand-alone audit report on their financial statements for the year ended June 30, 2020. Access to the report can be found on the Louisiana Legislative Auditor’s website, www.la.la.gov.

Actuarial Assumptions – Police System

The actuarial assumptions used in the June 30, 2020 valuation for the Police System were based on the assumptions used in the June 30, 2020 actuarial funding valuation, and were based on the results of actuarial experience study for the period July 1, 2014 through June 30, 2019. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience. The total pension liability as of June 30, 2020 is based on actuarial valuations for the same period, updated using generally accepted actuarial procedures.

Information on the actuarial valuation and assumptions is as follows:

Valuation Date:	June 30, 2020	
Actuarial Cost Method:	Entry Age Normal	
Actuarial Assumptions:		
Investment Rate of Return	6.95% (Net of investment expense)	
Inflation	2.50%	
Salary increases, including Inflation and merit increases	<u>Years of Service</u>	<u>Salary Growth Rate</u>
	1 – 2	12.30%
	3 & Over	4.70%

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions – Police System (continued)

Mortality Rates	<p>For annuitants and beneficiaries, Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.</p> <p>For employees, Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.</p> <p>For disabled lives, Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.</p>
Expected Remaining Service Lives	4 years
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

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

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions – Police System (continued)

Best estimates of the arithmetic nominal rates of return for each major asset class included in the System’s target allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	48.50%	3.08%
Fixed income	33.50%	0.54%
Alternatives	18.00%	1.02%
Other	0.00%	0.00%
Total	100%	4.64%
Inflation		2.55%
Expected Arithmetic Nominal Return		7.19%

Discount Rate

The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System’s actuary. Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability using the discount rate of 6.95%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate:

	Police System		
		Current	
	1% Decrease 5.95%	Discount Rate 6.95%	1% Increase 7.95%
City’s proportionate share of the Net Pension Liability	\$ 21,654,986	\$ 15,413,971	\$ 10,196,740

Detailed information about the pension plan’s fiduciary net position is available in the separately issued stand-alone audit report on their financial statements for the year ended June 30, 2020. Access to the report can be found on the Louisiana Legislative Auditor’s website, www.la.la.gov.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions – LASERS System

The total pension liability in the June 30, 2020 actuarial valuations for the LASERS System was determined using the following actuarial assumptions:

Valuation Date:	June 30, 2020
Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.55% per annum
Inflation	2.30% per annum
Expected Remaining Service Lives	2 years
Mortality Rates	Non-disabled members – Mortality rates based on the RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Mortality Tables projected on a fully generational basis by the MP-2018 Mortality Improvement Scale. Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System’s members for 2019.
Salary increases	Salary increases were projected based on a 2014-2018 experience study of the System’s members. The salary increase ranges for specific types of members are:

<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
Regular	3.0%	12.8%
Judges	2.6%	5.1%
Corrections	3.6%	13.8%
Hazardous Duty	3.6%	13.8%
Wildlife	3.6%	13.8%

Cost of Living Adjustments – The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments 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.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions – LASERS System (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment 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 target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1%	-0.59%
Domestic equity	31%	4.79%
International equity	23%	5.83%
Domestic fixed income	3%	1.76%
International fixed income	14%	3.98%
Alternative investments	24%	6.69%
Risk parity	4%	4.20%
 Total	 100%	 5.81%

Discount Rate

The discount rate used to measure the total pension liability was 7.55%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the pension plan’s actuary. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(3) RETIREMENT PLANS (CONTINUED)

Actuarial Assumptions – LASERS System (continued)

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability using the discount rate of 7.55%, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate:

	LASERS System		
		Current	
	1% Decrease 6.55%	Discount Rate 7.55%	1% Increase 8.55%
City’s proportionate share of the Net Pension Liability	\$ 214,040	\$ 174,180	\$ 140,355

Detailed information about the pension plan’s fiduciary net position is available in the separately issued stand-alone audit report on their financial statements for the year ended June 30, 2020. Access to the report can be found on the Louisiana Legislative Auditor’s website, www.la.la.gov.

(4) DEDICATED REVENUES

The City collects a two percent sales and use tax pursuant to two separate one percent tax propositions approved by the voters in November 1962 (fiscal 1963) and September 1986 (fiscal 1987). These revenues are dedicated for specific purposes and are accounted for in two separate Special Revenue Funds – Sales Tax Fund and Public Safety Fund.

Dedication of the 1963 tax, as amended, requires one half of all proceeds of the tax to be used first for debt service requirements and the costs for bonds issued for the purpose of constructing, acquiring, or improving lands, buildings or other works of public improvement for the City, including equipment and furnishings thereof, title to which shall be in the public’s name. The remaining dedicated revenue is to be used for constructing, acquiring or improving the aforementioned capital improvements. The proposition also provides for one half of the 1963 sales and use tax revenues to be undedicated. These undedicated revenues are available for general operations. Proceeds of the 1963 sales and use tax serve as security for outstanding sales tax revenue bonds (see Note 5).

All of the proceeds of the 1987 tax, after paying the reasonable and necessary expenses of collecting and administering the tax, were dedicated to the purchasing, constructing, acquiring, extending, improving, maintaining, and/or operating public facilities, public works or capital improvements and paying the capital costs of police protection and public safety for the City or any sites, equipment and furnishings thereof. According to the voter-approved proposition, the City is further authorized to fund the proceeds of the tax into bonds for the above-stated capital purposes.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(4) DEDICATED REVENUES (CONTINUED)

In a tax proposition approved by voters in December 2012, the 1987 tax was rededicated to include all the lawful purposes approved in September 1986, and beginning, July 1, 2013, for paying the operational cost of police protection and public safety.

An inter-governmental agreement (known as the Sales Tax Enhancement Plan) was executed between the City and Sales Tax District #3 of St. Tammany Parish. The agreement targets all undeveloped commercial properties (within St. Tammany Parish) annexed into the City after November 4, 1986 and stipulates that the two percent sales and use tax derived from the subsequent development of such properties would be split equally (after the City recovered approximately \$1,386,000 of costs relating to the extension of services to two retail developments) between the City and Sales Tax District #3 of St. Tammany Parish. The initial agreement had a twenty-year life, and expired December 1, 2006. The City entered into negotiations with St. Tammany Parish to renew this agreement and on October 24, 2006, an ordinance was passed renewing the inter-governmental agreement between the City and Sales Tax District #3 of St. Tammany Parish, with a few minor changes. The agreement has a 25-year life, expiring December 1, 2031.

(5) LONG-TERM DEBT

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2021:

	<u>Balance</u> <u>6/30/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/2021</u>	<u>Due Within</u> <u>One Year</u>
<u>Governmental Activities:</u>					
General obligation bonds	\$ 16,608,000	\$ -	\$ (999,000)	\$ 15,609,000	\$ 1,046,000
Issuance premiums	724,590	-	(48,777)	675,813	48,777
Compensated absences (Note 1)	1,996,000	452,837	(390,837)	2,058,000	390,837
Net OPEB liability (Note 12)	38,893,687	1,772,556	(1,508,194)	39,158,049	-
Net pension liability (Note 3)	25,673,054	1,754,404	-	27,427,458	-
Claims and judgments	<u>2,592,932</u>	<u>7,926,743</u>	<u>(6,681,052)</u>	<u>3,838,623</u>	<u>2,177,455</u>
Total governmental activities	<u>86,488,263</u>	<u>11,906,540</u>	<u>(9,627,860)</u>	<u>88,766,943</u>	<u>3,663,069</u>
<u>Business-Type Activities:</u>					
Utility revenue bonds	2,149,379	322,887	(285,000)	2,187,266	302,000
Net OPEB liability (Note 12)	10,356,307	307,956	(911,692)	9,752,571	-
Net pension liability (Note 3)	4,471,975	25,177	-	4,497,152	-
Compensated absences (Note 1)	<u>354,000</u>	<u>80,756</u>	<u>(77,756)</u>	<u>357,000</u>	<u>77,756</u>
Total business-type activities	<u>17,331,661</u>	<u>736,776</u>	<u>(1,274,448)</u>	<u>16,793,989</u>	<u>379,756</u>
Total governmental and business-type activities	<u>\$103,819,924</u>	<u>\$ 12,643,316</u>	<u>\$ (10,902,308)</u>	<u>\$105,560,932</u>	<u>\$ 4,042,825</u>

GASB Statement No. 65 requires current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business-type activities, and proprietary funds, the difference between the reacquisition price, and the net carrying amount of the old debt be reported as a deferred outflow of resources or a deferred inflow of resources. GASB Statement No. 68 established standards for measuring and recognizing deferred outflows of resources and deferred inflows of resources related to pensions.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(5) LONG-TERM DEBT (CONTINUED)

	Deferred Outflow of Resources			
	Balance 6/30/2020	Additions	Reductions	Balance 6/30/2021
<u>Governmental Activities:</u>				
General Obligation Bonds: deferred charges on refunding	\$ 323,390	\$ -	\$ (40,071)	\$ 283,319
OPEB (Note 12)	6,553,259	-	(867,856)	5,685,403
Pension (Note 3)	6,392,376	1,404,910	(31,197)	7,766,089
Total governmental activities	<u>13,269,025</u>	<u>1,404,910</u>	<u>(939,124)</u>	<u>13,734,811</u>
<u>Business-Type Activities:</u>				
Utility Revenue Bonds: deferred charges on refunding	14,889	-	(3,723)	11,166
OPEB (Note 12)	1,744,949	-	(328,962)	1,415,987
Pension (Note 3)	1,113,286	-	(8,518)	1,104,768
Total business-type activities	<u>2,873,124</u>	<u>-</u>	<u>(341,203)</u>	<u>2,531,921</u>
Total governmental and business-type activities	<u>\$16,142,149</u>	<u>\$ 1,404,910</u>	<u>\$ (1,280,327)</u>	<u>\$16,266,732</u>
Deferred Inflow of Resources				
	Balance 6/30/2020	Additions	Reductions	Balance 6/30/2021
<u>Governmental Activities:</u>				
OPEB (Note 12)	\$ (424,178)	\$ (253,306)	\$ -	\$ (677,484)
Pension (Note 3)	(1,823,428)	(339,312)	122,305	(2,040,435)
Total governmental activities	<u>(2,247,606)</u>	<u>(592,618)</u>	<u>122,305</u>	<u>(2,717,919)</u>
<u>Business-Type Activities:</u>				
OPEB (Note 12)	(112,947)	(55,785)	-	(168,732)
Pension (Note 3)	(193,148)	-	33,397	(159,751)
Total business-type activities	<u>(306,095)</u>	<u>(55,785)</u>	<u>33,397</u>	<u>(328,483)</u>
Total governmental and business-type activities	<u>\$ (2,553,701)</u>	<u>\$ (648,403)</u>	<u>\$ 155,702</u>	<u>\$ (3,046,402)</u>

Details on the City's long-term debt as of June 30, 2021 are as follows:

General Obligation Bonds secured by an irrevocable pledge of 100% ad valorem taxes related to the bonds through 2036:

\$9,950,000 General Obligation Bonds, Series 2010, bearing interest from 3.0% to 4.1%, payable semi-annually through 2029, streets, bridges and drainage.	\$ 555,000
\$5,146,000 Refunding Bonds, Series 2016, bearing interest at 2.25%, payable semi-annually through 2029, street and bridges, and drainage.	4,839,000
\$12,000,000 General Obligation Bonds, Series 2016, bearing interest from 2.0% to 4.0%, payable semi-annually through 2036, streets, bridges and drainage.	<u>10,215,000</u>
	<u>\$ 15,609,000</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(5) LONG-TERM DEBT (CONTINUED)

Utility Revenue Bonds, secured by an irrevocable pledge of 100% of the City's revenues of the Utility Fund through 2039:

\$3,625,000 Utility Revenue Refunding Bonds, Series 2012, bearing interest at 2.34%, payable semi-annually through 2024, improvements to waste water treatment plant and sewer system.	\$ 690,000
\$16,400,000 Utility Revenue Bonds (DEQ), Series 2018, bearing interest at 0.95%, payable semi-annually through 2039, improvements to the wastewater treatment plant and sewer lift stations.	<u>1,497,266</u>
	<u>\$ 2,187,266</u>

The annual requirements to maturity for general obligation bonds as of June 30, 2021 are as follows:

Year Ending June 30,	Principal	Interest
2022	\$ 1,046,000	\$ 487,178
2023	1,088,000	450,743
2024	1,134,000	418,300
2025	1,184,000	384,298
2026	1,233,000	348,558
2027-2031	5,479,000	1,208,355
2032-2036	<u>4,445,000</u>	<u>421,400</u>
	<u>\$ 15,609,000</u>	<u>\$ 3,718,832</u>

The annual requirements to maturity for utility revenue bonds as of June 30, 2021 are as follows:

Year Ending June 30,	Principal	Interest
2023	\$ 225,000	\$ 16,132
2024	230,000	10,872
2025	<u>235,000</u>	<u>5,494</u>
	<u>\$ 690,000</u>	<u>\$ 32,498</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(5) LONG-TERM DEBT (CONTINUED)

On June 27, 2018, the City entered into a loan and pledge agreement with the Louisiana Department of Environmental Quality (DEQ) Loan No. CS221123-03. The purpose of the loan is to pay the cost of constructing improvements to the wastewater treatment plant and sewer lift stations in the City. Under terms of the agreement, the DEQ, through its Municipal Facilities Revolving Loan Fund, will loan the City an amount not to exceed \$16,400,000. Upon completion of the project (currently expected to be in December 2020) the actual amount borrowed will be determined and the City will issue Utility Revenue Bonds to evidence the debt as authorized by ordinance No. 3885. The bonds will be payable over a 20-year period and will bear an interest rate of 0.95%. As of June 30, 2021, \$1,497,267 has been drawn down on the loan. This amount is recorded as a liability in the financial statements of the Utility Fund. Under terms of the agreement, the City is subject to compliance with certain provisions and covenants. As of June 30, 2021, the City is in compliance with all significant provisions and covenants.

At June 30, 2021, the following amounts are considered available for the retirement of general long-term debt:

Debt Service Fund	\$ <u>2,536,702</u>
	\$ <u>2,536,702</u>

In accordance with the Revised Statutes of the State of Louisiana, aggregate debt payable solely from ad valorem taxes for each specific purpose shall not exceed 35% of the total assessed valuation of taxable property. As of June 30, 2021, the City was in compliance with these statutes.

Pursuant to the Utility Revenue Bonds, Series 2012, certain assets of the Special Revenue and Enterprise Funds are restricted (see Note 1). As of June 30, 2021, the City was in substantial compliance with the restrictive covenants of its debt agreements.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

In prior years, the City defeased certain general obligation and sales tax revenue bonds by placing the proceeds of the new refunding bonds in an irrevocable trust escrow account to provide for the future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Statement of Net Position. At June 30, 2021, \$4,585,000 in general obligation bonds outstanding are considered defeased.

General Fund, Sales Tax Fund, Public Safety Fund, DISA Fund, Utility Fund and Airport Fund have been used to liquidate the liability for net pension liability and net OPEB liability.

Interest costs incurred and charged to expense during the year ended June 30, 2021 for all business-type activities was \$36,393.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(6) INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due to/from other funds at June 30, 2021 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Sales Tax Fund	General Fund	\$ 22,766,738
Public Safety Fund	General Fund	4,419,811
Other Governmental Funds	General Fund	5,531,678
Utility Fund	General Fund	21,757,271
Airport Fund	General Fund	539,169
Custodial Funds	General Fund	277,177
Grants and Donations Fund	General Fund	72,354
General Fund	Other Governmental Funds	120
General Fund	Katrina	<u>3,149,068</u>
Total		\$ 58,513,386

The above due to/from other funds were short-term receivables or payables resulting from the normal course of the City's operations.

A summary of the interfund transfers at June 30, 2021 are as follows:

	<u>Transfers In:</u>					
	<u>General Fund</u>	<u>Public Safety Fund</u>	<u>Other Governmental</u>	<u>Utility Fund</u>	<u>Airport Fund</u>	<u>Total</u>
<u>Transfers Out:</u>						
General Fund	\$ -	\$ 55,136	\$ -	\$ 31,225	\$ -	\$ 86,361
Sales Tax Fund	-	-	29,339	-	61,183	90,522
Other Governmental	-	-	-	142,010	-	142,010
Utility Fund	<u>792,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>792,000</u>
Totals	\$ <u>792,000</u>	\$ <u>55,136</u>	\$ <u>29,339</u>	\$ <u>173,235</u>	\$ <u>61,183</u>	\$ <u>1,110,893</u>

Transfers are primarily used to move funds from:

- The Sales Tax Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.
- The General Fund to the Utility Fund to satisfy bond covenants to provide \$25 for maintenance of each fire hydrant.
- The General Fund to the Public Safety Fund to finance public safety in accordance with budgetary authorization.
- The Utility Fund to the General Fund to satisfy payments in lieu of taxes (see Note 1).

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(7) ALLOWANCE FOR DOUBTFUL ACCOUNTS

The water, sewerage and garbage receivable balance at June 30, 2021 of \$1,141,509 in the Utility Fund is net of an allowance for doubtful accounts of \$2,060,473.

(8) CAPITAL ASSETS

A summary of changes in governmental fund type fixed assets for the year ended June 30, 2021 is as follows:

	<u>6/30/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Completed Construction</u>	<u>6/30/2021</u>
<u>Governmental Activities:</u>					
Capital assets not being depreciated:					
Land	\$ 21,977,563	\$ -	\$ -	\$ -	\$ 21,977,563
Construction-in-progress	<u>48,613,618</u>	<u>7,487,284</u>	<u>-</u>	<u>(43,664,447)</u>	<u>12,436,455</u>
Total capital assets not being depreciated	<u>70,591,181</u>	<u>7,487,284</u>	<u>-</u>	<u>(43,664,447)</u>	<u>34,414,018</u>
Capital assets being depreciated:					
Buildings and building improvements	50,313,866	520,240	-	-	50,834,106
Land improvements	13,865,874	236,787	-	-	14,102,661
Street system	91,235,405	232,820	-	23,968,722	115,436,947
Drainage system	68,360,504	162,230	-	19,695,725	88,218,459
Office equipment	7,039,409	335,807	(60,358)	-	7,314,858
Machinery and equipment	7,794,458	139,773	(9,300)	-	7,924,931
Vehicles	8,383,816	337,531	(143,819)	-	8,577,528
Bridges	<u>1,621,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,621,503</u>
Total capital assets being depreciated	<u>248,614,835</u>	<u>1,965,188</u>	<u>(213,477)</u>	<u>43,664,447</u>	<u>294,030,993</u>
Less accumulated depreciation for:					
Buildings and building improvements	18,974,504	1,132,076	-	-	20,106,580
Land improvements	9,387,867	670,279	-	-	10,058,146
Street system	60,965,924	3,104,333	-	-	64,070,257
Drainage system	39,823,641	2,720,759	-	-	42,544,400
Office equipment	6,404,856	259,248	(60,358)	-	6,603,746
Machinery and equipment	5,347,925	379,945	(9,300)	-	5,718,570
Vehicles	6,973,191	610,269	(138,621)	-	7,444,839
Bridges	<u>592,746</u>	<u>52,214</u>	<u>-</u>	<u>-</u>	<u>644,960</u>
Total accumulated depreciation	<u>148,470,654</u>	<u>8,929,123</u>	<u>(208,279)</u>	<u>-</u>	<u>157,191,498</u>
Total capital assets being depreciated, net	<u>100,144,181</u>	<u>(6,963,935)</u>	<u>(5,198)</u>	<u>43,664,447</u>	<u>136,839,495</u>
Governmental activities capital assets, net	\$170,735,362	\$ 523,349	\$ (5,198)	\$ -	\$171,253,513

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(8) CAPITAL ASSETS (CONTINUED)

Construction-in-progress primarily consists of street and drainage system improvements which are financed by sales tax revenues and grants.

A summary of changes in proprietary fund type fixed assets as of June 30, 2021 follows:

	<u>6/30/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Completed Construction</u>	<u>6/30/2021</u>
Business-Type Activities:					
Capital assets not being depreciated:					
Land	\$ 75,658	\$ -	\$ -	\$ -	\$ 75,658
Construction-in-progress	<u>8,564,026</u>	<u>3,695,843</u>	<u>-</u>	<u>(5,788,998)</u>	<u>6,470,871</u>
Total capital assets not being depreciated	<u>8,639,684</u>	<u>3,695,843</u>	<u>-</u>	<u>(5,788,998)</u>	<u>6,546,529</u>
Capital assets being depreciated:					
Buildings and building improvements	1,700,374	-	-	-	1,700,374
Land improvements	10,607,754	29,180	-	577,833	11,214,767
Water system	26,362,873	-	-	-	26,362,873
Sewerage system	63,859,282	232,853	-	5,211,165	69,303,300
Office equipment	380,406	18,093	-	-	398,499
Vehicles	2,009,324	313,643	-	-	2,322,967
Machinery and equipment	<u>5,894,879</u>	<u>241,042</u>	<u>(16,937)</u>	<u>-</u>	<u>6,118,984</u>
Total capital assets being depreciated	<u>110,814,892</u>	<u>834,811</u>	<u>(16,937)</u>	<u>5,788,998</u>	<u>117,421,764</u>
Less accumulated depreciation for:					
Buildings and building improvements	955,242	65,748	-	-	1,020,990
Land improvements	7,808,288	358,199	-	-	8,166,487
Water system	17,992,629	437,121	-	-	18,429,751
Sewerage system	30,023,738	1,578,780	-	-	31,602,517
Office equipment	344,926	15,294	-	-	360,220
Vehicles	1,650,917	207,434	-	-	1,858,351
Machinery and equipment	<u>3,893,074</u>	<u>299,020</u>	<u>(16,140)</u>	<u>-</u>	<u>4,175,954</u>
Total accumulated depreciation	<u>62,668,814</u>	<u>2,961,596</u>	<u>(16,140)</u>	<u>-</u>	<u>65,614,270</u>
Total capital assets being depreciated, net	<u>48,146,078</u>	<u>(2,126,785)</u>	<u>(797)</u>	<u>5,788,998</u>	<u>51,807,494</u>
Business-Type Activities capital assets, net	<u>\$ 56,785,762</u>	<u>\$ 1,569,058</u>	<u>\$ (797)</u>	<u>\$ -</u>	<u>\$ 58,354,023</u>

Construction-in-progress primarily consists of sewer improvements.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(8) CAPITAL ASSETS (CONTINUED)

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

<u>Governmental activities:</u>	
General government	\$ 498,586
Public works	6,571,786
Public safety	928,769
Recreation and culture	901,536
Judicial system	<u>28,446</u>
Total depreciation expense – governmental activities	<u>\$ 8,929,123</u>
<u>Business-type activities:</u>	
Utilities	\$ 2,503,138
Airport	<u>458,458</u>
Total depreciation expense – business-type activities	<u>\$ 2,961,596</u>

(9) COMMITMENTS AND ENCUMBRANCES

The local electric company owns and leases to the City certain street lighting facilities. In 1986, the City renegotiated the lease agreement, which expired in December 2001 but automatically renews for one-year intervals until cancelled. The City has no intention of canceling this lease at this time. The total amount paid by the City for street lighting under this agreement was approximately \$526,000 for the year ended June 30, 2021.

The City has a contract with a sanitation disposal company to provide garbage collection services to City residents. In January 2011, the City resumed a recycling program with this sanitation disposal company. This contract requires the City to pay a monthly fee of \$17.71 per household for garbage collection and \$1.90 per household for recycling service. The City in turn bills a monthly fee of approximately \$10.04 per household for garbage collection and \$1.90 per household for recycling and collects a 4.00 mill property tax for garbage collection in accordance with the voter-approved proposition. The City paid approximately \$2,467,000 for garbage collection and for recycling under this contract during the year ended June 30, 2021. Due to COVID-19, recycling services were suspended on March 30, 2020. Recycling resumed for the City on July 1, 2020.

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Unfilled purchase orders encumbering operating budgets are cancelled and they are only reissued upon reauthorization. Appropriations for capital expenditures are carried forward three years. Encumbrances include the following contractual commitments by fund as of June 30, 2021:

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(9) COMMITMENTS AND ENCUMBRANCES (CONTINUED)

Fund	Amount
General Fund	\$ 45,000
Sales Tax Fund	1,952,000
Grants and Donations Fund	406,000
Katrina Fund	1,487,000
General Obligation Bond 2016 Fund	2,181,000
Other non-major governmental funds	451,000
Utility Fund	10,347,000
Airport Fund	283,000
	\$ 17,152,000

(10) CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

The City is a defendant in a number of claims and lawsuits resulting principally from personal injury, property damage, and construction claims. The City Attorney and the outside administrator have reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City. As a result of such review, the various claims and lawsuits have been categorized into “probable,” “reasonably possible,” and “remote” contingencies, as defined in National Council on Governmental Accounting Statement No. 4 for Claims and Judgments. The City’s “probable” loss contingencies at June 30, 2021 were approximately \$24,000.

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. The future effects of these issues are unknown.

(11) RISK MANAGEMENT

The City is exposed to various risks of loss related to thefts of, damage to, and destruction of assets, errors and omissions, negligent acts of law enforcement officials and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The City had one claim that exceeded insurance coverage for fiscal year ended June 30, 2021 and no settled claims exceed insurance coverage for fiscal years ended June 30, 2020 and 2019.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(11) RISK MANAGEMENT (CONTINUED)

The City is also self-insured with excess coverage in these areas: (a) workers' compensation with \$600,000 retention and statutory limit on coverage, (b) general liability with \$100,000 retention per occurrence and a \$10,000,000 limit per occurrence and \$10,000,000 aggregate limit on coverage, (c) auto liability with \$100,000 retention per accident and a \$10,000,000 per occurrence. The City also has an aggregate limit of \$2,000,000 for workers' compensation claims and an annual stop loss of \$600,000 for general liability and auto liability combined. The City is self-insured for employee medical insurance with \$80,000 retention per individual and an aggregate stop loss of \$4,606,878.

The City uses the General Fund to account for self-insured risk financing activities. The liability for claims in excess of amounts payable with expendable available resources is recorded in the governmental activities in the Statement of Net Position. The Sales Tax Fund, the Public Safety Fund, and the Enterprise Funds make contributions to the General Fund for claims. Estimated losses from claims are recorded when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The expenditure and liability includes an amount for claims that have been incurred but not yet reported. The liability for claims is based on the estimated ultimate cost of settling the claims using past experience adjusted for current trends.

Changes in the claims liability amounts are as follows:

	<u>Automobile/ General Liability</u>	<u>Workers Compensation</u>	<u>Employee Health/ Dental</u>	<u>Total</u>
Balance, June 30, 2019	\$ 711,547	\$ 891,841	\$ 1,370,055	\$ 2,973,443
Claims incurred	232,441	247,315	4,993,726	5,473,482
Changes in estimates	53,380	591,895	(381,547)	263,728
Claim payments	<u>(345,389)</u>	<u>(1,038,530)</u>	<u>(4,733,802)</u>	<u>(6,117,721)</u>
Balance, June 30, 2020	651,979	692,521	1,248,432	2,592,932
Claims incurred	178,980	139,421	5,115,162	5,433,563
Changes in estimates	1,668,566	412,896	411,718	2,493,180
Claim payments	<u>(552,225)</u>	<u>(632,305)</u>	<u>(5,496,522)</u>	<u>(6,681,052)</u>
Balance, June 30, 2021	<u>\$ 1,947,300</u>	<u>\$ 612,533</u>	<u>\$ 1,278,790</u>	<u>\$ 3,838,623</u>

(12) OTHER POST-EMPLOYMENT BENEFITS

Plan Description

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

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(12) OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Benefits Provided

Medical/dental and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the retiree medical/dental coverage for retirees and dependents for those who retired prior to July 1, 2010. For those retiring after June 30, 2010 and hired before September 1, 2008, the employer pays for a portion of the medical/dental coverage for retirees and dependents based on years of service at retirement: 10 or more years, 80%; 20 or more years, 90%; and, 25 or more years, 100%. For those retiring after June 30, 2010 and hired on or after September 1, 2008, the employer pays for a portion of the medical/dental coverage for retirees only (not dependents), and only until attainment of age 65, based on years of service at retirement: 10 or more years, 55%; 20 or more years, 65%; and, 25 or more years, 75%. The employer also pays for life insurance coverage after retirement. Employees (other than Police) are covered by the Municipal Employees' Retirement System, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 25 years of service at any age; or, age 60 and 10 years of service. Employees hired on and after January 1, 2013 have retirement eligibility of age 55 and 30 years of service, age 62 and 10 years of service, or age 67 and 7 years of service. Police are covered by the Municipal Police Retirement System, whose retirement eligibility (D.R.O.P. entry) provisions are as follows: 25 years of service at any age; age 50 and 20 years of service; or, age 55 and 12 years of service.

Life insurance coverage is continued to retirees according to a flat schedule: \$10,000 before age 65; \$6,500 from age 65 and below age 70; and, \$5,000 at age 70 and after. The employer pays 100% of the active/retired blended rate.

Employees Covered by Benefit Terms

At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	187
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	229
	416

Total OPEB Liability

The City's total OPEB liability of \$48,910,620 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(12) OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions and other inputs

The total OPEB liability in the June 30, 2021 actuarial measurement was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	July 1, 2021
Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.21%, annually (beginning of year) 2.16% annually (as of measurement date)
Healthcare cost trend rates	5.5% annually for ten years; 4.5% thereafter
Remaining service lives	3 years

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2021, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection. Turnover rates were based on an age specific table with an average of 17% when applied to the active census.

Employees who receive active benefits are assumed to also receive retiree benefits. It is also assumed that the same percentage of employees with spouse coverage would also have spouse coverage as retirees.

The actuarial assumptions used in the July 1, 2021 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2020 to June 30, 2021.

No assets are accumulated in a trust that meets the criteria in GASB No 75 paragraph 4, to pay related benefits, and information about factors that significantly affect trends in the amount reported, for example, changes in benefit terms, changes in population, or changes in assumptions used.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(12) OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

Balance at June 30, 2020	\$	49,249,994
Changes for the year:		
Service cost		418,951
Interest		1,067,609
Difference between expected and actual experience		(520,645)
Changes in assumptions		578,531
Benefit payments and net transfers		<u>(1,883,820)</u>
Net changes		<u>(339,374)</u>
Balance at June 30, 2021	\$	<u>48,910,620</u>

Changes in Assumptions

For the year ended June 30, 2021, the Assessor changed its assumptions related to trends, mortality and discount rates. These changes had a cumulative effect of \$462,824. As of June 30, 2021 the valuation date was July 1, 2021; the discount rate was 2.21% annually beginning of year to determine ADC); and 2.16% annually (as of end of year measurement date). As of June 30, 2020 the valuation date was July 1, 2020; the discount rate was 3.50% annually (beginning of year to determine ADC); and 2.21% annually (as of end of year measurement date). As of June 30, 2018 the valuation date was July 1, 2018 and the discount rate was 3.50 % annually.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	<u>1.16%</u>	<u>2.16%</u>	<u>3.16%</u>
Total OPEB Liability	\$ 59,111,089	\$ 48,910,620	\$ 41,037,170

Sensitivity of the Total OPEB Liability to Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.50%) or 1-percentage-point higher (6.50%) than the current healthcare trend rates:

	1% Decrease	Current Trend Rate	1% Increase
	<u>4.50%</u>	<u>5.50%</u>	<u>6.50%</u>
Total OPEB Liability	\$ 42,027,570	\$ 48,910,620	\$ 57,908,971

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(12) OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$3,050,354. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 6,008,469	\$ -
Differences between expected and actual experience	<u>1,092,921</u>	<u>846,216</u>
 Total	 <u>\$ 7,101,390</u>	 <u>\$ 846,216</u>

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

Years ending June 30:	
2022	\$ 1,563,794
2023	1,563,794
2024	1,563,794
2025	<u>1,563,792</u>
	<u>\$ 6,255,174</u>

(13) LEASES

The City is leasing a building which it owns, which it refers to as the DISA Building, to two separate tenants. The DISA Building was acquired by the City in 1996 by an act of donation. The estimated fair market value is \$7,500,000 and has a carrying value as of June 30, 2021 of \$3,398,000. Depreciation expense related to the building for the year ended June 30, 2021 was approximately \$137,000, which was recorded in the government-wide financial statements.

One lease was renewed in June 2020, has a term of one year, and calls for lease payments of approximately \$64,364 per month. The second lease was renewed in June 2018, has a term of three years, and calls for lease payments of approximately \$3,303, per month. In 2021, the lease is month to month. The total lease revenue, including utility reimbursements, to the City for the current fiscal year was approximately \$931,119.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(14) NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued Statement No. 84, “*Fiduciary Activities*.” The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019 as extended by GASB Statement No. 95, “*Postponement of Effective Dates of Certain Authoritative Guidance*.” This Statement did not have a material effect on the City’s financial statements upon implementation.

The GASB has issued Statement No. 87, “*Leases*.” The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021, as extended by GASB Statement No. 95, “*Postponement of Effective Dates of Certain Authoritative Guidance*.” The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 89, “*Accounting for Interest Cost Incurred before the End of a Construction Period*.” The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020, as extended by GASB Statement No. 95, “*Postponement of Effective Dates of Certain Authoritative Guidance*.” The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 90, “*Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61*.” The primary objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, as extended by GASB Statement No. 95, “*Postponement of Effective Dates of Certain Authoritative Guidance*.” The City plans to adopt this Statement as applicable by the effective date.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(14) NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

The GASB has issued Statement No. 91, “*Conduit Debt Obligations*.” The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021, as extended by GASB Statement No. 95, “*Postponement of Effective Dates of Certain Authoritative Guidance*.” The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 92, “*Omnibus 2020*.” The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 93, “*Replacement of Interbank Offered Rates*.” The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of IBOR. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*.” The objective of this Statement is to better meet the information needs of financial statement users by improving the comparability of financial statements among governments that enter into public-private and public-public partnerships (PPPs) and availability payment arrangements (APAs) by enhancing the understandability, reliability, relevance, and consistency of information about PPPs and APAs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 95, “*Postponement of the Effective Dates of Certain Authoritative Guidance*.” The primary objective of this Statement is to provide temporary relief from certain newer accounting and financial reporting requirements to governments due to the COVID-19 pandemic. The requirements of this Statement are effective immediately.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(14) NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

The GASB has issued Statement No. 96, “*Subscription-Based Information Technology Arrangements*.” The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 97, “*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84*.” The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 98, “*The Annual Comprehensive Financial Report*”. This Statement establishes the term annual comprehensive financial report and its acronym ACRF. The new term and acronym replace the instances of comprehensive annual financial report and tis acronym in generally accepted accounting principles for state and local governments. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. Earlier application is encouraged. The City plans to adopt this Statement as applicable by the effective date.

(15) DISCRETELY PRESENTED COMPONENT UNITS

Fremaux Economic Development District, State of Louisiana (“the District”)

Cash and cash equivalents

The District had the following cash and cash equivalents as of June 30, 2021:

	Total
<u>Governmental funds:</u>	
Restricted demand deposits	\$ 5
Restricted money market mutual funds	1,221,303
Total	\$ 1,221,308

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(15) DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Fremaux Economic Development District, State of Louisiana (“the District”) (continued)

Cash and cash equivalents (Continued)

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. The District’s deposit policy for custodial credit risk conforms to state law, as described in Note 1. At June 30, 2021, the District’s demand deposit bank balances of \$5 were entirely secured by federal deposit insurance, and the District’s money market mutual funds were entirely secured by government backed securities held in the District’s name.

Dedicated Revenues

On March 25, 2008, the City Council passed ordinance number 3461 levying an additional sales tax of one percent (1%) in the District and passed ordinance number 3462 levying a hotel occupancy tax of one percent (1%) in the District to fund economic development projects selected by the District. On December 13, 2011, the City Council adopted ordinance number 3636 to reduce the levy from one percent (1%) to one-half of one percent (0.50%).

Long-term Debt

The following is a summary of long-term debt transactions of the District for the year ended June 30, 2021:

	<u>Balance</u> <u>6/30/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6/30/2021</u>	<u>Due Within</u> <u>One Year</u>
<u>Governmental Activities:</u>					
Sales Tax Bonds, Series 2014					
R-1	\$ 1,975,000	\$ -	\$ (85,000)	\$ 1,890,000	\$ -
R-2	3,200,000	-	-	3,200,000	-
Original issuance discounts	(35,640)	-	1,485	(34,155)	-
Sales Tax Bonds, Series 2015					
R-1	4,040,000	-	-	4,040,000	-
Original issuance discounts	(44,406)	-	1,750	(42,656)	-
Total governmental activities	<u>\$ 9,134,954</u>	<u>\$ -</u>	<u>\$ (81,765)</u>	<u>\$ 9,053,189</u>	<u>\$ -</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(15) DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Fremaux Economic Development District, State of Louisiana (“the District”) (continued)

Long-term Debt (Continued)

Sales Tax Bonds secured by an irrevocable pledge of 100% of the City’s sales and use taxes through 2045:

\$5,710,000 Sales Tax Bonds, Series 2014, issued on April 3, 2014, secured by an irrevocable pledge and dedication of all the avails or proceeds of the special one-half of one percent (1/2%) sales tax now being levied and collected, bearing interest from 5.0% to 6.0%, R-1 bonds mature in 2034 and R-2 bonds mature in 2043, economic development projects.	\$ 5,090,000
\$5,250,000 Sales Tax Bonds, Series 2015, issued on November 12, 2015, secured by an irrevocable pledge and dedication of all the avails or proceeds of the special one-half of one percent (.50%) sales tax now being levied and collected, bearing interest of 5.50%, R-1 bonds mature in 2045, economic development projects.	<u>4,040,000</u>
	<u>\$ 9,130,000</u>

The annual requirements to maturity for Sales Tax Bonds as of June 30, 2021 are as follows:

Year Ending June 30,	Principal	Interest
2022	\$ -	\$ 517,700
2023	-	517,700
2024	-	517,700
2025	-	517,700
2026	-	517,700
2027-2031	-	2,588,500
2032-2036	2,510,000	2,657,650
2037-2041	-	2,899,000
2042-2046	<u>6,620,000</u>	<u>1,893,900</u>
Total	<u>\$ 9,130,000</u>	<u>\$12,627,550</u>

The Bonds were issued for the purpose of paying the costs of various capital improvements within the District and paying the costs of issuance of the Bonds. Most of the proceeds were used to pay or reimburse Slidell Development Company, L.L.C., the developer, for certain costs of economic development projects (consisting of water, sewer, drainage, roads and related infrastructure projects and other costs of a multi-purpose real estate development consisting of retail, commercial, residential, office, hotel, education and/or medical facilities) in or beneficial to the District.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

(15) DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Camellia Square Economic Development District, State of Louisiana (“the District”)

Cash and cash equivalents

The District had the following cash as of June 30, 2021:

	Total
<u>Governmental funds:</u>	
Restricted demand deposits	\$ 31,226

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. The District’s deposit policy for custodial credit risk conforms to state law, as described in Note 1. At June 30, 2021, the District’s demand deposit bank balances of \$31,226 were entirely secured by federal deposit insurance.

Dedicated Revenues

On May 14, 2013, the Council passed ordinance number 3686 levying an additional sales and use tax of one percent (1%) in the District. The Council passed ordinance number 3487 levying a hotel occupancy tax of two percent (2%). The purpose of the District is to reimburse a developer for economic development (a shopping center and hotel) within the District.

Northshore Square Economic Development District, State of Louisiana (“the District”)

Cash and cash equivalents

The District had the following cash as of June 30, 2021:

	Total
<u>Governmental funds:</u>	
Restricted demand deposits	\$ 28,414

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. The District’s deposit policy for custodial credit risk conforms to state law, as described in Note 1. At June 30, 2021, the District’s demand deposit bank balances of \$28,414 were entirely secured by federal deposit insurance and by government backed securities held in the District’s name.

Dedicated Revenues

Ordinance number 3753 levied a one half of one percent (0.5%) sales and use tax beginning April 1, 2015 for the purpose of paying the costs of economic development projects. The purpose of the District is to finance economic development projects within the District.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes:				
Ad valorem	\$ 1,336,000	\$ 1,336,000	\$ 1,385,611	\$ 49,611
Franchise	1,884,000	1,884,000	1,760,966	(123,034)
Licenses and permits	2,270,000	2,270,000	2,259,657	(10,343)
Intergovernmental revenues:				
Other state and local governmental revenues	67,000	67,000	76,581	9,581
Fines and forfeitures	250,000	250,000	279,576	29,576
Service charges	210,000	215,000	156,359	(58,641)
Other revenues, primarily interest	520,000	170,000	168,972	(1,028)
Total revenues	<u>6,537,000</u>	<u>6,192,000</u>	<u>6,087,722</u>	<u>(104,278)</u>
<u>EXPENDITURES:</u>				
General government:				
Administrative	888,712	902,349	877,177	25,172
Finance	827,658	829,104	773,823	55,281
Legal	605,243	615,146	596,505	18,641
Data processing	641,900	686,821	623,559	63,262
Purchasing	252,144	259,384	257,771	1,613
Civil service	311,195	324,002	304,478	19,524
Legislative	725,986	733,657	681,431	52,226
Risk management	583,769	631,111	602,723	28,388
	<u>4,836,607</u>	<u>4,981,574</u>	<u>4,717,467</u>	<u>264,107</u>
Public works:				
Building safety	545,645	607,666	600,993	6,673
Planning	351,682	423,753	412,171	11,582
	<u>897,327</u>	<u>1,031,419</u>	<u>1,013,164</u>	<u>18,255</u>
Cultural affairs	<u>300,409</u>	<u>305,276</u>	<u>292,446</u>	<u>12,830</u>
Judicial system	<u>572,839</u>	<u>577,671</u>	<u>571,854</u>	<u>5,817</u>
Total expenditures	<u>6,607,182</u>	<u>6,895,940</u>	<u>6,594,931</u>	<u>301,009</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(70,182)</u>	<u>(703,940)</u>	<u>(507,209)</u>	<u>196,731</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	792,000	792,000	792,000	-
Transfers (out)	<u>(721,818)</u>	<u>(86,361)</u>	<u>(86,361)</u>	-
Total other financing (uses)	<u>70,182</u>	<u>705,639</u>	<u>705,639</u>	-
Net change in fund balance	-	1,699	198,430	196,731
Fund balances, beginning of year	<u>8,205,626</u>	<u>8,205,626</u>	<u>8,205,626</u>	-
Fund balances, end of year	<u>\$ 8,205,626</u>	<u>\$ 8,207,325</u>	<u>\$ 8,404,056</u>	<u>\$ 196,731</u>

*Note: The City legally adopts annual budgets for the General Fund and all Special Revenue Funds.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
SALES TAX FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes:				
Sales	\$ 19,256,336	\$ 21,653,336	\$ 15,234,394	\$ (6,418,942)
Ad valorem	534,000	534,000	547,998	13,998
Grants and donations	-	954,996	350,969	(604,027)
Other state and local governmental revenues	16,000	16,000	16,040	40
Service charges	32,000	32,000	42,116	10,116
Other revenue	1,000	1,000	140,518	139,518
Total revenues	<u>19,839,336</u>	<u>23,191,332</u>	<u>16,332,035</u>	<u>(6,859,297)</u>
<u>EXPENDITURES:</u>				
General government:				
Administrative	<u>3,502,148</u>	<u>3,795,005</u>	<u>3,423,980</u>	<u>371,025</u>
	<u>3,502,148</u>	<u>3,795,005</u>	<u>3,423,980</u>	<u>371,025</u>
Public works:				
Streets, bridges and drainage	2,585,344	2,597,968	2,086,604	511,364
Engineering	578,861	613,839	491,079	122,760
Electrical	196,811	198,953	189,711	9,242
General maintenance	482,459	509,418	453,426	55,992
Vehicle maintenance	586,229	591,174	530,966	60,208
	<u>4,429,704</u>	<u>4,511,352</u>	<u>3,751,786</u>	<u>759,566</u>
Recreation	<u>1,819,245</u>	<u>1,839,904</u>	<u>1,718,285</u>	<u>121,619</u>
Capital outlay	<u>1,114,834</u>	<u>13,592,644</u>	<u>2,792,064</u>	<u>10,800,580</u>
Total expenditures	<u>10,865,931</u>	<u>23,738,905</u>	<u>11,686,115</u>	<u>12,052,790</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,973,405</u>	<u>(547,573)</u>	<u>4,645,920</u>	<u>5,193,493</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
BUDGET AND ACTUAL (BUDGETARY BASIS)
SALES TAX FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers (out)	-	(350,000)	(90,522)	259,478
Total other financing (uses)	-	(350,000)	(90,522)	259,478
Net change in fund balance	8,973,405	(897,573)	4,555,398	5,452,971
Fund balances, beginning of year	19,772,911	19,772,911	19,772,911	-
Fund balances, end of year	<u>\$ 28,746,316</u>	<u>\$ 18,875,338</u>	<u>\$ 24,328,309</u>	<u>\$ 5,452,971</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
GRANTS AND DONATIONS FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental revenues:				
Federal and state grants	\$ -	\$ 4,056,572	\$ 1,860,536	\$ (2,196,036)
Other state and local governmental revenues	-	-	13,505	13,505
Contributions	-	<u>1,623,411</u>	<u>153,324</u>	<u>(1,470,087)</u>
Total revenues	-	<u>5,679,983</u>	<u>2,027,365</u>	<u>(3,652,618)</u>
<u>EXPENDITURES:</u>				
General government	-	648,114	1,074,064	(425,950)
Public works	-	236,058	71,684	164,374
Public safety	-	226,764	168,380	58,384
Recreation and culture	-	349,402	116,958	232,444
Capital outlay	-	<u>4,213,457</u>	<u>6,056</u>	<u>4,207,401</u>
Total expenditures	-	<u>5,673,795</u>	<u>1,437,142</u>	<u>4,236,653</u>
Excess (deficiency) of revenues over (under) expenditures	-	<u>6,188</u>	<u>590,223</u>	<u>584,035</u>
<u>OTHER FINANCING SOURCES (USES)</u>	-	-	-	-
Net change in fund balance	-	6,188	590,223	584,035
Fund balance, beginning of year	<u>(912,126)</u>	<u>(912,126)</u>	<u>(912,126)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (912,126)</u>	<u>\$ (905,938)</u>	<u>\$ (321,903)</u>	<u>\$ 584,035</u>

*Note: The Actual on Budgetary Basis amounts above reflect the modified accrual basis of accounting, except that federal asset forfeiture funds (\$-) are not reflected above in revenues and expenditures.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
PUBLIC SAFETY FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes:				
Sales	\$ 8,973,405	\$ 10,627,925	\$ 10,633,587	\$ 5,662
Ad valorem	1,350,000	1,350,000	1,399,807	49,807
Federal and state grants	-	90,000	-	(90,000)
Other state and local governmental revenues	1,455,000	1,455,000	1,455,117	117
Service charges	200,000	200,000	290,301	90,301
Other revenues, primarily interest	1,000	67,490	15,318	(52,172)
Total revenues	<u>11,979,405</u>	<u>13,790,415</u>	<u>13,794,130</u>	<u>3,715</u>
<u>EXPENDITURES:</u>				
Current:				
Police	10,364,354	10,565,341	10,084,233	481,108
Corrections facility	940,872	1,019,250	945,194	74,056
Regional training facility	282,698	314,104	293,922	20,182
Animal control	286,074	370,720	340,617	30,103
Capital outlay	796,000	2,009,712	739,141	1,270,571
Total expenditures	<u>12,669,998</u>	<u>14,279,127</u>	<u>12,403,107</u>	<u>1,876,020</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(690,593)</u>	<u>(488,712)</u>	<u>1,391,023</u>	<u>1,879,735</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	690,593	55,000	55,137	137
Total other financing sources	<u>690,593</u>	<u>55,000</u>	<u>55,137</u>	<u>137</u>
Net change in fund balances	-	(433,712)	1,446,160	1,879,872
Fund balances - beginning of year	<u>3,026,965</u>	<u>3,026,965</u>	<u>3,026,965</u>	<u>-</u>
Fund balances - end of year	<u>\$ 3,026,965</u>	<u>\$ 2,593,253</u>	<u>\$ 4,473,125</u>	<u>\$ 1,879,872</u>

*Note: The Actual on Budgetary Basis amounts above reflect the modified accrual basis of accounting, except that state supplemental pay for police (\$494,067) is not reflected above in revenues and expenditures.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
KATRINA FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Federal and state grants	\$ -	\$ 10,577,646	\$ 3,609,633	\$ (6,968,013)
Total revenues	<u>-</u>	<u>10,577,646</u>	<u>3,609,633</u>	<u>(6,968,013)</u>
<u>EXPENDITURES:</u>				
General government	-	-	79,875	(79,875)
Capital outlay	-	10,577,646	4,503,763	6,073,883
Total expenditures	<u>-</u>	<u>10,577,646</u>	<u>4,583,638</u>	<u>5,994,008</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(974,005)</u>	<u>(974,005)</u>
<u>OTHER FINANCING SOURSES (USES):</u>				
Transfers out	-	-	(134,634)	(134,634)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(134,634)</u>	<u>(134,634)</u>
Net change in fund balance	-	-	(1,108,639)	(1,108,639)
Fund balance, beginning of year	<u>(3,412,227)</u>	<u>(3,412,227)</u>	<u>(3,412,227)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (3,412,227)</u>	<u>\$ (3,412,227)</u>	<u>\$ (4,520,866)</u>	<u>\$ (1,108,639)</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Total OPEB Liability:				
Service cost	\$ 418,951	\$ 333,883	\$ 347,366	\$ 349,555
Interest cost	1,067,609	1,387,749	1,342,082	1,369,300
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(520,645)	413,478	1,439,223	(859,400)
Changes of assumptions	578,531	8,318,467	-	-
Benefit payments	<u>(1,883,820)</u>	<u>(1,707,086)</u>	<u>(1,940,710)</u>	<u>(1,333,522)</u>
Net change in total OPEB liability	(339,374)	8,746,491	1,187,961	(474,067)
Total OPEB liability - beginning	<u>49,249,994</u>	<u>40,503,503</u>	<u>39,315,542</u>	<u>39,789,609</u>
Total OPEB liability - ending	<u>\$ 48,910,620</u>	<u>\$ 49,249,994</u>	<u>\$ 40,503,503</u>	<u>\$ 39,315,542</u>
Covered-employee payroll	\$ 10,048,540	\$ 10,048,540	\$ 9,662,057	\$ 9,227,325
Net OPEB liability as a percentage of covered employee payroll	486.74%	490.12%	419.20%	426.08%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Actuarially determined contribution	\$ 2,681,963	\$ 2,536,112	\$ 2,485,004	\$ 2,512,969
Contributions in relation to the actuarially determined contribution:				
Employer contributions to trust	-	-	-	-
Employer-paid retiree premiums	(1,883,820)	(1,707,086)	(1,940,710)	(1,333,522)
Contribution deficiency	\$ 798,143	\$ 829,026	\$ 544,294	\$ 1,179,447
Covered annual payroll	\$ 10,048,540	\$ 10,048,540	\$ 9,662,057	\$ 9,227,325
Contributions as a percentage of covered employee payroll	18.75%	16.99%	20.09%	14.45%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2021*

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
<u>Municipal System</u>							
City's Proportion of the Net Pension Liability	3.77861%	3.88141%	3.99688%	3.96208%	3.66849%	3.68263%	3.58843%
City's Proportionate Share of the Net Pension Liability	\$ 16,336,459	\$ 16,129,078	\$ 16,549,796	\$ 16,575,064	\$ 15,036,066	\$ 13,154,743	\$ 9,209,507
City's Covered Payroll	\$ 7,313,765	\$ 6,957,556	\$ 7,009,489	\$ 6,662,801	\$ 6,415,651	\$ 5,576,000	\$ 5,292,000
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	223.37%	231.82%	236.11%	248.77%	234.37%	235.92%	174.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	64.52%	64.68%	63.94%	62.50%	62.11%	66.18%	73.99%
<u>Police System</u>							
City's Proportion of the Net Pension Liability	1.667760%	1.516436%	1.648868%	1.586870%	1.613780%	1.592232%	1.518915%
City's Proportionate Share of the Net Pension Liability	\$ 15,413,971	\$ 13,771,779	\$ 13,939,631	\$ 13,854,064	\$ 15,125,703	\$ 12,473,473	\$ 9,502,271
City's Covered Payroll	\$ 4,800,992	\$ 4,732,287	\$ 5,018,855	\$ 4,750,774	\$ 4,483,688	\$ 4,076,000	\$ 3,820,000
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	321.06%	291.02%	277.75%	291.62%	337.35%	306.02%	248.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.00%	71.00%	71.89%	70.01%	66.04%	70.73%	75.10%
<u>LASERS System</u>							
City's Proportion of the Net Pension Liability	0.00211%	0.00213%	0.00216%	0.00213%	0.00206%	0.00186%	0.00182%
City's Proportionate Share of the Net Pension Liability	\$ 174,180	\$ 154,172	\$ 147,038	\$ 149,646	\$ 161,527	\$ 126,644	\$ 113,961
City's Covered Payroll	\$ 40,624	\$ 39,440	\$ 39,440	\$ 37,455	\$ 35,917	\$ 34,000	\$ 34,000
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	428.76%	390.90%	372.81%	399.54%	449.72%	372.48%	335.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.00%	62.90%	64.30%	62.50%	57.70%	62.66%	65.02%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

*The amounts presented have a measurement date of the previous fiscal year end.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF CONTRIBUTIONS - RETIREMENT PLAN
FOR THE YEAR ENDED JUNE 30, 2021

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
<u>Municipal System</u>							
Contractually Required Contribution	\$ 2,007,112	\$ 1,901,579	\$ 1,808,964	\$ 1,734,849	\$ 1,515,787	\$ 1,267,000	\$ 1,101,000
Contributions in Relation to the Contractually Required Contribution	<u>(2,007,112)</u>	<u>(1,901,579)</u>	<u>(1,808,964)</u>	<u>(1,734,849)</u>	<u>(1,515,787)</u>	<u>(1,267,091)</u>	<u>(1,303,828)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (91)</u>	<u>\$ (202,828)</u>
City's Covered Payroll	\$ 6,803,770	\$ 7,313,765	\$ 6,957,556	\$ 7,009,489	\$ 6,662,801	\$ 5,642,000	\$ 5,576,000
Contributions as a Percentage of Covered Payroll	29.50%	26.00%	26.00%	24.75%	22.75%	22.46%	23.38%
<u>Police System</u>							
Contractually Required Contribution	\$ 1,624,873	\$ 1,561,544	\$ 1,526,162	\$ 1,543,299	\$ 1,510,089	\$ 1,323,000	\$ 1,285,000
Contributions in Relation to the Contractually Required Contribution	<u>(1,624,873)</u>	<u>(1,561,544)</u>	<u>(1,526,162)</u>	<u>(1,543,299)</u>	<u>(1,510,089)</u>	<u>(1,323,195)</u>	<u>(1,318,452)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (195)</u>	<u>\$ (33,452)</u>
City's Covered Payroll	\$ 4,814,419	\$ 4,800,992	\$ 4,732,287	\$ 5,018,855	\$ 4,750,774	\$ 4,298,000	\$ 4,076,000
Contributions as a Percentage of Covered Payroll	33.75%	32.53%	32.25%	30.75%	31.79%	30.79%	32.35%
<u>LASERS System</u>							
Contractually Required Contribution	\$ 17,933	\$ 17,143	\$ 15,816	\$ 15,816	\$ 14,233	\$ 13,700	\$ 14,300
Contributions in Relation to the Contractually Required Contribution	<u>(17,933)</u>	<u>(17,143)</u>	<u>(15,816)</u>	<u>(15,816)</u>	<u>(14,233)</u>	<u>(14,320)</u>	<u>(13,786)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (620)</u>	<u>\$ 514</u>
City's Covered Payroll	\$ 41,131	\$ 40,624	\$ 39,440	\$ 39,440	\$ 37,455	\$ 35,000	\$ 34,000
Contributions as a Percentage of Covered Payroll	43.60%	42.20%	40.10%	40.10%	38.00%	40.91%	40.55%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF SLIDELL, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2021

(1) PENSION PLAN SCHEDULES

Changes of Benefit Terms

For MERS and MPERS, there were no changes of benefit terms during any of the years presented.

For LASERS, a 1.5% COLA, effective July 1, 2016, was provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and the system added benefits for members of the Harbor Police Retirement System which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

Changes of Assumptions

For MERS, for the valuation year ended June 30, 2020, the investment rate of return was decreased from 7.0% to 6.95%. For the valuation year ended June 30, 2019, the investment rate of return was decreased from 7.275% to 7.0% and the rate of inflation was decreased from 2.60% to 2.50%. For the valuation year ended June 30, 2018, the investment rate of return was decreased from 7.4% to 7.275% and the rate of inflation was decreased from 2.775% to 2.60%. For the valuation year ended June 30, 2017, the investment rate of return was decreased from 7.5% to 7.4%, the rate for projected salary increases was decreased from 5.0% to 4.5%, and the salary growth rates were changed over various years of service.

For MPERS, the investment rate of return decreased from 7.125% to 6.950%, the salary growth rate increased from 9.75% for 1-2 years of service to 12.30%, the salary growth rate decreased from 4.75% for 3-23 years of service to 4.70%, and the salary growth rate decreased for over 23 years to 2.70%. Additionally, the mortality tables changed from RP-200 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA for healthy annuitants and beneficiaries, RP-200 Disabled Lives Table, and RP-200 Employee Table to Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees, Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees, and Pub-2010 Public Retirement Plans Morality Table for Safety Below-Median Employees. For the valuation year ended June 30, 2019, the investment rate of return decreased from 7.20% to 7.125% and the inflation rate decreased from 2.60% to 2.50%. For the valuation year ended June 30, 2018, the investment rate of return decreased from 7.325% to 7.20% and the inflation rate decreased from 2.70% to 2.60%. For the valuation year ended June 30, 2017, the inflation rate decreased from 2.875% to 2.70%.

For LASERS, for the valuation year ended June 30, 2020, the investment rate of return decreased from 7.60% to 7.55%, the inflation rate decreased from 2.5% to 2.3%, and salary increases decreased from 2.8% to 14.0% to 2.6% to 13.8%. For the valuation year ended June 30, 2019, the investment rate of return was decreased from 7.65% to 7.60%. For the valuation year ended June 30, 2018, the investment rate of return was decreased from 7.70% to 7.65%.

(2) OPEB SCHEDULES

Changes of Benefit Terms

There were no changes of benefit terms during any of the years presented.

CITY OF SLIDELL, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION (CONTINUED)
JUNE 30, 2021

(2) OPEB SCHEDULES (CONTINUED)

Changes of Assumptions

For the year ended June 30, 2021, the Assessor changed its assumptions related to trends, mortality and discount rates. These changes had a cumulative effect of \$462,824. As of June 30, 2021 the valuation date was 7/1/20, the discount rate was 2.21 % annually (beginning of year to determine ADC) and 2.16% annually (as of end of year measurement date). As of June 30, 2020, the valuation date was 7/1/19 and the discount rate was 3.50% annually(beginning of year to determine ADC) and 2.21% annually (as of end of year measurement date). As of June 30, 2018 the valuation date was 7/1/18 and the discount rate was 3.50 % annually.

Assumptions to Arrive at Actuarial Determined Contribution

Valuation date	7/1/20 Actuarially determined contributions are calculated as of the last day of the fiscal year in which contributions are reported.
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level dollar, open
Amortization period	30 years
Asset valuation method	Market value
Inflation	2.5% annually
Healthcare trend rate	Flat 5.5% annually, 4.5% thereafter
Salary increases	4.0% annually
Discount rate	2.21% annually (Beginning of year) 2.26% annually (End of year)
Retirement age	3 years after the following: attainment of 25 years of service at any age; or, age 60 and 10 years of service; for employees hired after 12/31/2012: 3 years after age 55 and 30 years of service; age 62 and 10 years of service; or age 67 and 7 years of service; for police, 3 years after 25 years of service; or age 50 and 20 years or service; or 55 and 12 years of service
Mortality	RP-2000 without projection
Turnover	Age specific table with an average of 17% when applied to the active census

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OTHER SUPPLEMENTARY INFORMATION

CITY OF SLIDELL, LOUISIANA
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose.

Community Development Block Grant Fund – accounts for the proceeds of entitlement grants received from the Department of Housing and Urban Development.

DISA Fund – accounts for revenues earned through the lease of a City-owned building which are used for the upkeep and maintenance of the building.

American Rescue Plan Fund – accounts for the proceeds of coronavirus fiscal recovery funds received from the U.S. Department of the Treasury.

CAPITAL PROJECTS FUNDS

Capital Projects funds account for the purchase, construction and renovation of the City's major capital facilities. Their resources are derived principally from proceeds of general obligation or sales tax bonds, certificates of indebtedness and U.S. Government and other agencies grants.

City Capital Construction Fund – was established to account for monies received from an outside agency and proceeds from the sales of City property.

Public Works Fund – accounts for transfers from the DISA Fund.

General Obligation Bonds 2010 Fund – accounts for improvements to the City's streets, bridges and drainage. The fund's resources are derived from the proceeds of a general obligation bond.

DEBT SERVICE FUNDS

Debt Service funds are used to account for and report financial resources restricted, committed, or assigned to pay debt principal and interest on general long-term debt. They do not include debt issued by the Proprietary Funds.

Debt Service Fund – was established to accumulate monies for the payments of General Obligation Bonds, Series 2010; Refunding Bonds, Series 2016; General Obligation Bonds, Series 2016; Public Improvement Bonds, Series 2003; and LCDA Loan, Series 1991. The bonds are secured through the City's ad valorem and sales and use taxes.

CITY OF SLIDELL, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

ASSETS

	Special Revenue			Debt Service	Capital Projects			Total
	Community Development Block Grant	DISA	American Rescue Plan	Debt Service	Public Works	General Obligation Bonds 2010 Fund	City Capital Construction	Nonmajor Governmental Funds
<u>CURRENT ASSETS:</u>								
Investments	\$ -	\$ -	\$ -	\$ 2,388,036	\$ -	\$ -	\$ -	\$ 2,388,036
Other receivables	-	13,956	-	-	-	-	-	13,956
Due from other governments								
U.S. Government	-	593	-	-	-	-	-	593
Local entities	-	-	-	-	-	-	-	-
Due from other funds	-	2,014,406	-	148,666	1,455,754	-	1,912,852	5,531,678
Prepaid items	-	30,176	-	-	-	-	-	30,176
Restricted assets:								
Cash	-	-	2,378,882	-	-	430,636	-	2,809,518
Total assets	\$ -	\$ 2,059,131	\$ 2,378,882	\$ 2,536,702	\$ 1,455,754	\$ 430,636	\$ 1,912,852	\$ 10,773,957

LIABILITIES AND FUND BALANCES

<u>LIABILITIES:</u>								
Accounts payable and accrued expenditures	\$ -	\$ 35,394	\$ 2,378,882	\$ 2,414,276	\$ -	\$ 81,605	\$ -	\$ 2,495,881
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	-	35,394	2,378,882	2,414,276	-	81,605	-	2,495,881
<u>DEFERRED INFLOWS OF RESOURCES:</u>								
Unavailable revenue - intergovernmental	-	593	-	593	-	-	-	593
Total deferred inflows of resources	-	593	-	593	-	-	-	593
<u>FUND BALANCES:</u>								
Nonspendable:								
Prepaid items	-	30,176	-	30,176	-	-	-	30,176
Restricted for:								
Debt service	-	-	-	-	2,536,702	-	-	2,536,702
Streets and drainage	-	-	-	-	-	430,636	-	430,636
Committed to:								
Capital outlay	-	189,925	-	189,925	-	-	1,912,852	3,476,926
Contingencies	-	1,574,523	-	1,574,523	-	-	-	1,574,523
Assigned to:								
Public improvements	-	228,520	-	228,520	-	-	-	228,520
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	-	2,023,144	-	2,023,144	2,536,702	1,374,149	430,636	1,912,852
Total liabilities and fund balances	\$ -	\$ 2,059,131	\$ 2,378,882	\$ 4,438,013	\$ 2,536,702	\$ 1,455,754	\$ 430,636	\$ 10,773,957

See Independent Auditors' Report

CITY OF SLIDELL, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AN CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue			Debt Service	Capital Projects			Total
	Community Development Block Grant	DISA	American Rescue Plan	Debt Service	Public Works	General Obligation Bonds 2010 Fund	City Capital Construction	Nonmajor Governmental Funds
<u>REVENUES:</u>								
Taxes	\$ -	\$ -	\$ -	\$ 1,641,154	\$ -	\$ -	\$ -	\$ 1,641,154
Intergovernmental revenues								
Federal/state grants	167,825	-	-	167,825	-	-	-	167,825
Service charges	-	1,005,778	-	1,005,778	-	-	-	1,005,778
Other revenues, primarily interest and tuition	-	-	-	1,494	-	300	-	1,794
Total revenues	<u>167,825</u>	<u>1,005,778</u>	<u>-</u>	<u>1,173,603</u>	<u>1,642,648</u>	<u>-</u>	<u>300</u>	<u>2,816,551</u>
<u>EXPENDITURES:</u>								
General government	26,705	934,432	-	961,137	16,463	-	-	977,600
Debt service:								
Principal retirement	-	-	-	-	999,000	-	-	999,000
Interest and fiscal charges	-	-	-	-	520,680	-	-	520,680
Capital outlay	141,120	67,851	-	208,971	-	200,743	42,771	452,485
Total expenditures	<u>167,825</u>	<u>1,002,283</u>	<u>-</u>	<u>1,170,108</u>	<u>1,536,143</u>	<u>200,743</u>	<u>42,771</u>	<u>2,949,765</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>3,495</u>	<u>-</u>	<u>3,495</u>	<u>106,505</u>	<u>(200,743)</u>	<u>(42,471)</u>	<u>(133,214)</u>
<u>OTHER FINANCING SOURCES (USES):</u>								
Transfers in	-	29,339	-	29,339	-	-	-	29,339
Transfers out	-	-	-	-	-	-	(7,376)	(7,376)
Total other financing sources	<u>-</u>	<u>29,339</u>	<u>-</u>	<u>29,339</u>	<u>-</u>	<u>-</u>	<u>(7,376)</u>	<u>21,963</u>
Net change in fund balances	-	32,834	-	32,834	106,505	(200,743)	(42,471)	(111,251)
Fund balances, beginning of year	-	1,990,310	-	1,990,310	2,430,197	1,574,892	473,107	1,920,228
Fund balances, end of year	<u>\$ -</u>	<u>\$ 2,023,144</u>	<u>\$ -</u>	<u>\$ 2,023,144</u>	<u>\$ 2,536,702</u>	<u>\$ 1,374,149</u>	<u>\$ 430,636</u>	<u>\$ 1,912,852</u>

See Independent Auditors' Report

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental revenues	\$ 180,000	\$ 317,056	\$ 167,825	\$ (149,231)
Total revenues	<u>180,000</u>	<u>317,056</u>	<u>167,825</u>	<u>(149,231)</u>
<u>EXPENDITURES:</u>				
General government	-	-	26,705	(26,705)
Capital outlay	<u>180,000</u>	<u>317,056</u>	<u>141,120</u>	<u>175,936</u>
Total expenditures	<u>180,000</u>	<u>317,056</u>	<u>167,825</u>	<u>149,231</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
DISA FUND
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Service charges	\$ 1,015,953	\$ 1,015,953	\$ 1,005,778	\$ (10,175)
Total revenues	<u>1,015,953</u>	<u>1,015,953</u>	<u>1,005,778</u>	<u>(10,175)</u>
<u>EXPENDITURES:</u>				
General government	975,953	1,005,292	934,432	70,860
Capital outlay	40,000	257,776	67,851	189,925
Total expenditures	<u>1,015,953</u>	<u>1,263,068</u>	<u>1,002,283</u>	<u>260,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(247,115)</u>	<u>3,495</u>	<u>250,610</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	-	29,339	29,339	-
Transfers out	-	-	-	-
Total other financing sources	<u>-</u>	<u>29,339</u>	<u>29,339</u>	<u>-</u>
Net change in fund balance	-	(217,776)	32,834	250,610
Fund balance, beginning of year	<u>1,990,310</u>	<u>1,990,310</u>	<u>1,990,310</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,990,310</u>	<u>\$ 1,772,534</u>	<u>\$ 2,023,144</u>	<u>\$ 250,610</u>

CITY OF SLIDELL, LOUISIANA
BALANCE SHEET
CAMELLIA SQUARE ECONOMIC DEVELOPMENT DISTRICT
JUNE 30, 2021

ASSETS

	General Fund
<u>CURRENT ASSETS:</u>	
Receivables, net of allowances for uncollectibles:	
Taxes	\$ 23,766
Restricted assets:	
Cash	31,226
Total assets	\$ 54,992

LIABILITIES AND FUND BALANCES

<u>LIABILITIES:</u>	
Accounts payable and other current liabilities	\$ 434
Due to other government	257
Total liabilities	691
<u>FUND BALANCES:</u>	
Restricted for economic development	54,301
Total fund balances	54,301
Total liabilities and fund balances	\$ 54,992

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
CAMELLIA SQUARE ECONOMIC DEVELOPMENT DISTRICT
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes:				
Sales and use	\$ 61,000	\$ 98,177	\$ 98,177	\$ -
Hotel occupancy	24,000	24,564	24,564	-
Other revenue	<u>200</u>	<u>10</u>	<u>10</u>	-
Total revenues	<u>85,200</u>	<u>122,751</u>	<u>122,751</u>	<u>-</u>
<u>EXPENDITURES:</u>				
General government	3,500	5,220	5,218	2
Economic development	<u>81,700</u>	<u>92,914</u>	<u>92,914</u>	-
Total expenditures	<u>85,200</u>	<u>98,134</u>	<u>98,132</u>	<u>2</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>24,617</u>	<u>24,619</u>	<u>2</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Net change in fund balance	-	24,617	24,619	2
Fund balance, beginning of year	<u>-</u>	<u>45,932</u>	<u>29,682</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 70,549</u>	<u>\$ 54,301</u>	<u>\$ 2</u>

CITY OF SLIDELL, LOUISIANA
BALANCE SHEET
NORTHSHORE SQUARE ECONOMIC DEVELOPMENT DISTRICT
JUNE 30, 2021

ASSETS

	General Fund
<u>CURRENT ASSETS:</u>	
Receivables, net of allowances for uncollectibles:	
Taxes	\$ 17,729
Restricted assets:	
Cash	28,414
Total assets	\$ 46,143

LIABILITIES AND FUND BALANCES

<u>LIABILITIES:</u>	
Accounts payable and other current liabilities	\$ 355
Due to other government	120
Total liabilities	475
<u>FUND BALANCES:</u>	
Restricted for economic development	45,668
Total fund balances	45,668
Total liabilities and fund balances	\$ 46,143

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
NORTHSHORE SQUARE ECONOMIC DEVELOPMENT DISTRICT
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes:				
Sales and use	\$ 67,000	\$ 106,924	\$ 106,924	\$ -
Other revenue	<u>100</u>	<u>90</u>	<u>10</u>	<u>(80)</u>
Total revenues	<u>67,100</u>	<u>107,014</u>	<u>106,934</u>	<u>(80)</u>
<u>EXPENDITURES:</u>				
General government	2,100	4,461	4,561	(100)
Economic development	<u>65,000</u>	<u>89,572</u>	<u>89,572</u>	<u>-</u>
Total expenditures	<u>67,100</u>	<u>94,033</u>	<u>94,133</u>	<u>(100)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>12,981</u>	<u>12,801</u>	<u>(180)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Net change in fund balance	-	12,981	12,801	(180)
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>32,867</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ 12,981</u>	<u>\$ 45,668</u>	<u>\$ (180)</u>

CITY OF SLIDELL, LOUISIANA
FIDUCIARY FUND
JUNE 30, 2021

CUSTODIAL FUND

Custodial funds are used to account for assets held by the City as an agent for individuals, private organizations and/or other funds.

Animal Assistance League of Slidell - This fund is used for the care and protection of stray animals.

CITY OF SLIDELL, LOUISIANA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUND
JUNE 30, 2021

	Custodial Funds
	Animal Assistance League of Slidell
<u>ASSETS:</u>	
Cash and cash equivalents	\$ 6,050
Restricted cash	96,293
Due from General Fund	277,177
Total assets	\$ 379,520
<u>LIABILITIES:</u>	
Accounts payable	\$ 7,128
Due to local entities	372,392
Total liabilities	\$ 379,520

CITY OF SLIDELL, LOUISIANA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2021

ANIMAL ASSISTANCE LEAGUE OF SLIDELL

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021
<u>ASSETS:</u>				
Cash and cash equivalents	\$ 1,050	\$ 5,000	\$ -	\$ 6,050
Restricted cash	96,140	153	-	96,293
Due from General Fund	<u>269,200</u>	<u>56,003</u>	<u>48,026</u>	<u>277,177</u>
 Total assets	 <u>\$ 366,390</u>	 <u>\$ 61,156</u>	 <u>\$ 48,026</u>	 <u>\$ 379,520</u>
<u>LIABILITIES:</u>				
Accounts payable	\$ 884	\$ 54,200	\$ 47,956	\$ 7,128
Due to local entities	<u>365,506</u>	<u>6,886</u>	<u>-</u>	<u>372,392</u>
 Total liabilities	 <u>\$ 366,390</u>	 <u>\$ 61,086</u>	 <u>\$ 47,956</u>	 <u>\$ 379,520</u>

SUPPORTING SCHEDULES

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (BUDGETARY BASIS)
GENERAL FUND
FOR YEAR ENDED JUNE 30, 2021

	<u>Salaries, Wages and Related Benefits</u>	<u>Contract Services</u>	<u>Supplies and Materials</u>	<u>Equipment</u>	<u>Museum/ Arts Evening</u>	<u>Community Service</u>	<u>Legal Fees and Claims</u>	<u>Main Street/ Planning & Zoning</u>	<u>Total</u>
Administrative	\$ 768,505	\$ 102,260	\$ 4,240	\$ 2,172	\$ -	\$ -	\$ -	\$ -	\$ 877,177
Finance	662,486	77,537	33,681	119	-	-	-	-	773,823
Legal	284,929	54,481	3,797	3,298	-	-	250,000	-	596,505
Data processing	213,042	252,963	152,874	4,680	-	-	-	-	623,559
Purchasing	246,972	3,588	6,517	694	-	-	-	-	257,771
Civil service	211,237	65,724	26,586	931	-	-	-	-	304,478
Legislative	582,337	91,696	7,398	-	-	-	-	-	681,431
Risk management	590,488	4,024	3,211	-	-	5,000	-	-	602,723
Permits	558,433	28,222	14,338	-	-	-	-	-	600,993
Planning	361,867	19,443	5,396	465	-	-	-	25,000	412,171
Cultural arts	204,421	38,809	11,373	7,985	29,858	-	-	-	292,446
City Marshall	196,605	15,000	2,040	-	-	-	-	-	213,645
City Prosecutor	223,208	3,719	6,038	261	-	-	-	-	233,226
City Court	122,368	-	2,615	-	-	-	-	-	124,983
Total expenditures	<u>\$ 5,226,898</u>	<u>\$ 757,466</u>	<u>\$ 280,104</u>	<u>\$ 20,605</u>	<u>\$ 29,858</u>	<u>\$ 5,000</u>	<u>\$ 250,000</u>	<u>\$ 25,000</u>	<u>\$ 6,594,931</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (BUDGETARY BASIS)
SALES TAX FUND
FOR YEAR ENDED JUNE 30, 2021

	Salaries, Wages and Related Benefits	Contract Services	Supplies and Materials	Equipment	Legal Fees and Claims	Heritage Festival	Total
Administrative	\$ 833,547	\$ 2,586,009	\$ 4,026	\$ 400	\$ -	\$ -	\$ 3,423,982
Streets, bridges and drainage	1,501,066	152,259	430,696	2,583	-	-	2,086,604
Engineering	460,605	12,891	17,583	-	-	-	491,079
Electrical	178,282	1,126	9,818	485	-	-	189,711
General maintenance	238,584	85,438	123,859	5,545	-	-	453,426
Vehicle maintenance	429,246	21,190	74,847	5,683	-	-	530,966
Parks and recreation	<u>1,214,848</u>	<u>337,054</u>	<u>144,817</u>	<u>11,066</u>	-	<u>10,500</u>	<u>1,718,285</u>
Total expenditures	<u>\$ 4,856,178</u>	<u>\$ 3,195,967</u>	<u>\$ 805,646</u>	<u>\$ 25,762</u>	<u>\$ -</u>	<u>\$ 10,500</u>	<u>\$ 8,894,053</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (BUDGETARY BASIS)
PUBLIC SAFETY FUND
FOR YEAR ENDED JUNE 30, 2021

	Salaries, Wages and Related Benefits	Contract Services	Supplies and Materials	Equipment	Total
Police	\$ 9,365,657	\$ 278,031	\$ 436,624	\$ 3,921	\$ 10,084,233
Corrections facility	823,556	94,162	27,476	-	945,194
Regional training facility	181,938	53,098	58,886	-	293,922
Animal control	<u>305,203</u>	<u>3,911</u>	<u>27,196</u>	<u>4,307</u>	<u>340,617</u>
Total expenditures	<u>\$ 10,676,354</u>	<u>\$ 429,202</u>	<u>\$ 550,182</u>	<u>\$ 8,228</u>	<u>\$ 11,663,966</u>

*Note: The Actual on Budgetary Basis amounts above reflect the modified accrual basis of accounting, except that state supplemental pay for police (\$494,067) is not reflected above in revenues or expenditures.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF COUNCILPERSONS' COMPENSATION
FOR YEAR ENDED JUNE 30, 2021

<u>COUNCILPERSON</u>		<u>COMPENSATION</u>
William Borchert	S	22,768
Glynn Pichon		22,768
Warren Crockett		22,768
Leslie Denham		22,768
David Dunham		22,768
Kim Baronet Harbison		22,768
Cynthia King		22,768
Kenneth Tamborella		22,768
Valsin Vanney		22,768

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2021

		Mayor Greg Cromer
Salary	\$	124,630
Benefits - medical and dental insurance		15,930
Benefits - retirement (deferred comp)		36,766
Benefits - life insurance		299
Benefits - disability insurance		317
Car allowance		6,600
Per diem		-
Travel		-
Registration fees		-
Conference travel		-
Special meals		245
		245
 Total compensation, benefits, and other payments	 \$	 <u>184,787</u>

CITY OF SLIDELL, LOUISIANA
JUSTICE SYSTEM FUNDING SCHEUDLE - RECEIVING ENTITY
FOR THE YEAR ENDED JUNE 30, 2021

<i>Cash Basis Presentation</i>	First Six Month Period End December 31, 2020	Second Six Month Period End June 30, 2021
Receipts from:		
City Court of East St. Tammany, Criminal fees - other	\$ 94,417	\$ 104,772
City Court of East St. Tammany, Criminal court costs/fees	21,128	24,222
City Court of East St. Tammany, Bond fees	<u>1,421</u>	<u>1,302</u>
Total Receipts	<u>\$ 116,966</u>	<u>\$ 130,296</u>
Ending balance of amounts assessed but not received	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

This part of the City of Slidell, Louisiana's (the "City") comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

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Financial Trends

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

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These schedules contain information to help the reader assess the City's property tax.

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

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

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Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; tables presenting government-wide information include information beginning in that year.

CITY OF SLIDELL, LOUISIANA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 1

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net investment in capital assets	\$ 96,377,271	\$ 96,620,849	\$ 105,863,429	\$ 110,077,230	\$ 112,257,231	\$ 115,852,285	\$ 121,778,085	\$ 153,887,052	\$ 164,637,972	\$ 165,139,686
Restricted	2,268,579	1,968,120	1,944,959	1,935,784	2,151,136	2,517,595	2,598,393	2,647,749	12,424,765	11,077,872
Unrestricted	<u>11,275,798</u>	<u>12,765,363</u>	<u>16,982,470</u>	<u>(2,236,414)</u>	<u>(258,836)</u>	<u>(254,087)</u>	<u>(22,333,860)</u>	<u>(21,078,132)</u>	<u>(30,193,464)</u>	<u>(24,790,721)</u>
Total governmental activities net position	<u>\$ 109,921,648</u>	<u>\$ 111,354,332</u>	<u>\$ 124,790,858</u>	<u>\$ 109,776,600</u>	<u>\$ 114,149,531</u>	<u>\$ 118,115,793</u>	<u>\$ 102,042,618</u>	<u>\$ 135,456,669</u>	<u>\$ 146,869,273</u>	<u>\$ 151,426,837</u>
Business-Type Activities										
Net investment in capital assets	\$ 44,870,637	\$ 44,815,853	\$ 45,992,103	\$ 46,008,954	\$ 46,078,298	\$ 50,248,160	\$ 50,861,923	\$ 50,425,447	\$ 54,651,272	\$ 56,177,924
Restricted	1,020,672	365,891	364,825	337,806	218,108	162,816	784,053	789,605	785,319	785,283
Unrestricted	<u>5,393,149</u>	<u>6,719,480</u>	<u>6,782,823</u>	<u>4,963,616</u>	<u>6,992,581</u>	<u>8,185,227</u>	<u>3,607,650</u>	<u>5,633,278</u>	<u>8,156,775</u>	<u>9,908,438</u>
Total business-type activities net position	<u>\$ 51,284,458</u>	<u>\$ 51,901,224</u>	<u>\$ 53,139,751</u>	<u>\$ 51,310,376</u>	<u>\$ 53,288,987</u>	<u>\$ 58,596,203</u>	<u>\$ 55,253,626</u>	<u>\$ 56,848,330</u>	<u>\$ 63,593,366</u>	<u>\$ 66,871,645</u>
Primary Government										
Net investment in capital assets	\$ 141,247,908	\$ 141,436,702	\$ 151,855,532	\$ 156,086,184	\$ 158,335,529	\$ 166,100,445	\$ 172,640,008	\$ 204,312,499	\$ 219,289,244	\$ 221,317,610
Restricted	3,289,251	2,334,011	2,309,784	2,273,590	2,369,244	2,680,411	3,382,446	3,437,354	13,210,084	11,863,155
Unrestricted	<u>16,668,947</u>	<u>19,484,843</u>	<u>23,765,293</u>	<u>2,727,202</u>	<u>6,733,745</u>	<u>7,931,140</u>	<u>(18,726,210)</u>	<u>(15,444,854)</u>	<u>(22,036,689)</u>	<u>(14,882,283)</u>
Total primary government net position	<u>\$ 161,206,106</u>	<u>\$ 163,255,556</u>	<u>\$ 177,930,609</u>	<u>\$ 161,086,976</u>	<u>\$ 167,438,518</u>	<u>\$ 176,711,996</u>	<u>\$ 157,296,244</u>	<u>\$ 192,304,999</u>	<u>\$ 210,462,639</u>	<u>\$ 218,298,482</u>

CITY OF SLIDELL, LOUISIANA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 2

Expenses	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities:										
General government	\$ 9,283,019	\$ 9,646,398	\$ 9,484,652	\$ 9,580,823	\$ 10,300,723	\$ 9,908,542	\$ 9,623,366	\$ 9,964,066	\$ 9,487,377	\$ 11,568,059
Public works	11,428,558	13,090,015	14,630,818	14,013,867	15,680,663	17,614,676	14,968,155	13,138,013	13,850,841	14,769,977
Public safety	10,110,483	10,747,248	10,696,681	11,808,793	12,143,610	12,929,437	12,758,109	12,921,682	14,279,130	13,469,894
Recreation and culture	2,644,291	2,063,753	1,979,693	2,091,626	2,335,422	2,229,585	2,431,651	2,577,823	3,100,446	3,253,980
Judicial system	420,504	437,307	373,389	396,846	474,972	555,810	511,858	502,549	536,729	664,232
Interest on long-term debt	709,649	641,998	509,918	469,907	414,182	615,151	588,415	560,782	533,169	500,807
Bond issuance costs	-	-	-	-	80,855	248,697	-	6,675	-	-
Total governmental activities expenses	<u>34,596,504</u>	<u>36,626,719</u>	<u>37,675,151</u>	<u>38,361,862</u>	<u>41,430,427</u>	<u>44,101,898</u>	<u>40,881,554</u>	<u>39,671,590</u>	<u>41,787,692</u>	<u>44,226,949</u>
Business-type activities:										
Utilities	10,078,812	10,031,018	10,208,370	10,272,796	10,485,691	10,679,617	10,933,101	10,965,054	11,254,535	9,729,410
Airport	1,120,767	1,194,655	1,039,799	1,007,560	970,750	1,125,221	1,235,074	1,283,910	1,214,300	1,247,197
Total business-type activities expenses	<u>11,199,579</u>	<u>11,225,673</u>	<u>11,248,169</u>	<u>11,280,356</u>	<u>11,456,441</u>	<u>11,804,838</u>	<u>12,168,175</u>	<u>12,248,964</u>	<u>12,468,835</u>	<u>10,976,607</u>
Total primary government expenses	<u>\$ 45,796,083</u>	<u>\$ 47,852,392</u>	<u>\$ 48,923,320</u>	<u>\$ 49,642,218</u>	<u>\$ 52,886,868</u>	<u>\$ 55,906,736</u>	<u>\$ 53,049,729</u>	<u>\$ 51,920,554</u>	<u>\$ 54,256,527</u>	<u>\$ 55,203,556</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 4,215,048	\$ 4,191,714	\$ 3,557,467	\$ 3,958,521	\$ 3,819,562	\$ 3,706,168	\$ 3,050,662	\$ 3,062,072	\$ 3,804,579	\$ 3,665,041
Public works	335,367	294,012	492,521	622,261	405,610	308,705	279,114	521,279	-	-
Public safety	1,035,330	1,022,664	926,715	923,583	957,568	994,037	1,044,678	1,169,795	1,174,404	1,598,184
Recreation and culture	18,255	87,165	107,631	90,820	131,610	109,123	217,285	195,116	27,761	42,116
Judicial system	35,007	15,894	42,288	39,945	43,821	47,438	52,494	50,788	48,419	56,690
Operating grants and contribution:										
General government	577,479	317,926	699,533	323,423	1,112,432	1,390,085	273,284	455,417	131,965	1,445,677
Public works	1,081,905	3,881,803	5,241,718	2,028,400	3,330,837	5,280,417	3,755,800	2,066,057	90,913	103,427
Public safety	585,052	596,579	580,346	903,347	982,385	798,656	993,315	945,018	1,604,157	797,986
Recreation and culture	61,817	29,958	205,190	214,844	175,701	191,811	201,355	170,303	133,866	136,753
Judicial system	-	4,699	-	8,224	8,895	10,962	4,390	4,488	-	-
Capital grants and contributions:										
General government	500,783	151,424	(78,704)	39,168	240,862	(136,738)	-	-	22,038	-
Public works	5,741,151	1,207,872	11,242,720	4,832,529	5,651,961	7,692,981	6,817,190	34,938,010	20,212,338	7,241,165
Public safety	241,128	82,996	96,873	129,385	627,264	104,122	26,247	-	15,220	-
Recreation and culture	1,385,479	3,633	313,172	317,571	51,189	(8,997)	1,686,169	78,343	345,888	160,282
Judicial system	-	-	-	-	-	38,652	-	-	-	-
Total governmental activities program revenues	<u>15,813,801</u>	<u>11,888,339</u>	<u>23,427,470</u>	<u>14,432,021</u>	<u>17,539,697</u>	<u>20,527,422</u>	<u>18,401,983</u>	<u>43,656,686</u>	<u>27,611,548</u>	<u>15,247,321</u>

CITY OF SLIDELL, LOUISIANA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS - CONTINUED
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 2

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities:										
Charges for services:										
Utilities	9,301,875	9,516,836	9,594,013	9,806,762	9,969,089	9,972,551	10,132,651	10,561,806	10,270,272	10,738,290
Airport	640,733	695,547	503,162	516,640	399,454	493,126	675,565	892,529	737,088	807,895
Operating grants and contributions:										
Utilities	-	-	-	-	-	-	-	-	-	16,394
Airport	-	-	-	-	-	-	-	-	-	69,854
Capital grants and contributions:										
Utilities	113,113	38,250	1,316,986	394,147	1,299,983	4,541,459	1,119,251	551,029	400,661	2,612
Airport	119,595	382,806	2,441	48,870	308,598	238,944	414,853	27,765	68,727	566,842
Total business-type activities program revenues	<u>10,175,316</u>	<u>10,633,439</u>	<u>11,416,602</u>	<u>10,766,419</u>	<u>11,977,124</u>	<u>15,246,080</u>	<u>12,342,320</u>	<u>12,033,129</u>	<u>11,476,748</u>	<u>12,201,887</u>
Total primary government program revenues	<u>\$ 25,989,117</u>	<u>\$ 22,521,778</u>	<u>\$ 34,844,072</u>	<u>\$ 25,198,440</u>	<u>\$ 29,516,821</u>	<u>\$ 35,773,502</u>	<u>\$ 30,744,303</u>	<u>\$ 55,689,815</u>	<u>\$ 39,088,296</u>	<u>\$ 27,449,208</u>
Net (expense)/revenue										
Governmental activities	<u>\$ (18,782,703)</u>	<u>\$ (24,738,380)</u>	<u>\$ (14,247,681)</u>	<u>\$ (23,929,841)</u>	<u>\$ (23,890,730)</u>	<u>\$ (23,574,476)</u>	<u>\$ (22,479,571)</u>	<u>\$ 3,985,096</u>	<u>\$ (14,176,144)</u>	<u>\$ (28,979,628)</u>
Business-type activities	<u>(1,024,263)</u>	<u>(592,234)</u>	<u>168,433</u>	<u>(513,937)</u>	<u>520,683</u>	<u>3,441,242</u>	<u>174,145</u>	<u>(215,835)</u>	<u>(992,087)</u>	<u>1,225,280</u>
Total primary government net expense	<u>\$ (19,806,966)</u>	<u>\$ (25,330,614)</u>	<u>\$ (14,079,248)</u>	<u>\$ (24,443,778)</u>	<u>\$ (23,370,047)</u>	<u>\$ (20,133,234)</u>	<u>\$ (22,305,426)</u>	<u>\$ 3,769,261</u>	<u>\$ (15,168,231)</u>	<u>\$ (27,754,348)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Ad Valorem	\$ 3,866,282	\$ 4,253,539	\$ 4,230,985	\$ 4,323,125	\$ 3,580,394	\$ 4,786,055	\$ 4,757,382	\$ 4,690,635	\$ 4,843,332	\$ 4,974,570
Sales and use	17,919,089	17,992,111	18,361,905	18,849,553	19,354,308	19,604,476	19,628,574	20,691,058	21,543,977	25,867,981
Franchise	1,824,971	2,919,497	2,062,463	2,061,909	2,001,780	2,085,400	1,882,157	1,874,378	3,222,423	1,760,966
Beer	70,766	66,816	67,095	66,650	65,591	67,632	69,550	74,594	75,405	76,581
Restitution	-	-	-	350,000	2,247,255	-	-	-	-	-
Investment earnings	249,765	263,712	132,630	131,883	165,167	378,309	841,667	1,411,224	929,001	65,789
Miscellaneous	26,616	41,614	38,994	26,724	237,833	38,774	61,697	28,627	175,502	388,808
Loan cancellation	-	-	2,356,878	-	-	-	-	-	-	-
Transfers	881,145	633,775	703,423	594,701	611,333	580,092	605,052	658,439	(5,200,892)	557,583
Total governmental activities	<u>24,838,634</u>	<u>26,171,064</u>	<u>27,954,373</u>	<u>26,404,545</u>	<u>28,263,661</u>	<u>27,540,738</u>	<u>27,846,079</u>	<u>29,428,955</u>	<u>25,588,748</u>	<u>33,692,278</u>
Business-type activities:										
Taxes:										
Ad Valorem	1,669,640	1,833,422	1,892,000	1,937,536	1,975,390	2,325,836	2,368,165	2,354,574	2,412,285	2,433,337
Investment earnings	3,156	1,985	1,027	946	955	1,228	1,367	2,284	1,909	190
Miscellaneous	14,998	7,368	14,950	(67,741)	92,916	119,002	110,560	112,120	122,037	177,054
Transfers	(881,145)	(633,775)	(703,423)	(594,701)	(611,333)	(580,092)	(605,052)	(658,439)	5,200,892	(557,582)
Total business-type activities	<u>806,649</u>	<u>1,209,000</u>	<u>1,204,554</u>	<u>1,276,040</u>	<u>1,457,928</u>	<u>1,865,974</u>	<u>1,875,040</u>	<u>1,810,539</u>	<u>7,737,123</u>	<u>2,052,999</u>
Total primary government	<u>\$ 25,645,283</u>	<u>\$ 27,380,064</u>	<u>\$ 29,158,927</u>	<u>\$ 27,680,585</u>	<u>\$ 29,721,589</u>	<u>\$ 29,406,712</u>	<u>\$ 29,721,119</u>	<u>\$ 31,239,494</u>	<u>\$ 33,325,871</u>	<u>\$ 35,745,277</u>
Changes in Net Position										
Governmental activities	<u>\$ 7,814,463</u>	<u>\$ 6,055,931</u>	<u>\$ 1,432,684</u>	<u>\$ 2,474,704</u>	<u>\$ 4,372,931</u>	<u>\$ 3,966,262</u>	<u>\$ 5,366,508</u>	<u>\$ 33,414,051</u>	<u>\$ 11,412,604</u>	<u>\$ 4,712,650</u>
Business-type activities	<u>1,416,884</u>	<u>(217,614)</u>	<u>616,766</u>	<u>762,103</u>	<u>1,978,611</u>	<u>5,307,216</u>	<u>2,049,185</u>	<u>1,594,704</u>	<u>6,745,036</u>	<u>3,278,279</u>
Total primary government	<u>\$ 9,231,347</u>	<u>\$ 5,838,317</u>	<u>\$ 2,049,450</u>	<u>\$ 3,236,807</u>	<u>\$ 6,351,542</u>	<u>\$ 9,273,478</u>	<u>\$ 7,415,693</u>	<u>\$ 35,008,755</u>	<u>\$ 18,157,640</u>	<u>\$ 7,990,929</u>

CITY OF SLIDELL, LOUISIANA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 3

Fiscal Year	Sales Tax	Property Tax	Franchise Tax	Alcoholic Beverage Tax	Total
2012	\$ 17,921,402	\$ 3,866,282	\$ 1,824,971	\$ 70,766	\$ 23,683,421
2013	17,984,751	4,253,539	2,919,497	66,816	25,224,603
2014	18,361,905	4,230,984	2,062,463	67,095	24,722,447
2015	18,849,553	4,323,125	2,061,908	66,650	25,301,236
2016	19,354,308	3,580,394	2,001,780	66,591	25,003,073
2017	19,604,476	4,786,055	2,085,400	67,632	26,543,563
2018	19,628,574	4,757,382	1,882,157	69,550	26,337,663
2019	20,691,058	4,690,635	1,874,377	74,594	27,330,664
2020	21,543,977	4,843,332	3,222,423	75,405	29,685,137
2021	25,867,981	4,974,569	1,760,966	76,851	32,680,367

CITY OF SLIDELL, LOUISIANA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 4

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable*	1,601,902	1,655,956	1,564,634	1,590,133	176,269	1,364,171	1,545,009	1,643,402	1,851,974	261,091
Restricted*	275,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
Committed to*	901,000	992,000	1,374,000	1,616,000	1,616,000	1,616,000	1,709,000	1,709,000	2,444,000	2,444,000
Assigned to*	1,448,369	1,491,474	1,069,652	1,295,230	869,256	1,196,449	1,359,416	1,407,353	990,951	2,576,611
Unassigned*	387,258	1,085,113	1,497,719	951,759	2,625,579	748,571	371,738	1,597,399	2,618,701	2,822,354
Total general fund	\$ 4,613,529	\$ 5,524,543	\$ 5,806,005	\$ 5,753,122	\$ 5,587,104	\$ 5,225,191	\$ 5,285,163	\$ 6,657,154	\$ 8,205,626	\$ 8,404,056
All other governmental funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Nonspendable*	-	-	-	-	-	-	-	-	-	-
Restricted*	12,466,011	8,506,647	8,377,549	7,311,175	5,264,651	16,143,113	14,949,471	13,361,094	12,124,765	10,455,969
Committed to*	9,815,311	10,485,048	15,769,879	15,844,831	19,305,549	20,886,678	22,398,586	22,927,076	22,160,461	25,870,430
Assigned to*	4,625,721	5,693,663	3,392,001	2,522,619	1,896,732	4,602,014	1,587,520	2,225,750	-	8,241,149
Unassigned	-	-	-	-	(1,774,650)	(1,469,345)	(3,135,748)	(383,488)	2,712,618	(4,520,866)
Total all other governmental funds	\$ 26,907,043	\$ 24,685,358	\$ 27,539,429	\$ 25,678,625	\$ 24,692,282	\$ 40,162,460	\$ 35,799,829	\$ 38,130,432	\$ 36,997,844	\$ 40,046,682

*GASB Statement No. 54 changed fund balance classifications in 2011.

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

TABLE 5

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes and assessments	\$ 23,610,341	\$ 25,165,147	\$ 24,655,353	\$ 25,234,587	\$ 24,936,482	\$ 26,475,931	\$ 26,268,112	\$ 27,256,070	\$ 29,609,732	\$ 32,603,517
Licenses and permits	2,106,164	2,114,167	2,383,461	2,525,052	2,431,112	2,316,044	2,204,476	2,489,212	2,263,147	2,259,657
Intergovernmental revenue	11,056,064	7,088,868	16,439,679	8,253,019	7,840,201	19,915,456	9,889,157	42,787,414	21,705,413	8,036,273
Fines and forfeitures	333,622	273,537	273,489	280,080	272,613	257,079	285,411	241,438	225,719	279,576
Restitution	-	-	-	350,000	2,247,255	-	-	-	-	-
Lease revenues	2,751,390	2,705,834	2,008,001	2,327,449	2,132,528	2,029,073	1,542,869	1,547,003	1,599,800	1,494,554
Contributions	377,895	305,454	353,694	282,331	308,429	245,455	360,885	358,000	195,270	161,324
Other revenues, primarily interest	325,505	337,060	247,941	245,477	419,306	423,147	918,011	1,587,480	1,056,968	333,043
Total revenues	\$ 40,560,981	\$ 37,990,067	\$ 46,361,618	\$ 39,497,995	\$ 40,587,926	\$ 51,662,185	\$ 41,468,921	\$ 76,266,617	\$ 56,656,049	\$ 45,167,944
Expenditures										
Current:										
General government	\$ 8,297,155	\$ 8,723,912	\$ 8,629,951	\$ 8,668,243	\$ 9,140,898	\$ 8,648,659	\$ 8,636,539	\$ 9,197,530	\$ 9,089,953	\$ 10,613,603
Public works	6,076,453	8,593,339	9,709,417	6,459,538	6,694,891	6,343,732	5,246,796	6,405,119	6,444,305	4,841,634
Public safety	9,117,522	9,355,011	9,654,798	10,360,372	10,553,716	10,856,036	11,068,551	11,240,916	12,243,278	11,985,796
Parks and recreation	1,594,654	1,544,437	1,356,894	1,457,915	1,420,869	1,501,185	1,588,265	1,633,226	2,047,945	2,127,689
Judicial system	361,443	387,105	333,954	353,866	396,253	458,887	445,311	453,107	473,556	571,854
Debt service:										
Principal	2,502,925	2,564,513	2,173,858	2,099,600	2,191,600	1,883,100	1,192,200	901,000	948,000	999,000
Interest	957,622	588,590	503,293	440,982	379,677	414,793	605,313	577,995	552,473	520,680
Other charges	-	-	-	-	80,855	248,697	-	6,675	-	-
Capital outlay	13,662,329	8,177,606	12,518,430	12,165,867	11,530,116	19,634,975	17,955,014	42,806,894	25,062,525	10,818,003
Total expenditures	\$ 42,570,103	\$ 39,934,513	\$ 44,880,595	\$ 42,006,383	\$ 42,388,875	\$ 49,990,064	\$ 46,737,989	\$ 73,222,462	\$ 56,862,035	\$ 42,478,259
Excess of revenues over (under) expenditures	(2,009,122)	(1,944,446)	1,481,023	(2,508,388)	(1,800,949)	1,672,121	(5,269,068)	3,044,155	(205,986)	2,689,685
Other financing sources (uses)										
Transfers in	\$ 7,425,748	\$ 6,806,531	\$ 6,485,352	\$ 5,333,061	\$ 4,709,802	\$ 4,624,227	\$ 2,927,866	\$ 2,011,169	\$ 2,285,422	\$ 876,476
Transfers out	(6,544,603)	(6,172,756)	(5,781,929)	(4,738,360)	(4,098,469)	(4,044,135)	(2,322,814)	(1,352,730)	(1,663,552)	(318,893)
Premium on bonds sold	-	-	-	-	-	836,052	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-	(5,108,745)	-	-	-	-	-
Issuance of debt	-	-	-	-	5,146,000	12,000,000	-	-	-	-
Litigation settlement	-	-	-	-	-	-	381,357	-	-	-
Loan cancellation	-	-	972,260	-	-	-	-	-	-	-
Total other financing sources (uses)	881,145	633,775	1,675,683	594,701	648,588	13,416,144	986,409	658,439	621,870	557,583
Net change in fund balances	\$ (1,127,977)	\$ (1,310,671)	\$ 3,156,706	\$ (1,913,687)	\$ (1,152,361)	\$ 15,088,265	\$ (4,282,659)	\$ 3,702,594	\$ 415,884	\$ 3,247,268
Capitalized expenditures	\$ 12,675,590	\$ 7,972,405	\$ 13,847,048	\$ 9,839,988	\$ 8,725,335	\$ 10,581,076	\$ 12,953,502	\$ 41,227,524	\$ 24,025,043	\$ 9,452,472
Debt service as a percentage of noncapital expenditures	11.58%	9.87%	8.63%	7.90%	7.64%	5.83%	5.32%	4.62%	4.57%	4.60%

CITY OF SLIDELL, LOUISIANA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 6

Fiscal Year	Real Property		Commercial Personal Property		Public Service Property		Railroad Stock		Total		Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2012	\$ 162,233,882	\$ 1,622,338,820	\$ 37,314,678	\$ 248,764,520	\$ 13,016,490	\$ 86,776,600	\$ 98,340	\$ 655,600	\$ 212,663,390	\$ 1,958,535,540	26.79	11%
2013	188,834,872	1,888,348,720	38,153,308	254,355,387	12,934,379	86,229,193	103,010	686,733	240,025,569	2,229,620,033	26.56	11%
2014	185,222,294	1,852,222,940	42,519,217	283,461,447	13,880,086	92,533,907	89,460	596,400	241,711,057	2,228,814,693	25.89	11%
2015	186,909,760	1,869,097,600	42,769,382	285,129,213	14,760,190	98,401,267	93,880	625,867	244,533,212	2,253,253,947	25.85	11%
2016	193,066,706	1,930,667,060	46,386,440	309,242,933	13,561,160	90,407,733	95,830	638,867	253,110,136	2,330,956,593	22.50	11%
2017	199,418,066	1,994,180,660	47,631,954	317,546,360	14,642,954	97,619,693	89,350	595,667	261,782,324	2,409,942,380	27.52	11%
2018	202,620,238	2,026,202,380	48,756,621	325,044,140	13,777,263	91,848,420	93,740	624,933	265,247,862	2,443,719,873	27.08	11%
2019	204,474,534	2,044,745,340	47,473,107	316,487,380	13,373,131	89,154,207	99,460	663,067	265,420,232	2,451,049,994	26.93	11%
2020	207,563,463	2,075,634,630	50,170,162	334,467,747	13,404,966	89,366,440	105,200	701,333	271,243,791	2,500,170,150	27.07	11%
2021	222,841,644	2,228,416,440	50,129,767	334,198,447	13,922,200	92,814,667	109,920	732,800	287,003,531	2,656,162,353	26.09	11%

CITY OF SLIDELL, LOUISIANA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 7

Fiscal Year	Direct Rates			Overlapping Rates								
	City of Slidell			Parish			School District			Special Districts	Total Direct Rates	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total Parish Millage	Operating Millage	Debt Service Millage	Total School Millage			
2012	19.52	7.27	26.79	36.94	-	36.94	47.55	20.90	68.45	43.51	148.90	175.69
2013	19.33	7.23	26.56	36.55	-	36.55	47.28	20.90	68.18	43.20	147.93	174.49
2014	19.33	6.56	25.89	36.03	-	36.03	50.28	17.90	68.18	43.20	147.41	173.30
2015	19.33	6.52	25.85	35.91	-	35.91	50.28	17.90	68.18	47.00	151.09	176.94
2016	19.33	3.17	22.50	37.47	-	37.47	50.28	17.90	68.18	48.50	154.15	176.65
2017	21.24	6.28	27.52	36.26	-	36.26	48.51	17.90	66.41	47.14	149.81	177.33
2018	21.24	5.84	27.08	36.67	-	36.67	48.51	16.90	65.41	44.19	146.27	173.35
2019	21.24	5.69	26.93	36.69	-	36.69	48.51	15.90	64.41	44.19	145.29	172.22
2020	21.24	5.83	27.07	36.54	-	36.54	50.51	13.90	64.41	43.77	144.72	171.79
2021	20.31	5.78	26.09	35.13	-	35.13	48.10	13.90	62.00	42.35	139.48	165.57

CITY OF SLIDELL, LOUISIANA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TABLE 8

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Central LA Electric Company	\$ 7,667,820	1	2.67%	\$ 6,565,520	1	3.08%
Fremaux Town Center SPE LLC	6,182,256	2	2.15%			
Atmos Energy	3,362,538	3	1.17%	1,531,547	8	0.72%
SC3 Fremaux LLC	3,076,500	4	1.07%			
Walmart Real Estate Business	2,789,657	5	0.97%	1,858,844	5	0.87%
Pelican Pointe LLC	2,787,500	6	0.97%	1,531,999	7	0.72%
Capital One	2,459,150	7	0.86%			
JP Morgan Chase Bank	2,294,943	8	0.80%	1,732,690	6	0.81%
Bellsouth Communications	2,132,202	9	0.74%			
Matt Bowers Chevrolet LLC	1,717,890	10	0.60%			
AT&T Southeast Tax Dept	-	-	-	3,939,472	2	1.85%
Walmart Stores (2)	-	-	-	3,925,830	3	1.84%
Sizeler North Shore Limited	-	-	-	2,862,220	4	1.34%
Travel Choice Inc.	-	-	-	1,308,020	9	0.61%
Lowe's Home Centers Inc.	-	-	-	1,151,920	10	0.54%
TOTALS	<u><u>\$ 34,470,456</u></u>		<u><u>12.00%</u></u>	<u><u>\$ 26,408,062</u></u>		<u><u>12.41%</u></u>

Source of data: St. Tammany Parish Assessor's Office

CITY OF SLIDELL, LOUISIANA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 9

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections for Previous Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy *
2012	\$ 5,697,252	\$ 5,527,287	97%	\$ 9,271	\$ 5,536,558	97%
2013	6,375,079	6,080,058	95%	9,407	6,089,465	96%
2014	6,257,899	6,110,623	98%	14,492	6,125,115	98%
2015	6,321,186	6,236,073	99%	30,778	6,266,851	99%
2016	5,695,000	5,548,130	97%	12,912	5,561,042	98%
2017	7,204,250	7,096,458	99%	882	7,097,340	99%
2018	7,182,908	7,075,742	99%	32,275	7,108,017	99%
2019	7,147,768	7,054,104	99%	-	7,057,754	99%
2020	7,342,569	7,237,985	99%	13,062	7,243,223	99%
2021	7,487,923	7,397,231	99%	13,008	7,416,596	99%

* Total collections include redemptions.

CITY OF SLIDELL, LOUISIANA
PRINCIPAL SALES TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TABLE 10

Taxpayer	2021			2012		
	Sales Tax Collections	Rank	Percentage of Total Sales Tax Collected	Taxable Sales Tax Collections	Rank	Percentage of Total Sales Tax Collected
Retail Sales 1	\$ 1,725,720	1	6.67%	\$ 1,545,895	1	8.63%
Auto Sales	1,332,325	2	5.15%	810,910	3	4.52%
Retail Sales 2	933,338	3	3.61%	952,429	2	5.31%
Retail Sales 3	770,112	4	2.98%	780,728	4	4.36%
Grocery Sales 1	692,535	5	2.68%			0.00%
Grocery Sales 2	561,206	6	2.17%	418,005	6	2.33%
Hardware Stores 1	554,303	7	2.14%			
Hardware Stores 2	488,916	8	1.89%			
Grocery Sales 3	471,198	9	1.82%			
Hardware Stores 3	435,010	10	1.68%			
Grocery Sales 4				433,889	5	2.42%
Retail Sales 4				293,187	7	1.64%
Grocery Sales 5				263,640	8	1.47%
Pharmacy Sales 1				244,389	9	1.36%
Retail Sales 5				241,123	10	1.35%
TOTALS	<u><u>\$ 7,964,663</u></u>		<u><u>30.79%</u></u>	<u><u>\$ 5,984,195</u></u>		<u><u>33.39%</u></u>

Source: Based on Sales Tax Collections, compiled by City of Slidell Finance Department. Business names are not disclosed because sales tax information is confidential.

CITY OF SLIDELL, LOUISIANA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 11

Fiscal Year	Governmental Activities					Business - Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Sales Tax Revenue Bonds	Capital Leases	LCDA Excess Rev Bond	Community Disaster Loan	Utility Bonds	Certificate of Indebtedness			
2012	\$ 12,108,378	\$ 2,700,867	\$ 321,043	\$ 2,227,700	\$ 1,846,745	\$ 4,704,918	\$ 1,276,000	\$ 25,185,651	3.14%	919
2013	11,058,866	2,201,692	163,758	1,877,600	1,384,618	4,096,188	1,084,000	21,866,722	2.65%	799
2014	9,995,845	1,844,353	-	1,517,500	-	3,086,350	884,000	17,328,048	2.07%	630
2015	8,850,589	1,251,235	-	1,137,900	-	2,480,675	676,000	14,396,399	1.72%	521
2016	8,207,843	638,117	-	741,300	-	1,970,000	460,000	12,017,260	1.39%	430
2017	20,192,921	-	-	327,200	-	1,545,000	235,000	22,300,121	2.57%	796
2018	19,279,144	-	-	-	-	1,430,483	-	20,709,627	2.34%	743
2019	18,329,367	-	-	-	-	1,822,113	-	20,151,480	2.19%	727
2020	17,332,590	-	-	-	-	2,149,379	-	19,481,969	2.06%	705
2021	16,284,813	-	-	-	-	2,187,266	-	18,472,079	1.85%	642

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

(1) See the Schedule of Demographic and Economic Statistics, Table 16, for personal income and population data.

CITY OF SLIDELL, LOUISIANA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 12

Fiscal Year	General Obligation Bonds (2)	Less: Amounts Available in Debt Service Fund (3)	Total	Percentage of Estimated Actual Taxable (1) Value of Property	Per Capita (4)
2012	\$ 12,108,378	\$ 2,396,031	\$ 9,712,347	0.50%	354
2013	11,058,866	2,547,268	8,511,598	0.38%	311
2014	9,995,845	2,587,133	7,408,712	0.33%	269
2015	8,850,589	2,638,672	6,211,917	0.28%	225
2016	8,207,843	1,841,484	6,366,359	0.27%	228
2017	20,192,921	2,217,595	17,975,326	0.75%	642
2018	19,279,144	2,298,393	16,980,751	0.69%	609
2019	18,329,367	2,347,749	15,981,618	0.65%	577
2020	17,332,590	2,430,198	14,902,392	0.60%	539
2021	16,284,813	2,430,198	13,854,615	0.52%	481

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property, Table 6, for property value data.

(2) Amount does not include special assessment, sales tax or revenue bonds.

(3) Amount available for repayment of general obligation bonds.

(4) Information is based on U.S. Census Bureau

CITY OF SLIDELL, LOUISIANA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021
(UNAUDITED)

TABLE 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
St. Tammany Parish	\$ 4,295,000	9.84%	\$ 422,628
St. Tammany Parish School Board	\$ 230,780,000	9.84%	<u>22,708,752</u>
Subtotal, overlapping debt			\$ 23,131,380
City of Slidell direct debt		100%	<u>16,284,813</u>
Total direct and overlapping debt			<u>\$ 39,416,193</u>

Source: St. Tammany Parish School Board officials and St. Tammany Parish Comprehensive Financial Annual Report.

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. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and, therefore, is responsible for repaying the debt of each overlapping government.

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

CITY OF SLIDELL, LOUISIANA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 14

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$73,407,791	\$ 81,177,785	\$ 84,598,870	\$85,586,624	\$ 88,588,548	\$ 91,623,813	\$92,836,752	\$ 92,897,081	\$ 94,935,327	\$ 100,451,236
Total net debt applicable to limit	<u>(9,688,969)</u>	<u>(8,482,732)</u>	<u>(7,352,867)</u>	<u>(6,161,328)</u>	<u>(6,324,516)</u>	<u>(17,975,326)</u>	<u>(16,980,751)</u>	<u>(15,981,618)</u>	<u>(14,902,392)</u>	<u>(13,854,615)</u>
Legal debt margin	<u>\$63,718,822</u>	<u>\$ 72,695,053</u>	<u>\$ 77,246,003</u>	<u>\$79,425,296</u>	<u>\$ 82,264,032</u>	<u>\$ 73,648,487</u>	<u>\$75,856,001</u>	<u>\$ 76,915,463</u>	<u>\$ 80,032,935</u>	<u>\$ 86,596,621</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>13.20%</u>	<u>10.45%</u>	<u>8.69%</u>	<u>7.20%</u>	<u>7.14%</u>	<u>19.62%</u>	<u>18.29%</u>	<u>17.20%</u>	<u>15.70%</u>	<u>13.79%</u>

Legal debt margin calculation for fiscal year 2021

Assessed value	\$ 271,243,791
Debt Limit - 35% of \$287,003,531 (1)	\$ 100,451,236
Debt applicable to the limit:	
General obligation bonds	\$ 16,284,813
Less: Amount set aside for repayment of general obligation debt	<u>(2,430,198)</u>
Total net debt applicable to limit	<u>13,854,615</u>
Legal debt margin	<u>\$ 86,596,621</u>

(1) State law allows a maximum of 35% of assessed valuation for total bonded general obligation debt.

CITY OF SLIDELL, LOUISIANA
PLEGGED - REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 15

Fiscal Year	Utility Revenue Bonds						Sales Tax Bonds				
	Utility Charges and Other	Less: Operating Expenses (1)	Net Available Revenue	Debt Service		Coverage	Sales Tax Revenue	Debt Service		Coverage	
				Principal	Interest			Principal	Interest		
2012	\$ 11,003,101	\$ 7,405,468	\$ 3,597,633	\$ 595,000	\$ 198,027	4.54	\$ 17,921,402	\$ 860,000	\$ 111,405	18.45	
2013	11,383,684	7,452,090	3,931,594	595,000	102,875	5.63	17,984,751	540,000	90,134	28.54	
2014	11,530,190	7,663,648	3,866,542	590,000	195,531	4.92	18,361,905	560,000	72,805	29.02	
2015	11,701,266	7,797,201	3,904,065	605,000	73,031	5.76	18,849,553	580,000	53,985	29.73	
2016	12,061,307	8,040,248	4,021,059	510,000	58,578	7.07	19,354,308	600,000	33,625	30.55	
2017	12,441,874	8,245,019	4,196,855	425,000	45,977	8.91	19,604,476	625,000	11,563	30.80	
2018	12,635,963	8,310,447	4,325,516	210,000	36,095	17.58	19,628,574	-	-	-	
2019	11,867,440	8,401,263	3,466,177	205,000	31,643	14.65	20,691,058	-	-	-	
2020	12,797,034	8,626,396	4,170,638	269,000	34,269	13.75	21,543,977	-	-	-	
2021	13,333,445	7,189,879	6,143,566	285,000	33,344	19.30	25,867,981	-	-	-	

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

(1) Amount does not include depreciation.

CITY OF SLIDELL AND ST. TAMMANY PARISH, LOUISIANA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 16

Fiscal Year	City of Slidell Population (1)	St. Tammany Parish Population (2)	St. Tammany Parish Total Personal Income (2)	St. Tammany Parish Per Capita Personal Income (2)	State Unemployment Rate (3)	St. Tammany Parish School Enrollment (4)	Median Age (5)
2012	27,419	236,785	6,933,538,370	29,282	8.6%	37,508	39.8
2013	27,369	239,453	7,215,437,249	30,133	7.9%	37,926	36.4
2014	27,526	242,333	7,384,855,842	30,474	5.7%	38,044	37.1
2015	27,622	245,829	7,464,105,927	30,363	7.0%	38,193	39
2016	27,942	250,088	7,739,723,424	30,948	7.0%	38,439	38.6
2017	28,013	253,602	7,867,241,244	31,022	5.9%	38,681	38.4
2018	27,883	256,327	8,149,147,984	31,792	6.1%	39,000	38.3
2019	27,711	258,111	8,556,121,539	33,149	5.3%	39,000	37.4
2020	27,633	260,419	8,906,590,219	34,201	9.7%	39,000	37.7
2021	28,781	264,570	9,169,467,060	34,658	4.9%	39,000	37.7

NOTE: The City of Slidell is located within St. Tammany Parish.

* Information not available / no current information

Sources:

- (1) Based on U.S. Census Bureau.
- (2) Information is based on U.S. Census Bureau.
- (3) Louisiana Department of Labor
- (4) St. Tammany Parish School Board
- (5) U.S. Census Bureau

CITY OF SLIDELL, LOUISIANA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TABLE 17

Employer	Location	2021			2012		
		Employees	Rank	% of Total St. Tammany Parish Employment	Employees	Rank	% of Total St. Tammany Parish Employment
St. Tammany Parish School Board	Parish wide	5,971	1	5.50%	5,349	1	5.12%
St. Tammany Health System	Covington	2,500	2	2.30%	1,480	2	1.42%
Slidell Memorial Hospital	Slidell	983	3	0.91%	1,180	3	1.13%
Lakeview Regional Medical Center	Covington	800	4	0.74%	783	5	0.75%
St. Tammany Parish Sheriff's Office	Parish wide	771	5	0.71%	741	6	0.71%
St. Tammany Parish Government	Parish wide	706	6	0.65%	-	-	-
Ochsner Medical Center - North Shore	Slidell	581	7	0.54%	912	4	0.87%
City of Slidell	Slidell	345	8	0.32%	384	9	0.37%
Christwood Retirement Community	Covington	285	9	0.26%	-	-	-
Marc Jones Construction	Mandeville	276	10	0.25%	-	-	-
Textron Marine & Land Systems	Slidell	-	-	-	533	8	0.51%
Southeast Louisiana Hospital	Mandeville	-	-	-	592	7	0.57%
Louisiana Medical Center & Heart	Lacombe	-	-	-	369	10	0.35%
TOTAL		<u>13,218</u>		<u>12.17%</u>	<u>12,323</u>		<u>11.80%</u>

NOTE: Information is only available for St. Tammany Parish, in which the City of Slidell is located.

CITY OF SLIDELL, LOUISIANA
FULL - TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 18

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Administrative	5	5	5	5	5	5	5	5.5	6.5	6
Finance (1)	20	19	19	19	20	20	20	20	20	20.25
Legal	2	2	2	2	2	2	2	2	2	2
Animal Control	7	7	7	7	7	7	7	7	7	6
Civil Service	3	3	3	3	3	3	3	3	3	3
Legislative	12	12	12	12	12	12	12	12	12	12
Public Safety										
Police	112	110	104	105	105	106	106	108	108	117
Public Works										
Public Operations (2)	63.5	62.5	58.5	58.5	58.5	58.5	57.5	57.5	47.5	47
Permits	6	5.5	6.5	6.5	6.5	6.5	6.5	6.5	8	9
Planning	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	4	4
Engineering	7	7	6	6	6	6	6	6	6	6
Public Utility (3)	61.5	61.5	61.5	61.5	61.5	61.5	61.5	62.5	64.5	63
Judicial System (4)	6	6	6	6	6	5	5	5	5	5
Recreation and Culture	15.5	15	13	13	13	13	14	13	22	22
Airport	2	1	1	1	2	2	3	3	3	3
DISA (5)	-	-	5	5	5	5	5	3	3	3
Total	<u>326</u>	<u>320</u>	<u>313</u>	<u>314</u>	<u>316</u>	<u>316</u>	<u>317</u>	<u>317.5</u>	<u>321.5</u>	<u>328.25</u>

Source: Adopted FY2021 Budget City of Slidell

Note: Includes Elected, Unclassified, and Classified full time employees per the original adopted budget.
2021 figures represent budgeted positions by department.

(1) Includes Finance Administration, Data Processing, Purchasing and Risk Management.

(2) Includes Sales Tax Administration, Vehicle Maintenance, Streets, Bridges, Drainage, General Maintenance & Electrical.

(3) Includes Public Utility Administration, Wastewater Treatment Plant, Wastewater Collection & Water Maintenance.

(4) Includes City Court, City Marshall and City Prosecutor.

(5) DISA employees became full time employees in 2014. From 2008-2013 DISA employees were contract employees.

CITY OF SLIDELL, LOUISIANA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 19

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Total arrests	3,167	2,847	2,647	2,649	2,505	2,215	2,585	2,488	2,172	1,802
Parking tickets	53	69	56	42	28	36	37	31	28	20
Traffic violations	4,509	3,608	3,349	2,799	2,677	2,541	3,258	3,148	3,000	3,368
Public Works										
Potholes repaired	1,876	1,455	1,635	2,053	2,398	1,914	1,411	1,572	2,092	1,069
Public Utility										
Water										
Number of accounts	10,625	10,730	10,806	10,944	11,060	11,058	11,166	10,793	10,868	10,884
New meter connections	241	204	255	187	288	197	216	193	232	513
Old meter change out	26	18	14	20	26	23	22	55	32	32
Daily average consumption (MGD)	3	3	3	3	3	3	3	3	3	3
Wastewater										
Number of accounts	10,359	10,455	10,514	10,638	10,733	10,711	10,777	11,187	11,266	11,291
Average daily treated wastewater (MGD)	4	4	4	4	4	4	4	4	4.04	4.44
Building Permits										
New residential	15	43	26	16	25	33	13	7	8	19
Residential additions	112	257	213	177	185	210	197	217	169	224
New commercial	9	11	27	39	13	11	6	37	6	4
Commercial additions	96	89	121	97	134	111	109	101	109	135
Recreation and Culture										
Number of teams in softball league	90	86	84	60	40	36	18	0	0	0
Number of children on summer camp	175	173	174	175	174	175	175	175	0	76
Park pavilions rentals	172	195	218	209	241	212	217	186	135	135
Airport										
Number of land leases	16	16	16	16	15	15	15	14	14	14
Number of tie downs	28	30	29	28	30	28	31	31	24	21
Number of hanger leases	0	0	0	1	1	1	1	1	1	1

Note: Indicators are not available for the general government function

* Information not available

Sources: Various government departments

CITY OF SLIDELL, LOUISIANA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 20

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
Vehicles	17	16	18	17	17	13	12	11	12	13
Machinery & equipment	8	9	10	9	9	9	9	10	9	10
Public Safety										
Vehicles	138	150	130	139	161	191	184	188	186	189
Machinery & equipment	12	11	17	16	15	15	15	15	19	21
Stations	2	2	2	2	2	2	2	2	2	2
Training Academy	1	1	1	1	1	1	1	1	1	1
Public Works										
Vehicles	75	74	71	68	67	69	71	68	69	71
Machinery & equipment	95	92	95	100	104	111	114	105	104	110
Paved streets (miles)	155.35	153.56	152.8	153.5	153.5	153.5	154.1	154.6	154.7	155.4
Unimproved streets (miles)	8	12.75	12.7	12.5	12.7	12.7	12.7	12.7	12.8	12.8
Concrete streets (miles)	107.35	88.07	88.1	88	88	88	88	88.4	89.2	89.2
Asphalt streets (miles)	48	65.49	64.7	65.5	65.5	65.5	66.1	66.2	65.5	65.5
Streetlights	2,949	3,049	3,075	3,077	3,080	3,082	3,083	2,378	2,454	2,188
Traffic signals	64	64	64	64	63	63	63	63	63	63
Public Utility										
Water										
Vehicles	15	15	15	13	13	13	13	13	13	14
Machinery & equipment	18	18	20	23	23	22	25	28	28	30
Water mains (miles)	165.88	171.64	172.2	179.1	181	181.8	156.3	176.6	184.9	184.9
Maximum capacity of water storage tanks (gallons)	2,150,000	3,000,000	2,100,000	2,154,000	2,154,000	2,154,000	2,150,000	2,150,000	2,150,000	2,150,000
Number of water storage tanks	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Productive capacity (MGD)	15.562	15.9	15.9	15.9	15.1	15.3	15.9	15.9	15.9	15.9
Sewer										
Vehicles	32	31	33	34	34	35	33	37	39	39
Machinery & equipment	31	29	30	32	34	34	33	32	34	37
Sanitary sewers (miles)	169.1	165.68	166.5	167.2	168.2	169.08	167.1	170.6	170.6	171.5
Plant capacity (MGD)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Recreation and Cultural Arts										
Vehicles	11	13	12	12	12	11	11	12	12	11
Machinery & equipment	38	37	35	33	32	30	34	32	32	31
Parks acreage	420.24	430.24	430.24	430.24	430.24	430.24	430.39	430.39	430.39	430.39
Number of playgrounds	22	22	22	23	23	22	22	22	22	22
Number of picnic areas	18	18	18	18	18	18	19	19	19	19
Number of gyms	2	2	2	2	2	2	2	2	2	2
Airport										
Vehicles	1	2	2	3	4	6	6	6	6	7
Machinery & equipment	5	5	5	7	7	9	10	10	10	14
Feet of runway	5,002	5,002	5,001	5,001	5,001	5,001	5,001	5,001	5,001	5,001
Feet of parallel taxiway	5,002	5,002	5,000	5,000	5,000	5,000	5,000	5,001	5,001	5,001
Feet of connecting taxiway	1,250	1,250	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Feet of auburn taxilane	800	800	820	820	820	820	820	820	820	820
Number of t-hangers	32	32	32	32	32	32	32	32	32	32
Feet of t-hangers taxilane	1,386	1,386	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Sq feet of t-hangers	37,100	37,100	36,400	36,400	36,400	36,400	36,400	36,829	36,829	36,829

Sources: Various city departments.

* Information not available

SINGLE AUDIT SECTION

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

To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Audit Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Slidell, Louisiana (the "City") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 14, 2021.

Internal Control over Financial Reporting

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

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

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



ERICKSEN KRENTEL LLP

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 14, 2021

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of management, the City Council, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

December 14, 2021
Mandeville, Louisiana

Erickson Krentel, LLP
Certified Public Accountants



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

To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the City of Slidell, Louisiana's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.



To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 14, 2021

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of management, the City Council, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

December 14, 2021
Mandeville, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

CITY OF SLIDELL, LOUISIANA
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Federal Grantor/Pass-Through or Grantor/Program or Cluster Title	Federal CFDA Number	Grant Number	Total Grant Award	Federal Expenditures
U.S. Department of Homeland Security				
<i>Pass - Through Louisiana Governor's Office of Homeland Security and Emergency Preparedness:</i>				
Public Assistance Grant - Katrina 1603	97 036	DR 1603	\$ 125,114,205	\$ 4,718,271
COVID-19 Public Assistance Grant	97 036	DR 4484	-	16,762
Public Assistance Grant - Sally 3543	97 036	DR 3543	-	45,567
Public Assistance Grant - Zeta 3549	97 036	DR 3549	-	71,921
Total CFDA 97.036				4,852,521
Home Elevations 2018	97 029	FMA-PJ-06-LA-2018-026	2,250,782	531,099
Home Elevations 2018	97.029	FMA-PJ-06-LA-2018-031	2,219,551	484,638
Total CFDA 97 029				1,015,737
<i>Pass - Through St. Tammany Parish Sheriff's Office</i>				
Operation Stone Garden FY2019	97.067	EMW-2019-SS-00014	41,211	41,211
Operation Stone Garden FY2020	97.067	EMW-2020-00011-S01	56,081	30,604
Total CFDA 97.067				71,815
Total U.S. Department of Homeland Security				5,940,073
U.S. Department of Housing and Urban Development				
Community Development Block Grant/Entitlement Grants	14 218	B-19-MC-22-0010	180,733	167,825
Total U.S. Department of Housing and Urban Development				167,825
U.S. Department of Health and Human Services				
Food and Drug Administration FY21 Task Force Overtime	93 UNKNOWN	2021-NEL-715-0183	20,000	972
Total U.S. Department of Health and Human Services				972
U.S. Department of Interior				
<i>Pass-Through Louisiana Department of Culture, Recreation and Tourism</i>				
Historic Preservation Grant FY20	15 904	P19AF00215	10,000	9,000
Total U.S. Department of Interior				9,000
U.S. Department of Justice				
Bureau of Justice Assistance, Bulletproof Vest Partnership Grant FY19	16 607	-	28,069	10,215
Organized Crime Drug Enforcement Task Forces FY21	16 UNKNOWN	SELA-0353	6,000	1,378
Organized Crime Drug Enforcement Task Forces FY20	16 UNKNOWN	SELA-0353	10,000	782
Total CFDA 16.UNKNOWN				2,160
Total U.S. Department of Justice				12,375
U.S. Environmental Protection Agency				
<i>Pass-Through UNO Research and Technology Foundation:</i>				
Anna Lift Station FY17	66 125	BR-01F22601	50,000	872
Cardinal Lift Station FY18	66 125	BR-01F57501	30,000	1,600
Total CFDA 66.125				2,472
<i>Pass-Through Louisiana Department of Health and Hospitals:</i>				
Capitalization Grants for Clean Water State Revolving Fund				
Clean Water Revolving Loan	66 458	CS 221136-03	16,400,000	112,554
Total U.S. Environmental Protection Agency				115,026
U.S. Department of Transportation				
<i>Pass - Through Louisiana Department of Transportation and Development: Aviation Division</i>				
Airport Apron Expansion	20 106	AIP 3-22-0060-021-2020	664,253	518,931
<i>Pass- Through Louisiana Department of Public Safety and Corrections, LA Highway Safety Commission:</i>				
<i>Highway Safety Cluster:</i>				
DWI Enforcement Grant	20 608	LHSC 2021-30-49	85,000	64,100
DWI Enforcement Grant	20 600	LHSC 2021-30-49	23,750	18,875
DWI Enforcement Grant	20,608	LHSC 2020-30-49	89,124	19,281
DWI Enforcement Grant	20 616	LHSC 2019-30-49	28,980	3,683
Total Highway Safety Cluster				105,939
<i>Pass-Through Federal Aviation Administration</i>				
COVID-19 CARES Airport Funding	20 106	AIP 3-22-0060-023-2020	69,000	69,000
Total U.S. Department of Transportation				693,870
U.S. Department of Treasury				
US Secret Service Joint Operations FY20	21 UNKNOWN	-	3,500	327
Total U.S. Department of Treasury				327
Total Expenditures of Federal Awards				\$ 6,939,468

CITY OF SLIDELL, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1 – SCOPE OF AUDIT PURSUANT TO *GOVERNMENT AUDITING STANDARDS AND TITLE 2 U.S. CODE OF FEDERAL REGULATIONS PART 200, UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS (UNIFORM GUIDANCE)*

All federal grant operations of the City of Slidell, Louisiana (the “City”) are included in the scope of the single audit. The program which was a major grant and selected for specific testing was:

Disaster Grants - Public Assistance (CFDA No. 97.036)

NOTE 2 – FISCAL PERIOD AUDIT

Single audit testing procedures were performed for program transactions occurring during the year ended June 30, 2021.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the City has met the qualifications for the respective grants.

Accrued and Deferred Reimbursement

Various reimbursement procedures are used for federal awards received by the City. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year end represent an excess of reimbursable expenditures over cash reimbursements and expenditures will be reversed in the remaining grant period.

Pass-Through Entity Information

Pass-through entity identifying numbers are presented where available.

Payments to Subrecipients

There were no payments to subrecipients for the fiscal year ended June 30, 2021.

NOTE 4 – INDIRECT COST RATE

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

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

A. SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of the City of Slidell, Louisiana.
2. No significant deficiencies or material weaknesses in internal control relating to the audit of the financial statements are reported in the Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City of Slidell, Louisiana were reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance.
5. The auditors' report on compliance for the major federal award programs for the City of Slidell, Louisiana expresses an unmodified opinion.
6. There were no audit findings required to be reported in accordance with 2 CFR section 200.516(a).
7. A management letter was not issued for the year ended June 30, 2021.
8. The program tested as major program was:

CFDA Number

Disaster Grants – Public Assistance

97.036

9. The threshold for distinguishing Types A and B programs was \$750,000.
10. City of Slidell, Louisiana was determined to be a low-risk auditee.

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended June 30, 2021.

C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings related to major federal award programs for the year ended June 30, 2021.

CITY OF SLIDELL, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS

N/A

**SECTION II - FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL
AWARD PROGRAMS**

N/A

SECTION III - MANAGEMENT LETTER

N/A

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2021

There are no compliance and/or internal control findings as described in the Schedule of Findings and Questioned Costs. Accordingly, no corrective action plan is required as a part of this section.

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CITY OF SLIDELL, LOUISIANA
LOUISIANA LEGISLATIVE AUDITOR
ACT 774 AGREED-UPON PROCEDURES
FOR THE PERIOD
JULY 1, 2020 THROUGH JUNE 30, 2021



ERICKSEN KRENTEL^{LLP}
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS



INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the City Council
And the Honorable Mayor
City of Slidell, Louisiana

We have performed the procedures enumerated below, which were agreed to by the City of Slidell and the Legislative Auditor, State of Louisiana, solely to assist the users in assessing certain controls and in evaluating management's assertions about the City of Slidell's compliance with certain laws and regulations during the period of July 1, 2020 to June 30, 2021, in accordance with Act 774 of 2014 Regular Legislative Session. Management of the City of Slidell is responsible for its financial records, establishing internal controls over financial reporting, compliance with applicable laws and regulations, and providing a corrective action plan that addresses all exceptions noted. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are detailed in Schedule "1".

We were engaged by the City of Slidell and the Legislative Auditor, State of Louisiana, to perform this engagement to apply agreed-upon procedures and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the financial statements of the City of Slidell as of June 30, 2021. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely for the use of management of the City of Slidell and the Legislative Auditor, State of Louisiana, and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

December 14, 2021
New Orleans, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

CITY OF SLIDELL, LOUISIANA
AGREED-UPON PROCEDURES
JULY 1, 2020 TO JUNE 30, 2021

Ethics (follow-up)

1. **Procedure:** Obtain a listing of employees, elected officials, and board members employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees, officials, or board members, obtain ethics documentation from management, and:
 - a. Observe that the documentation demonstrates each employee, official, or board member completed one hour of ethics training during the fiscal period.

Results: We obtained a listing of employees, elected officials, and board members employed during the fiscal period that management represented as complete. We randomly selected 5 employees, officials, or board members, obtained ethics documentation from management, and observed that the documentation demonstrated each employee, official, or board members completed one hour of ethics training during the fiscal period without exception.

Sexual Harassment (follow-up)

1. **Procedure:** Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials and obtain sexual harassment training documentation from management for each of the selected employees, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Results: We obtained a listing of employees, elected officials, and board members employed during the fiscal period that management represented as complete. We observed sexual harassment training documentation from management for each of the 5 randomly selected employees/officials and observed that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year without exception.

2. **Procedure:** Observe that the entity has posted its sexual harassment policy and complaint procedure on its website.

Results: We observed that the entity posted its sexual harassment policy and complaint procedure on its website.

3. **Procedure:** Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:
 - a. Number and percentage of public servants in the agency who have completed the training requirements;
 - b. Number of sexual harassment complaints received by the agency;
 - c. Number of complaints which resulted in a finding that sexual harassment occurred;

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
JULY 1, 2020 TO JUNE 30, 2021

- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e. Amount of time it took to resolve each complaint.

Results: We obtained the entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed that it included the applicable requirements of R.S. 42:244.

Traffic Tickets (follow-up)

1. **Procedure:** Obtain a listing of tickets payments remitted to the City by the East St. Tammany City Court (City Court) during the fiscal period. Obtain managements representation that the listing is complete.

Results: We obtained a listing of ticket payments remitted to the City by the East St. Tammany City Court (City Court) during the fiscal period that management represented as complete.

2. **Procedure:** Randomly select 5 payments from the listing of ticket payments remitted by the City Court and obtain documentation submitted by the City Court to the City regarding the payment.
 - a. Observe that the City received documentation from the City Court regarding ticket payment details for the 5 payments selected; and
 - b. The City used this documentation to ensure completeness of ticket revenue.

Results: We randomly selected 5 payments from the listing of ticket payments remitted by the City Court and obtained documentation submitted by the City Court to the City regarding the payment. We observed that the City received documentation from the City Court regarding ticket payment details for the 5 payments and the City used this documentation to ensure completeness of ticket revenue without exception.

Written Policies and Procedures

1. **Procedure:** Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
JULY 1, 2020 TO JUNE 30, 2021

- c) ***Disbursements***, including processing, reviewing, and approving.
- d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- e) ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
JULY 1, 2020 TO JUNE 30, 2021

Results: We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the entity's operations: budgeting; purchasing; disbursements; receipts/collections; payroll/personnel; contracting; credit cards (and debit cards, fuel cards, P-cards); travel and expense reimbursement; ethics; debt service; information technology disaster recovery/business continuity; and sexual harassment.

EFT Vendor Payment Written Policies and Procedures

1. **Procedure:** Obtain and inspect the entity's written policies and procedures over vendor electronic fund transfers (EFT) (excluding card payments) and observe that they address:
 - a) Requirement of vendor EFT authorization form to include at a minimum vendor name, address, contact number, contact email, banking information, date, and signature from appropriate vendor personnel (signature should include name and title). The EFT authorization form should be maintained in vendor file and be used as the only approved authorization for vendor account information changes;
 - b) Maintenance of vendor master file to include current vendor EFT authorization form and current W9 form;
 - c) A system for changes in vendor bank account information, to include a verification process based on known vendor contact information and requirement that a new EFT authorization form be submitted. Verification should only be performed by a person prohibited from making changes to the vendor master file, unless another employee is responsible for periodically reviewing changes to vendor files;
 - d) Maintenance of EFT log/file/register to include, at a minimum, originator name, dollar amount, vendor name, vendor account information, and approver name; and
 - e) Segregation of duties for EFT payment initiation and approval. Approval should be documented in writing or electronically.

Results: This procedure is not applicable to the City as the City only disburses vendor payments through physical checks.

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

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

Results: We obtained a listing of locations that process payments for the fiscal period that management represented as complete and selected the only location that processes payments.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
JULY 1, 2020 TO JUNE 30, 2021

2. For each location selected under #1 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.)]

Results: We obtained a listing of those employees involved with non-payroll purchasing and payment functions, obtained written policies and procedures relating to employee job duties, and observed that job duties are properly segregated for the only location that processes payments.

3. For each location selected under #1 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe that the disbursement matched the related original itemized invoice and that documentation is present indicated deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #2, as applicable.

Results: We obtained the entity's non-payroll disbursement transaction population that management represented as complete. We randomly selected 5 disbursements for the only location that processes payments, obtained supporting documentation for each transaction, and observed that the disbursement matched the related original itemized invoice and that documentation was present indicated deliverables included on the invoice were received by the entity and observed that the disbursement documentation included evidence of segregation of duties listed under #2, as applicable, without exception.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
JULY 1, 2020 TO JUNE 30, 2021

Payroll and Personnel

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

Results: We obtained a listing of employees, elected officials, and board members employed during the fiscal period that management represented as complete. We randomly selected 5 employees or officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files without exception.

2. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #1 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results: We randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #1 above, obtained attendance records and leave documentation for the pay period, and observed that all selected employees or officials documented their daily attendance and leave; observed that supervisors approved the attendance and leave of the selected employees/officials; observed that any leave accrued or taken during the pay period was reflected in the entity's cumulative leave records; observed that the rate paid to the employees or officials agreed to the authorized salary/pay rate found within the personnel file without exception.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
JULY 1, 2020 TO JUNE 30, 2021

3. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Results: We obtained a listing of employees or officials that received termination payments during the fiscal period that management represented as complete. We randomly selected two employees or officials, obtained related documentation of the hours and pay rates used in management termination payment calculations and the entity policy on termination payments. We agreed the hours to the employee or officials' cumulative leave records, agreed the pay rates to the authorized pay rates in the personnel files, and agreed the termination payment to entity policy without exception.

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

Results: We obtained management representation that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadline.

Bank Reconciliations

1. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
JULY 1, 2020 TO JUNE 30, 2021

Results: We obtained a listing of entity bank accounts for the fiscal period from management that management represented as complete. We selected the entity's main operating account and randomly selected 4 additional accounts and randomly selected one month from the fiscal period. We obtained and inspected the corresponding bank statement and reconciliation for each selected accounts, and observed that: bank reconciliations include evident that they were prepared within 2 months of the related statement closing date; bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation, and management has documentation reflecting that is has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable, without exception.