

CITY OF CARENCRO, LOUISIANA

Financial Report

Year Ended November 30, 2022

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INDEPENDENT AUDITOR'S REPORT

The Honorable Charlotte Clavier, Mayor,
and Members of the Board of Aldermen
City of Carencro, Louisiana

Report on the Audit of the Financial Statements

Opinions

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

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, as of November 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As described in Note 15 to the financial statements, in 2022, the City adopted new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to the matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed. We evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements. We conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedules of employer's share of net pension liability and employer contributions on pages 53 through 59 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The City has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The accompanying comparative statements on pages 62-63, 74-76 and justice system funding schedules on page 77, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the comparative statements and justice system funding schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative information on the comparative statements has been derived from the City of Carencro’s 2021 financial statements, which were 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, and, in our opinion were fairly presented in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the comparative detailed budget comparison schedules on pages 64 through 73 but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 30, 2023

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

CITY OF CARENCRO, LOUISIANA

Statement of Net Position
November 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 15,896,676	\$ 3,810,669	\$ 19,707,345	\$ 914,040
Investments	179,395	459,556	638,951	-
Receivables, net	1,125,506	652,948	1,778,454	400
Internal balances	504,525	(504,525)	-	-
Due from other governmental agencies	323,889	1,900,466	2,224,355	-
Inventory	-	-	-	15,148
Prepaid items	39,613	16,570	56,183	-
Total current assets	<u>18,069,604</u>	<u>6,335,684</u>	<u>24,405,288</u>	<u>929,588</u>
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	-	1,373,920	1,373,920	-
Investments	-	47,687	47,687	-
Capital assets -				
Land and construction in progress	6,903,395	12,622,804	19,526,199	1,315,940
Other capital assets, net	27,081,854	25,693,258	52,775,112	3,993,339
Right-of-use lease asset, net	844,237	59,684	903,921	-
Total noncurrent assets	<u>34,829,486</u>	<u>39,797,353</u>	<u>74,626,839</u>	<u>5,309,279</u>
Total assets	<u>52,899,090</u>	<u>46,133,037</u>	<u>99,032,127</u>	<u>6,238,867</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	<u>2,712,392</u>	<u>317,462</u>	<u>3,029,854</u>	<u>-</u>
LIABILITIES				
Current liabilities (payable from current assets):				
Accounts and other payables	504,281	1,003,542	1,507,823	24,525
Due to other governmental agencies	90,770	-	90,770	-
Unearned revenue	-	2,995,903	2,995,903	6,258
Notes payable	54,989	241,494	296,483	-
Right-of-use lease liability	229,782	31,217	260,999	-
Total	<u>879,822</u>	<u>4,272,156</u>	<u>5,151,978</u>	<u>30,783</u>
Current liabilities (payable from restricted assets):				
Bonds and certificates of indebtedness payable	1,465,000	503,000	1,968,000	-
Customers deposits payable	-	536,181	536,181	-
Accrued interest	117,783	42,127	159,910	-
Total	<u>1,582,783</u>	<u>1,081,308</u>	<u>2,664,091</u>	<u>-</u>
Total current liabilities	<u>2,462,605</u>	<u>5,353,464</u>	<u>7,816,069</u>	<u>30,783</u>
Noncurrent liabilities:				
Compensated absences payable	310,109	97,432	407,541	-
Net pension liability	6,627,724	941,102	7,568,826	-
Notes payable	115,951	1,701,309	1,817,260	-
Right-of-use lease liability	623,221	30,826	654,047	-
Bonds and certificates of indebtedness payable	11,245,000	5,307,676	16,552,676	-
Total noncurrent liabilities	<u>18,922,005</u>	<u>8,078,345</u>	<u>27,000,350</u>	<u>-</u>
Total liabilities	<u>21,384,610</u>	<u>13,431,809</u>	<u>34,816,419</u>	<u>30,783</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	<u>146,279</u>	<u>11,975</u>	<u>158,254</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	20,977,960	29,755,797	50,733,757	5,309,279
Restricted for sales tax dedications	14,168,955	-	14,168,955	-
Restricted for debt service	1,464,872	843,299	2,308,171	-
Restricted for capital projects	351,391	-	351,391	-
Restricted for recreation	-	-	-	897,697
Unrestricted (deficit)	(2,882,585)	2,407,619	(474,966)	1,108
Total net position	<u>\$ 34,080,593</u>	<u>\$ 33,006,715</u>	<u>\$ 67,087,308</u>	<u>\$ 6,208,084</u>

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

CITY OF CARENCRO, LOUISIANA

Statement of Activities
For the Year Ended November 30, 2022

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position			Component Unit
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Primary government:								
Governmental activities -								
General government	\$ 2,005,509	\$ 783,386	\$ -	\$ -	\$ (1,222,123)	\$ -	\$ (1,222,123)	\$ -
Public safety -								
Police	4,786,923	527,032	410,167	472	(3,849,252)	-	(3,849,252)	-
Fire	1,521,914	-	226,578	-	(1,295,336)	-	(1,295,336)	-
City Court	203,561	-	-	-	(203,561)	-	(203,561)	-
Highway and streets	1,962,577	-	10,358	284,391	(1,667,828)	-	(1,667,828)	-
Culture and recreation	1,516,525	23,750	372,000	402,268	(718,507)	-	(718,507)	-
Interest on long-term debt	348,496	-	-	-	(348,496)	-	(348,496)	-
Total governmental activities	<u>12,345,505</u>	<u>1,334,168</u>	<u>1,019,103</u>	<u>687,131</u>	<u>(9,305,103)</u>	<u>-</u>	<u>(9,305,103)</u>	<u>-</u>
Business-type activities:								
Gas	1,025,894	816,506	-	1,176,161	-	966,773	966,773	-
Water	2,501,938	1,758,468	-	482,307	-	(261,163)	(261,163)	-
Sewer	1,646,996	1,620,644	-	3,120,671	-	3,094,319	3,094,319	-
Sanitation	842,641	831,961	-	-	-	(10,680)	(10,680)	-
Total business-type activities	<u>6,017,469</u>	<u>5,027,579</u>	<u>-</u>	<u>4,779,139</u>	<u>-</u>	<u>3,789,249</u>	<u>3,789,249</u>	<u>-</u>
Total primary government	<u>\$ 18,362,974</u>	<u>\$ 6,361,747</u>	<u>\$ 1,019,103</u>	<u>\$ 5,466,270</u>	<u>(9,305,103)</u>	<u>3,789,249</u>	<u>(5,515,854)</u>	<u>-</u>
Component unit:								
Parks and Recreation Commission of Carencro								
	<u>\$ 2,098,948</u>	<u>\$ 768,547</u>	<u>\$ 1,364,596</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,195</u>
General revenues:								
Taxes -								
Property taxes, levied for general purposes					351,303	-	351,303	-
Sales and use taxes, levied for general purposes					13,850,182	-	13,850,182	-
Franchise taxes					665,280	-	665,280	-
Grants and contributions not restricted to specific programs -								
State sources					16,691	-	16,691	-
Non-employer contributions					165,229	31,148	196,377	-
Gain on sale of capital assets					-	3,688	3,688	-
Interest and investment earnings					191,709	13,867	205,576	1,033
Investment losses					(15,283)	(46,107)	(61,390)	-
Miscellaneous					70,154	21,150	91,304	-
Net transfers					(4,279,619)	4,279,619	-	-
Total general revenues and transfers					<u>11,015,646</u>	<u>4,303,365</u>	<u>15,319,011</u>	<u>1,033</u>
Change in net position					1,710,543	8,092,614	9,803,157	35,228
Net position (as restated) - December 1, 2021					<u>32,370,050</u>	<u>24,914,101</u>	<u>57,284,151</u>	<u>6,172,856</u>
Net position - November 30, 2022					<u>\$ 34,080,593</u>	<u>\$ 33,006,715</u>	<u>\$ 67,087,308</u>	<u>\$ 6,208,084</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Funds

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

1967 Sales Tax Fund -

To account for the receipt and use of proceeds of the City's 1% sales and use tax. These taxes are dedicated to and used for the purpose of paying principal and interest on any bonded debt or funded indebtedness of the City and for purposes of constructing and acquiring the City's sewer system, waterworks and natural gas utilities, paving and improving streets, sidewalks and bridges, constructing street lighting, drainage facilities, fire and police department stations and equipment, public buildings, public parks, public works or for any one or more of said purposes.

1993 Sales Tax Fund -

To account for the receipt and use of proceeds of the City's 1% sales and use tax. These taxes are dedicated to and used for the purpose of paying principal and interest of any bonded debt of the City issued for any lawful capital purpose. The remaining proceeds are dedicated and divided as follows: one-third (1/3) for the purpose of paying the cost of fire and police protection for the City; one-third (1/3) for operating and maintaining recreational facilities and programs for the City; and one-third (1/3) for paying the cost of capital improvements for the City, including acquiring the necessary sites, furnishings, and equipment.

Taxing Increment Financing (TIF) District Sales Tax Fund -

To account for the receipt and use of the proceeds of a 1% sales and use tax levied on the businesses located in the I-49 Corridor Economic Development District, State of Louisiana (the "District"). These taxes are dedicated and used for the purpose of financing economic development projects in the District.

2016 Sales Tax Fund

To account for the receipt and use of proceeds of the City's 1% sales and use tax. These taxes are dedicated to and used for the purpose of constructing, operating, and improving and maintaining the City's sewerage system and providing facilities for and operational support of police and fire protection in the City.

Capital Projects Fund

Capital Projects Fund -

The Capital Projects Fund is used to account for the acquisition and construction of major capital assets other than those financed by proprietary funds.

Enterprise Fund

Utility Fund -

To account for the provision of gas, water, sewer and sanitation services to residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

CITY OF CARENCRO, LOUISIANA

Balance Sheet
Governmental Funds
November 30, 2022

	General	1967 Sales Tax	1993 Sales Tax	TIF District Sales Tax	2016 Sales Tax	Capital Projects Fund	Other Governmental Funds	Total
ASSETS								
Cash	\$ 715,608	\$ 38,507	\$ -	\$ 717,146	\$ -	\$ 21,034	\$ 5,218	\$ 1,497,513
Interest-bearing deposits	424,539	28,020	695,628	3,458,902	8,197,848	-	1,594,226	14,399,163
Investments	-	179,368	-	-	-	-	27	179,395
Receivables:								
Taxes	15,527	306,651	306,651	189,482	306,737	-	458	1,125,506
Due from other funds	-	-	-	-	-	504,525	-	504,525
Due from government agencies	320,889	-	-	3,000	-	-	-	323,889
Prepaid items	39,613	-	-	-	-	-	-	39,613
Total assets	<u>\$1,516,176</u>	<u>\$ 552,546</u>	<u>\$ 1,002,279</u>	<u>\$4,368,530</u>	<u>\$ 8,504,585</u>	<u>\$ 525,559</u>	<u>\$1,599,929</u>	<u>\$18,069,604</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 140,189	\$ 675	\$ 675	\$ 42,463	\$ 675	\$ 96,575	\$ 2,453	\$ 283,705
Contracts payable	-	-	-	-	-	10,552	-	10,552
Retainage payable	-	-	-	138,516	-	67,073	-	205,589
Customer rental deposits	4,435	-	-	-	-	-	-	4,435
Due to other governmental agencies	-	13,257	13,257	64,256	-	-	-	90,770
Total liabilities	<u>144,624</u>	<u>13,932</u>	<u>13,932</u>	<u>245,235</u>	<u>675</u>	<u>174,200</u>	<u>2,453</u>	<u>595,051</u>
Fund balances:								
Nonspendable - prepaid items	39,613	-	-	-	-	-	-	39,613
Restricted - sales tax dedications	-	538,614	988,347	4,123,295	8,503,910	-	14,789	14,168,955
Restricted - debt service	-	-	-	-	-	-	1,582,655	1,582,655
Restricted - capital projects	-	-	-	-	-	351,359	32	351,391
Unassigned	1,331,939	-	-	-	-	-	-	1,331,939
Total fund balances	<u>1,371,552</u>	<u>538,614</u>	<u>988,347</u>	<u>4,123,295</u>	<u>8,503,910</u>	<u>351,359</u>	<u>1,597,476</u>	<u>17,474,553</u>
Total liabilities and fund balances	<u>\$1,516,176</u>	<u>\$ 552,546</u>	<u>\$ 1,002,279</u>	<u>\$4,368,530</u>	<u>\$ 8,504,585</u>	<u>\$ 525,559</u>	<u>\$1,599,929</u>	<u>\$18,069,604</u>

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

CITY OF CARENCRO, LOUISIANA

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
November 30, 2022**

Total fund balances for governmental funds at November 30, 2022		\$17,474,553
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Capital assets, net		33,985,249
Intangible right-of-use assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		844,237
The deferred outflows of expenditures for the various pensions are not a use of current resources, and therefore, are not reported in the funds		2,712,392
Long-term liabilities, including bonds and certificates of indebtedness payable, are not due and payable in the current period and, therefore, not reported in the governmental funds.		
Long-term liabilities at November 30, 2022:		
Bonds and certificates of indebtedness payable	\$ (12,710,000)	
Accrued interest payable	(117,783)	
Right-of-use liabilities	(853,003)	
Notes payable	(170,940)	
Net pension liability	(6,627,724)	
Compensated absences payable	<u>(310,109)</u>	(20,789,559)
The deferred inflows of contributions for the various pensions are not available resources, and therefore, are not reported in in the funds.		<u>(146,279)</u>
Total net position of governmental activities at November 30, 2022		<u>\$34,080,593</u>

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

CITY OF CARENCRO, LOUISIANA

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

	General	1967 Sales Tax	1993 Sales Tax	TIF District Sales Tax	2016 Sales Tax	Capital Projects Fund	Other Governmental Funds	Total
Revenues:								
Taxes	\$ 1,016,583	\$ 3,797,503	\$ 3,797,503	\$ 2,462,191	\$ 3,786,787	\$ -	\$ 6,198	\$ 14,866,765
Licenses and permits	783,386	-	-	-	-	-	-	783,386
Intergovernmental	664,266	-	-	-	-	682,884	372,000	1,719,150
Fines and forfeits	527,032	-	-	-	-	-	-	527,032
Miscellaneous	77,111	(6,774)	13,438	49,595	101,016	12,219	27,500	274,105
Total revenues	<u>3,068,378</u>	<u>3,790,729</u>	<u>3,810,941</u>	<u>2,511,786</u>	<u>3,887,803</u>	<u>695,103</u>	<u>405,698</u>	<u>18,170,438</u>
Expenditures:								
Current -								
General government:								
Administrative	1,254,158	35,586	35,586	22,935	35,553	85,825	-	1,469,643
Code department	388,937	-	-	-	-	-	-	388,937
Public safety:								
Police	3,454,445	-	-	-	-	-	-	3,454,445
Fire	1,068,917	-	-	-	-	-	-	1,068,917
City Court	203,561	-	-	-	-	-	-	203,561
Highways and streets	966,875	-	-	-	-	-	-	966,875
Culture and tourism	69,297	-	1,353,096	-	-	-	34,361	1,456,754
Capital outlay	718,630	-	-	2,719,899	-	2,680,946	-	6,119,475
Debt service -								
Principal retirement	204,412	-	-	-	-	-	1,450,000	1,654,412
Interest and fiscal charges	32,998	-	-	-	-	-	327,874	360,872
Total expenditures	<u>8,362,230</u>	<u>35,586</u>	<u>1,388,682</u>	<u>2,742,834</u>	<u>35,553</u>	<u>2,766,771</u>	<u>1,812,235</u>	<u>17,143,891</u>
Excess (deficiency) of revenues over expenditures	<u>(5,293,852)</u>	<u>3,755,143</u>	<u>2,422,259</u>	<u>(231,048)</u>	<u>3,852,250</u>	<u>(2,071,668)</u>	<u>(1,406,537)</u>	<u>1,026,547</u>
Other financing sources (uses):								
Proceeds from issuance of debt	610,233	-	-	-	-	-	-	610,233
Transfers in	4,676,137	-	-	-	-	3,810,019	1,531,311	10,017,467
Transfers out	-	(4,885,877)	(2,500,000)	(938,272)	(4,050,000)	(1,902,562)	(20,375)	(14,297,086)
Total other financing sources (uses)	<u>5,286,370</u>	<u>(4,885,877)</u>	<u>(2,500,000)</u>	<u>(938,272)</u>	<u>(4,050,000)</u>	<u>1,907,457</u>	<u>1,510,936</u>	<u>(3,669,386)</u>
Net changes in fund balances	(7,482)	(1,130,734)	(77,741)	(1,169,320)	(197,750)	(164,211)	104,399	(2,642,839)
Fund balances, beginning	<u>1,379,034</u>	<u>1,669,348</u>	<u>1,066,088</u>	<u>5,292,615</u>	<u>8,701,660</u>	<u>515,570</u>	<u>1,493,077</u>	<u>20,117,392</u>
Fund balances, ending	<u>\$ 1,371,552</u>	<u>\$ 538,614</u>	<u>\$ 988,347</u>	<u>\$ 4,123,295</u>	<u>\$ 8,503,910</u>	<u>\$ 351,359</u>	<u>\$ 1,597,476</u>	<u>\$ 17,474,553</u>

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

CITY OF CARENCRO, 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 November 30, 2022

Total net changes in fund balances at November 30, 2022 per
 Statement of Revenues, Expenditures and Changes in Fund Balances \$ (2,642,839)

The change in net position reported for governmental activities in the
 statement of activities is different because:

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.

Capital outlay	\$ 5,509,242	
Depreciation expense for the year ended November 30, 2022	(1,530,087)	
Loss on disposal of asset	<u>(6,401)</u>	3,972,754

Governmental funds report intangible right-of-use assets as expenditures.
 However, in the statement of activities, the costs of these assets are
 allocated over the lease term and reported as amortization expense.

Right-of-use lease assets	610,233	
Amortization expense for the year ended November 30, 2022	<u>(157,132)</u>	453,101

Because some revenues are not considered measurable at year end,
 they are not considered "available" revenues in the governmental funds.

Non-employer pension contributions		165,229
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Debt proceeds are reported as financing sources in the governmental funds
 and thus contribute to the change in fund balance. In the statement of
 net position, however, issuing debt increases long-term liabilities and does
 not affect the statement of activities. Similarly, the retirement of principal is
 recorded as an expenditure in the governmental funds but reduces the liability
 in the statement of net position.

Proceeds from right-of-use leases	(610,233)	
Principal payments	<u>1,654,412</u>	1,044,179

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 the governmental funds.

Increase in compensated absences	(209,022)	
Increase in pension expense	(1,085,235)	
Decrease in interest expense	<u>12,376</u>	<u>(1,281,881)</u>

Total changes in net position at November 30, 2022 per Statement of Activities		<u>\$ 1,710,543</u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF CARENCRO, LOUISIANA

Statement of Net Position

Proprietary Fund

November 30, 2022

ASSETS

Current assets:	
Cash	\$ 3,709,036
Interest-bearing deposits	101,633
Investments	459,556
Receivables:	
Accounts	441,325
Unbilled utility receivables	211,623
Due from other governmental agencies	1,900,466
Prepaid items	<u>16,570</u>
Total current assets	<u>6,840,209</u>
Noncurrent assets:	
Restricted assets -	
Interest-bearing deposits	1,373,920
Investments	47,687
Capital assets -	
Land and construction in progress	12,622,804
Other capital assets, net of accumulated depreciation	25,693,258
Right-of-use assets	<u>59,684</u>
Total noncurrent assets	<u>39,797,353</u>
Total assets	<u>46,637,562</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions	<u>317,462</u>
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LIABILITIES

Current liabilities (payable from current assets):	
Accounts payable	174,985
Retainage and contracts payable	804,427
Accrued liabilities	24,130
Due to other funds	504,525
Unearned revenue	2,995,903
Notes payable	241,494
Right-of-use lease liability	<u>31,217</u>
Total	<u>4,776,681</u>
Current liabilities (payable from restricted assets):	
Customers deposits payable	536,181
Bonds payable	503,000
Accrued interest	<u>42,127</u>
Total	<u>1,081,308</u>
Total current liabilities	5,857,989
Noncurrent liabilities:	
Compensated absences payable	97,432
Right-of-use lease liability	30,826
Net pension liability	941,102
Notes payable	1,701,309
Bonds payable	<u>5,307,676</u>
Total noncurrent liabilities	<u>8,078,345</u>
Total liabilities	<u>13,936,334</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	<u>11,975</u>
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NET POSITION

Net investment in capital assets	29,755,797
Restricted for debt service	843,299
Unrestricted	<u>2,407,619</u>
Total net position	<u>\$33,006,715</u>

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

CITY OF CARENCRO, LOUISIANA

Statement of Revenues, Expenses, and Change in Fund Net Position -
 Proprietary Fund
 For the Year Ended November 30, 2022

Operating revenues:	
Charges for services -	
Gas charges	\$ 814,871
Water service charges	1,625,283
Sewer service charges	1,576,649
Garbage collection	831,961
Penalties, permits, and connection fees	178,815
Miscellaneous	<u>21,150</u>
Total operating revenues	<u>5,048,729</u>
Operating expenses:	
Salaries	959,852
Payroll taxes	68,069
Group insurance	133,825
Retirement contribution	220,409
Gas purchased	315,768
Maintenance and supplies	645,500
Chemicals	504,903
Cathodic protection survey	1,615
Garbage collection fees	797,166
Depreciation expense	1,273,502
Amortization expense	30,006
Utilities	246,122
Telephone	20,885
Truck operation	79,563
Office supplies and postage	57,383
Insurance	141,153
Miscellaneous	1,097
Professional fees	27,725
Uniforms	27,713
Engineering fees	45,987
Travel	1,600
Contractual services	<u>193,337</u>
Total operating expenses	<u>5,793,180</u>
Operating loss	<u>(744,451)</u>

(continued)

CITY OF CARENCRO, LOUISIANA

Statement of Revenues, Expenses, and Change in Fund Net Position
Proprietary Fund (Continued)
For the Year Ended November 30, 2022

Nonoperating revenues (expenses):	
Interest income	13,867
Interest expense and fiscal charges	(224,289)
Investment losses	(46,107)
Sale of capital assets	3,688
State and federal grants	4,779,139
Non-employer contributions	<u>31,148</u>
Total nonoperating revenues	<u>4,557,446</u>
Income before transfers	<u>3,812,995</u>
Transfers:	
Transfers in	4,284,243
Transfers out	<u>(4,624)</u>
Total transfers	<u>4,279,619</u>
Change in net position	8,092,614
Net position, beginning, as restated	<u>24,914,101</u>
Net position, ending	<u>\$33,006,715</u>

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

CITY OF CARENCRO, LOUISIANA

Statement of Cash Flows
 Proprietary Fund
 For the Year Ended November 30, 2022

Cash flows from operating activities:	
Receipts from customers	\$ 5,016,194
Payments to suppliers	(3,084,097)
Payments to employees	<u>(1,349,704)</u>
Net cash provided by operating activities	<u>582,393</u>
Cash flows from noncapital financing activities:	
Transfers from other funds	<u>1,879,826</u>
Net cash provided by noncapital financing activities	<u>1,879,826</u>
Cash flows from capital and related financing activities:	
Proceeds from loan payable	438,400
Proceeds from grants	3,500,428
Principal paid on certificates of indebtedness	(278,000)
Principal paid on DHH water loan payable	(203,000)
Principl paid on right-of-use lease asset	(29,419)
Principal paid on notes payable	(218,154)
Interest paid	(223,339)
Acquisition of property, plant and equipment	<u>(2,012,101)</u>
Net cash provided by capital and related financing activities	<u>974,815</u>
Cash flows from investing activities:	
Proceeds of investments and interest-bearing deposits with maturity in excess of ninety days	497,436
Purchase of investments and interest-bearing deposits with maturity in excess of ninety days	(447,570)
Unrealized investment losses	
Interest on investments	<u>17,795</u>
Net cash provided by investing activities	<u>67,661</u>
Net increase in cash and cash equivalents	3,504,695
Cash and cash equivalents, beginning of period	<u>1,785,674</u>
Cash and cash equivalents, end of period	<u>\$ 5,290,369</u>

(continued)

CITY OF CARENCRO, LOUISIANA

Statement of Cash Flows
 Proprietary Fund (Continued)
 For the Year Ended November 30, 2022

Reconciliation of operating income to net cash provided by

operating activities:

Operating income	\$ (744,451)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	1,273,502
Amortization expense	30,006
Pension expense (benefit)	56,293
Bad debt recoveries	(17,021)
Changes in current assets and liabilities:	
Increase in accounts receivable	(9,136)
Increase in unbilled utility receivables	(8,117)
Decrease in prepaid items	3,743
Increase in accounts payable	8,912
Increase in accrued liabilities	3,203
Decrease in customer deposits	(26,234)
Increase in compensated absences payable	11,693
Net cash provided by operating activities	<u>\$ 582,393</u>

Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:

Cash and cash equivalents, beginning of period -	
Cash - unrestricted	\$ 423,564
Interest-bearing deposits - unrestricted	106,320
Interest-bearing deposits - restricted	<u>1,255,790</u>
Total cash and cash equivalents	<u>1,785,674</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	\$ 3,709,036
Interest-bearing deposits - unrestricted	159,726
Interest-bearing deposits - restricted	<u>1,421,607</u>
Total cash and cash equivalents	<u>5,290,369</u>
Net increase	<u>\$ 3,504,695</u>

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Carencro (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The City of Carencro was incorporated under the provisions of the Lawrason Act. The City operates under the Mayor-City Council form of government.

As the municipal governing authority, for reporting purposes, the City of Carencro is considered a separate financial reporting entity. The financial reporting entity consists of (a) the primary government (municipality), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, "Defining the Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the primary government's governing authority (City Council) appoints a majority of board members of the potential component unit and is able to impose its will on the potential component unit or the potential component unit is fiscally dependent on the primary government.
3. Financial benefit/burden relationship between the primary government and the potential component unit.
4. The nature and significance of the relationship between the potential component unit with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Based on these criteria, the City includes the component unit detailed below in the financial reporting entity.

Parks and Recreation Commission of Carencro, Inc.

The Parks and Recreation Commission of Carencro, Inc., (Commission) is a non-profit corporation established in 1993 for the purpose of maintaining and operating recreational facilities for the general purpose of the City. The members of the governing board of the Commission consist of seven (7) trustees. Of the seven (7) trustees, four (4) must be appointed by the City Council, one (1) must be appointed by the Mayor of the City and two (2) may be appointed by the Commission with the authority reverting to the City Council in the event the Commission appoints no one. The Commission's operational and capital budgets are subject to the approval of the City. Bonded debt issued by the Parks and Recreation Commission must be approved by the City Council.

Complete financial statements for the component unit may be obtained at the entity's administrative office (Parks and Recreation Commission of Carencro, Inc., P.O. Drawer 10, Carencro, LA 70520).

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Fund Financial Statements

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

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

1. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
2. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major funds of the City are described below:

Governmental Funds:

General Fund

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

Special Revenue Funds -

1967 Sales Tax Fund

The 1967 Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

1993 Sales Tax Fund

The 1993 Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Taxing Increment Financing (TIF) District Sales Tax Fund

The TIF Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax levied on the businesses located in the I-49 Corridor Economic Development District and is legally restricted to expenditures for economic development projects in the District.

2016 Sales Tax Fund

The 2016 Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

Capital Projects Fund

The Capital Projects Fund is used to account for the acquisition and construction of major capital assets other than those financed by proprietary funds.

Proprietary Fund:

Enterprise Fund

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

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

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

Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. For all other revenue, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, claims, and judgments, and compensated absences are recorded only to the extent they have matured.

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

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

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand, savings, and money market deposits, as well as cash on hand. For purposes of the proprietary fund statement of cash flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

Investments

Under state law, the City may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

The City may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana.

In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Codification Section 150, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.”

Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and federal and state grants. The major receivable balance for business-type activities is accounts receivable for customer utility services, which is reported net of an allowance for bad debts. The allowance amount at November 30, 2022 was \$208,054. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Prepaid items

Prepaid items consist of various payments that the City has made in advance for goods or services to be received in the future. Prepaid expenditures at November 30, 2022 consist of insurance premiums requiring up-front payments.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,500 or more for capitalizing capital assets.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to July 1, 2001, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

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

Buildings	40 years
Equipment	5 years
Utility system and improvements	20-40 years
Infrastructure	20 years

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

Restricted Assets

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

Long-term debt

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of the general obligation bonds payable, capital leases payable, utility meter deposits payable, and compensated absences payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Compensated Absences

Sick leave is earned at the rate of one day for each month worked, with a limit of ten days per year. Vacation leave is accumulated as follows:

1-5 years	5 days
6-10 years	10 days
10-20 years	15 days
Over 20 years	20 days

Thirty days of sick leave and one week of vacation may be carried over to a subsequent year. Upon termination of employment, employees are to be paid for accumulated or unused sick and vacation leave.

At November 30, 2022, employees of the City have accumulated and vested \$407,541 of compensated absence benefits. The estimated liabilities include required salary-related payments. Compensated absences have typically been liquidated by the General Fund and Utility Fund.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires an entity to delay recognition of decreases in net position as expenditures until a future period. In other instances, entities are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At November 30, 2022, the City's deferred outflows of resources and deferred inflows of resources are attributable to pension plans.

Equity Classifications

Net position represents the difference between assets and deferred outflows of revenues less liabilities and deferred inflows of resources. In the government-wide statements, the City reports three components as follows:

1. Net investment in capital assets – This component consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
2. Restricted net position – This component is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the City's debt. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Constraints may be placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project. At November 30, 2022, the City reported \$16,828,517 of restricted net position, \$14,168,955 of which was restricted by enabling legislation.

3. Unrestricted net position – This component consists of all other net position that does not meet the definition of the above two components and is available for general use by the City.

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balances of the governmental funds are classified as follows.

1. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
2. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
3. Committed – amounts that can be used only for specific purposes determined by a formal decision of the City Council, which is the highest level of decision-making authority for the City.
4. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, only the City Council may assign amounts for specific purposes.
5. Unassigned – all other spendable amounts.

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

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

In the fund financial statements, expenditures are classified as follows:

- Governmental Funds - By Character
- Proprietary Fund - By Operating and Nonoperating

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

Interfund Transfers

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

F. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 12
Gas, water and sewer revenue	Debt service and utility operations

The City uses unrestricted resources only when restricted resources are fully depleted.

G. Use of Estimates

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(2) Cash, Interest-Bearing Deposits and Investments

A. Cash and Interest-bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At November 30, 2022, the City had cash and interest-bearing deposits (book balances) totaling as follows:

Demand deposits	\$ 988,975
Money market accounts	20,092,290
Total	<u>\$ 21,081,265</u>

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

Bank balances	<u>\$ 22,663,432</u>
Federal deposit insurance	\$ 337,600
Pledged securities	<u>22,325,832</u>
Total	<u>\$ 22,663,432</u>

Deposits in the amount of \$22,325,832 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

B. Investments

At November 30, 2022, the City had the following investments and maturities:

<u>Investment Type</u>	<u>% of Portfolio</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
			<u>Less Than 1 Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	<u>15-20 Years</u>
U.S. treasury securities	57%	\$ 390,024	\$ -	\$ 390,024	\$ -	\$ -
U.S. agency securities	28%	190,807	-	40,217	59,763	90,827
LAMP	15%	105,807	105,807	-	-	-
Total	<u>100%</u>	<u>\$ 686,638</u>	<u>\$ 105,807</u>	<u>\$ 430,241</u>	<u>\$ 59,763</u>	<u>\$ 90,827</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Custodial Credit Risk – In the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's requires all investments to be kept in the City's name and all ownership to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the City. Accordingly, the City had no custodial credit risk related to its investments at November 30, 2022.

Credit Rate Risk – The risks are managed by restricting investments to those authorized by R.S. 33:5162. The City's investment policy limits investments to fully insured and/or fully collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies. At November 30, 2022, the Government's investment in U.S. treasury notes and U.S. agency securities were rated AA+ by Standards & Poor's.

Concentration of Credit Risk – The risk relates to the amount of investments in any one entity. At November 30, 2022, no more than 5 percent of the City's total investments were invested in any single issue.

Interest Rate Risk – The City does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The City participates in Louisiana Asset Management Pool (LAMP). LAMP is an investment pool that, to the extent practical, invest in a manner consistent with GASB Statement No.79. The following facts are relevant for investment pools:

- Credit risk – LAMP has a fund rating of AAAM issued by Standard & Poor's.
- Custodial credit risk – LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk – LAMP's pooled investments are excluded from the 5 percent disclosure requirements.
- Interest rate risk – LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 54 days as of November 30, 2022.

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(3) Receivables

Receivables at November 30, 2022 consist of the following:

	Governmental Activities	Business-type Activities	Total
Accounts (net)	\$ -	\$ 441,325	\$ 441,325
Unbilled utility	-	211,623	211,623
Franchise tax	15,527	-	15,527
Sales tax	<u>1,109,979</u>	-	<u>1,109,979</u>
Total	<u>\$ 1,125,506</u>	<u>\$ 652,948</u>	<u>\$ 1,778,454</u>

(4) Due From Other Governmental Agencies

Amounts due from other governmental agencies at November 30, 2022 consist of the following:

Fund Financial Statements:

Governmental Funds -

State grant funds	\$ 29,726
Lafayette Parish School Board	21,155
Federal grant funds	<u>273,008</u>
	<u>\$ 323,889</u>

Proprietary funds -

State grant funds	<u>\$ 1,900,466</u>
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Government-wide financial statements:

Total amount reported in governmental funds	\$ 323,889
Total amount reported in proprietary funds	<u>1,900,466</u>
	<u>\$ 2,224,355</u>

(5) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended November 30, 2022, taxes were levied by the City in September 2021 and were billed to the taxpayers by the Assessor in November 2021. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values and determined by the Tax Assessor of Lafayette Parish and are collected by the Sheriff. City property tax revenues are budgeted in the year billed.

For the year ended November 30, 2022, taxes of 4.66 mills were levied on property with assessed valuations totaling \$76,936,690 and were dedicated to general corporate purposes. Total taxes levied were \$358,525. There were no ad valorem taxes receivable at November 30, 2022.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(6) Capital Assets

Capital asset activity for the year ended November 30, 2022 was as follows:

	Balance 12/01/21	Additions	Deletions	Balance 11/30/22
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,256,247	\$ 110,000	\$ -	\$ 1,366,247
Construction in progress	2,743,367	5,211,726	2,417,945	5,537,148
Other capital assets:				
Land improvements	195,441	-	-	195,441
Buildings	6,042,477	-	-	6,042,477
Infrastructure	25,068,806	2,454,095	-	27,522,901
Equipment, furniture and fixtures	2,215,454	151,366	57,454	2,309,366
Vehicles	3,834,159	-	546,387	3,287,772
Totals	<u>41,355,951</u>	<u>7,927,187</u>	<u>3,021,786</u>	<u>46,261,352</u>
Less accumulated depreciation				
Land improvements	46,797	11,489	-	58,286
Buildings	2,788,075	175,699	-	2,963,774
Infrastructure	5,099,279	909,898	-	6,009,177
Equipment, furniture and fixtures	1,403,601	238,457	51,053	1,591,005
Vehicles	2,005,704	194,544	546,387	1,653,861
Total accumulated depreciation	<u>11,343,456</u>	<u>1,530,087</u>	<u>597,440</u>	<u>12,276,103</u>
Governmental activities, capital assets, net	<u>\$ 30,012,495</u>	<u>\$ 6,397,100</u>	<u>\$ 2,424,346</u>	<u>\$ 33,985,249</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 2,266,273	\$ -	\$ -	\$ 2,266,273
Construction in progress	11,384,017	7,769,505	8,796,991	10,356,531
Other capital assets:				
Gas system	2,032,212	723,854	119,953	2,636,113
Water system	12,546,943	8,825,954	27,798	21,345,099
Sewer system	17,900,035	1,510,228	8,709	19,401,554
Machinery and equipment	2,389,204	48,505	102,472	2,335,237
Totals	<u>48,518,684</u>	<u>18,878,046</u>	<u>9,055,923</u>	<u>58,340,807</u>
Less accumulated depreciation				
Gas system	1,141,104	47,988	5,874	1,183,218
Water system	7,350,063	495,612	25,612	7,820,063
Sewer system	8,985,681	567,931	8,709	9,544,903
Machinery and equipment	1,417,062	161,971	102,472	1,476,561
Total accumulated depreciation	<u>18,893,910</u>	<u>1,273,502</u>	<u>142,667</u>	<u>20,024,745</u>
Business-type activities, capital assets, net	<u>\$ 29,624,774</u>	<u>\$ 17,604,544</u>	<u>\$ 8,913,256</u>	<u>\$ 38,316,062</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 100,838
Police	217,146
Fire	201,852
Highways and streets	950,480
Culture and recreation	<u>59,771</u>
Total depreciation expense	<u>\$ 1,530,087</u>

Depreciation expense was charged to business-type activities as follows:

Gas	\$ 47,988
Water	495,612
Sewer	567,931
Sanitation	<u>161,971</u>
Total depreciation expense	<u>\$ 1,273,502</u>

(7) Restricted Assets - Proprietary Fund Type

Restricted assets consisted of the following at November 30, 2022:

Customers' deposits	\$ 536,181
2012 Revenue bond sinking fund	238,855
2016 Revenue bond sinking fund	<u>646,571</u>
Total	<u>\$ 1,421,607</u>

(8) Accounts and Other Payables

The accounts and other payables consisted of the following at November 30, 2022:

	Governmental Activities	Business-type Activities	Total
Accounts	\$ 283,705	\$ 174,985	\$ 458,690
Retainage and contracts payable	216,141	804,427	1,020,568
Customer rental deposits	4,435	-	4,435
Accrued liabilities	-	24,130	24,130
Totals	<u>\$ 504,281</u>	<u>\$ 1,003,542</u>	<u>\$ 1,507,823</u>

(9) Unearned Revenue

Unearned revenue of \$2,995,903 at November 30, 2022 consists of federal awards received under the American Rescue Plan Act (ARPA). The ARPA established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) to provide governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. The City is required to spend these funds in accordance with assistance listing 21.027 guidance. These funds must be obligated by December 31, 2024 and expended by December 31, 2026. The City is required to maintain appropriate documentation for the use of these funds and report expenditures to the Office of Recovery Programs with the U.S. Department of the Treasury.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(10) Long-Term Liabilities

The following is a summary of the changes for the year ended November 30, 2022:

	Balance 12/1/2021	Additions	Reductions	Balance 11/30/2022
Governmental Activities:				
Sales tax revenue bonds	\$ 14,160,000	\$ -	\$ 1,450,000	\$ 12,710,000
Notes payable	224,165	-	53,225	170,940
Compensated absences	101,087	264,464	55,442	310,109
Total governmental activities	<u>\$ 14,485,252</u>	<u>\$ 264,464</u>	<u>\$ 1,558,667</u>	<u>\$ 13,191,049</u>
Business-type Activities:				
Series 2012 refunding bond	\$ 1,778,000	\$ -	\$ 278,000	\$ 1,500,000
Series 2018 utility revenue bond	4,075,275	580,725	203,000	4,453,000
Notes payable	155,994	2,004,963	218,154	1,942,803
Compensated absences	85,739	18,031	6,338	97,432
Total business-type activities	<u>\$ 6,095,008</u>	<u>\$ 2,603,719</u>	<u>\$ 705,492</u>	<u>\$ 7,993,235</u>

Long-term liabilities payable at November 30, 2022 is comprised of the following:

Governmental activities:

Direct borrowing general obligation bonds –

	Current Portion
\$5,000,000 Sales Tax Bonds, Series 2021, due in annual installments of \$400,000 to \$575,000 through December 1, 2030; interest at 1.95%; payable from TIF sales tax revenues	\$ 390,000
\$5,800,000 Sales Tax Bonds, Series 2014, due in annual installments of \$480,000 to \$640,000 through July 1, 2024; interest at 2.15%; payable from 1967 sales tax revenues	630,000
\$3,750,000 Sales Tax Bonds, Series 2014A, due in annual installments of \$70,000 to \$500,000 through April 1, 2029; interest at 2.79%; payable from 1993 sales tax revenues	300,000
\$5,000,000 Sales Tax Bonds, Series 2019, due in annual installments of \$155,000 to \$900,000 through July 1, 2029; interest at 2.68%; payable from 1967 sales tax revenues	145,000
Total bonds	<u>\$ 1,465,000</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

		Current Portion
Direct placement note payable -		
\$275,235 note payable dated March 24, 2020, due in five annual installments of \$60,639 including interest of 3.314% through March 24, 2025; payable from any non-restricted revenues of the City.	\$ 170,940	\$ 54,989
Business-Type activities:		
Direct borrowing certificates of indebtedness –		
\$4,225,000 Refunding Certificates of Indebtedness, Series 2012, due in annual installments of \$94,000 to \$386,000 through April 1, 2029; interest at 2.80%; payable from City's excess annual revenues	\$1,500,000	\$289,000
Direct borrowing utility revenue bond		
\$5,000,000 Series 2018 taxable utility revenue bond, due in annual installments of 266,265 to \$322,718 through August 1, 2039, including interest at 2.45%; payable from utility system revenues.	\$4,310,676	\$214,000
Direct borrowing notes payable -		
\$265,240 note payable agreement dated October 10, 2019, due in monthly installments of \$4,819 including interest at 3.45% percent through October 10, 2024.	\$ 102,477	\$ 55,094
\$2,004,963 note payable dated June 1, 2021, due in monthly installments of \$21,210, including imputed interest at 3.95% through May 1, 2031.	\$1,840,326	186,400
Total notes payable	\$1,942,803	\$241,494

Proceeds of the Series 2018 taxable utility revenue bond are received from the Louisiana Department of Health and Hospitals to finance the costs of drinking water infrastructure improvements. During the year ended November 30, 2022, the City drew \$438,400, and has a remaining balance to be drawn of \$142,324.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

The debt as of November 30, 2022 is due as follows:

Governmental Activities:

November 30,	Sales Tax Revenue Bonds		Note Payable	
	Principal	Interest	Principal	Interest
2023	\$ 1,465,000	\$ 294,833	\$ 54,989	\$ 5,650
2024	1,495,000	261,260	56,811	3,828
2025	1,640,000	225,909	59,140	1,945
2026	1,675,000	185,181	-	-
2027	1,725,000	143,444	-	-
2028-2032	4,710,000	179,485	-	-
Totals	\$12,710,000	\$1,290,112	\$ 170,940	\$11,423

Business-Type Activities:

November 30,	Certificate of Indebtedness		Utility Revenue Bonds		Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 289,000	\$ 37,954	\$ 214,000	\$ 85,446	\$ 241,494	\$ 70,787
2024	299,000	29,722	220,000	82,661	241,146	61,506
2025	310,000	21,196	225,000	78,370	201,416	53,101
2026	319,000	12,390	231,000	73,984	209,372	45,145
2027	92,000	6,636	237,000	69,478	217,642	36,875
2028-2032	191,000	5,390	1,269,000	275,964	831,733	59,099
2033-2037	-	-	1,433,000	146,056	-	-
2038-2039	-	-	481,676	18,310	-	-
Totals	\$1,500,000	\$ 113,288	\$4,310,676	\$ 830,269	\$1,942,803	\$326,513

(11) Due to Other Governmental Agencies

Due to other governmental agencies in the amount of \$90,770 for governmental activities consists of the amount due to Lafayette Parish School System for sales tax revenues overpaid to the City as of November 30, 2022.

(12) Sales and Use Tax

Proceeds of the 1967 1% sales and use tax levied by the City of Carencro were \$3,797,503 during the year ended November 30, 2022 and are dedicated to the following purposes:

Paying principal and interest on any bonded debt or funded indebtedness of the City; constructing, acquiring, extending, improving and/or maintaining sewers, waterworks and natural gas utilities, streets, sidewalks and bridges, street lighting facilities, drainage facilities, fire and police department stations and equipment, garbage disposal and sanitation equipment and facilities, public buildings, public parks and recreational facilities, public works equipment and furnishings or for any one or more of said purposes.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Proceeds of the 1993 1% sales and use tax were \$3,797,503 during the year ended November 30, 2022 and are dedicated to the following purposes:

Paying principal and interest on any bonded debt or fund indebtedness of the City of Carencro issued for capital purposes; remaining proceeds are divided as follows: one-third (1/3) for fire and police protection; one-third (1/3) for operating and maintaining recreational facilities and programs; and one third (1/3) for capital improvements for the City.

Proceeds of the TIF District 1% sales and use tax were \$2,462,191 during the year ended November 30, 2022 and are dedicated for financing economic development projects in the I-49 Corridor Economic Development District and paying principal and interest on any bonded debt or funded indebtedness of the City of Carencro issued for projects in the District.

Proceeds of the 2016 1% sales and use tax were \$3,786,787 during the year ended November 30, 2022 and are dedicated to and used for the purpose of constructing, operating, and improving and maintaining the City's sewerage system and providing facilities for and operational support of police and fire protection in the City.

Proceeds of the hotel/motel 4% sales and use tax were \$6,198 during the year ended November 30, 2022 and are dedicated and used to fund the construction and maintenance of water and sewer infrastructure, economic development and tourism within the City.

The City complied with all sinking funds requirements of the sales tax bond ordinances as of November 30, 2022.

(13) Flow of Funds; Restrictions on Use - Utilities Revenues

Under the terms of the covenants included in the contract for the issuance of \$4,225,000 Certificates of Indebtedness Series 2012, the City is required to budget the funds each fiscal year sufficient to pay the principal of and interest on the Certificates. Any excess annual revenues remaining in that fiscal year shall be free for expenditure for any other lawful corporate purpose.

There will also be established and maintained a fund called the "Certificates of Indebtedness (2012) Sinking Fund." The City is required to deposit into the Sinking Fund at least one day in advance of the date on which each payment of principal and/or interest on the certificates funds sufficient to promptly pay the maturing principal and/or interest so falling due on such date.

The City was in compliance with all covenants of the contract at November 30, 2022.

(14) Employee Retirement Systems

The City participates in three cost-sharing defined benefit plans, each administered by separate public employee retirement systems. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by these public employee retirement systems to the State Legislature. These plans are not closed to new entrants.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Substantially all City employees participate in one of the following retirement systems:

Plan Descriptions:

Municipal Employees' Retirement Systems (MERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1731 and 11:1781. The Government participates in Plan B.

State of Louisiana - Municipal Police Employees' Retirement System (MPERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2211 and 11:2220.

State of Louisiana – Firefighters' Retirement System (FRS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2251-2254 and 11:2256.

The systems' financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned.

A brief summary of eligibility and benefits of the plans are provided in the following table:

	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>
Final average salary	Final average compensation	Highest 36 months or 60 months ²	Highest 36 months
Years of service required and/or age eligible for benefits	30 years of any age 10 years age 60 20 years any age ²	25 years of any age ^{1,4} 20 years age 50 ^{1,2,3} 12 years age 55 ^{1,4} 20 years any age ^{1,5} 30 years any age ^{2,5} 25 years age 55 ^{2,5} 10 years age 60 ^{2,5}	25 years of any age 20 years age 50 12 years age 55
Benefit percent per years of service	2.00%	2.50 - 3.33% ⁶	3.33%

¹ Membership commencing prior to January 1, 2013

² Membership commencing January 1, 2013

³ With actuarially reduced benefits

⁴ Under hazardous duty sub plan commencing January 1, 2013

⁵ Under non hazardous duty sub plan commencing January 1, 2013

⁶ Membership commencing January 1, 2013 non hazardous duty plan 2.5%, hazardous duty plan 3.0%, membership prior to January 1, 2013 3.33%.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. Contributions of employees, employers, and non-employer contributing entities effective for the year ended November 30, 2022 for the defined benefit pension plans in which the City is a participating employer were as follows:

<u>Plan</u>	<u>Active Member Contribution Percentage</u>	<u>Employer Contribution Percentage</u>	<u>Amount from Nonemployer Contributing Entities</u>	<u>Amount of City Contributions</u>
MERS	5.00%	15.50%	\$ 51,914	\$ 222,622
MPERS	10.00%	29.75%	114,347	472,097
FRS	10.00%	33.75%	30,116	91,993

Net Pension Liability

The City's net pension liability at November 30, 2022 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City's net pension liability for each plan was measured as of the plan's measurement date (June 30, 2022 for all plans) 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 proportionate share of the net pension liability for each of the plans in which it participates was based on the City's required contributions in proportion to total required contributions for all employers.

As of the most recent measurement date, the City's proportion for each plan and the change in proportion from the prior measurement date were as follows:

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
MERS	\$ 1,568,504	1.786485%	0.190083%
MPERS	5,254,309	0.514031%	0.048340%
FRS	746,013	0.105798%	0.004766%
Total	<u>\$ 7,568,826</u>		

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Since the measurement date of the net pension liability was June 30, 2022, the net pension liability is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

MERS - <http://www.mersla.com/>
 MPERS - <http://lampers.org/>
 FRS - <http://www.ffret.com/>

Actuarial Assumptions

The following table provides information concerning actuarial assumptions used in the determination of the total pension liability for each of the defined benefit plans in which the primary government is a participating employer:

	MERS	MPERS	FRS
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2014 - 6/30/2019	7/1/2014 - 6/30/2019
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Expected remaining service lives	3	4	7
Investment rate of return (net of investment expense)	6.85%	6.75%	6.90%
Inflation Rate	2.50%	2.50%	2.50%
Projected salary increases	4.5% - 7.4%	4.7% - 12.3%	5.2% - 14.1%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)	(6), (7), (8)

- (1) PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
- (2) PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
- (3) PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP 2018 scale.
- (4) Pub-2010 Healthy Retiree Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.
- (5) Pub-2010 Employee Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.
- (6) Pub-2010 Disabled Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scales.
- (7) Pub-2010 Healthy Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.
- (8) Pub-2010 Employee Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Cost of Living Adjustments

The pension plans in which the City participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide systems (MERS, MPERS, FRS) to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

Long-term Rate of Return

For MERS, MPERS, and FRS the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These 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 arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following tables:

Asset Class	MERS*		MPERS*	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	38%	1.65%	30.5%	0.85%
Equities	53%	2.31%	55.5%	3.60%
Alternative Investments	9%	0.39%	14%	0.95%
Total	100%	4.35%	100%	5.40%
Inflation		2.60%		2.66%
Expected Return		6.95%		8.06%

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Asset Class	FRS*	
	Target Allocation	Long-term Expected Real Rate of Return
Domestic Fixed Income	18.00%	0.84%
U.S. Tips	3.00%	0.51%
Emerging Market Debt	5.00%	2.99%
Domestic Equity	27.50%	5.64%
International Equity	11.50%	5.89%
Global Equity	10.00%	5.99%
Emerging Market Equity	7.00%	7.75%
Global Tactical Asset Allocation	0.00%	3.14%
Risk Parity	0.00%	3.14%
Private Equity	9.00%	8.99%
Real Assets	3.00%	4.89%
Real Estate	6.00%	4.57%
Total	100%	54%

*Arithmetic real rates of return

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net positions 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 discount rate used to measure the total pension liability for MERS, MPERS, and FRS was 6.85%, 6.75%, and 6.9% respectively, for the year ended June 30, 2022.

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended November 30, 2022, the City recognized \$368,697, \$1,421,994, and \$188,597 in pension expense for MERS, MPERS, and FRS, respectively.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

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

	Deferred Outflows of Resources			
	MERS	MPERS	FRS	Total
Differences between expected and actual experience	\$ -	\$ 25,914	\$ 4,459	\$ 30,373
Changes in assumptions	16,772	181,244	61,514	259,530
Net difference between projected and actual earnings on pension plan investments	288,461	938,060	168,991	1,395,512
Changes in proportion and differences between actual contributions and proportionate share of contributions	136,525	715,199	167,294	1,019,018
Employer contributions to the pension plans subsequent to the measurement date of the net pension liability	<u>87,345</u>	<u>203,239</u>	<u>34,837</u>	<u>325,421</u>
Total	<u>\$ 529,103</u>	<u>\$ 2,063,656</u>	<u>\$ 437,095</u>	<u>\$ 3,029,854</u>

	Deferred Inflows of Resources			
	MERS	MPERS	FRS	Total
Differences between expected and actual experience	\$ 19,960	\$ 42,824	\$ 35,163	\$ 97,947
Changes in assumptions	-	39,081	-	39,081
Changes in proportion and differences between actual contributions and proportionate share of contributions	-	-	21,226	21,226
Total	<u>\$ 19,960</u>	<u>\$ 81,905</u>	<u>\$ 56,389</u>	<u>\$ 158,254</u>

Deferred outflows of resources of \$325,421 resulting from the employer contributions subsequent to the measurement date will be recognized as pension expense during the year ending November 30, 2022.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended November 30	MERS	MPERS	FRS	TOTAL
2023	\$ 158,328	\$ 658,183	\$ 106,919	\$ 923,430
2024	102,995	477,187	87,835	668,017
2025	31,098	151,093	41,484	223,675
2026	129,377	492,049	96,173	717,599
2027	-	-	11,923	11,923
Thereafter	-	-	1,535	1,535
	<u>\$ 421,798</u>	<u>\$1,778,512</u>	<u>\$ 345,869</u>	<u>\$2,546,179</u>

Sensitivity of the Government's Proportional Share of the Net Pension Liabilities to Changes in the Discount Rate:

The following presents the Government's proportionate shares of the net pension liabilities of the plans, calculated using their respective discount rates, as well as what the Government's proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	6.85%	\$ 2,138,169	\$ 1,568,504	\$1,086,703
MPERS	6.75%	7,355,027	5,254,309	3,499,515
FRS	6.90%	1,103,643	746,013	447,724
Total		<u>\$10,596,839</u>	<u>\$ 7,568,826</u>	<u>\$5,033,942</u>

Payables to the Pension Plans

At November 30, 2022, the City had no outstanding payables to MERS, MPERS, or FRS.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(15) Leases

During the year ended November 30, 2022, the City implemented GASBS No. 87, *Leases*. GASB Statement No. 87 enhances the relevance and consistency of information of the government's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. 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. The implementation of GASB Statement No. 87 resulted in a restatement of previously reported net position:

	Governmental Activities	Business-Type Activities/ Proprietary Fund	Total
December 1, 2021 net position, as previously reported	\$ 32,372,870	\$ 24,915,873	\$ 57,288,743
Change in accounting principle: Net effect of GASBS no. 87 implementation	<u>(2,820)</u>	<u>(1,772)</u>	<u>(4,592)</u>
December 1, 2021 net position, as restated	<u>\$ 32,370,050</u>	<u>\$ 24,914,101</u>	<u>\$ 57,284,151</u>

The City recognizes a lease liability and an intangible right-of-use lease asset (lease asset) in the government wide and proprietary fund financial statements. The lease activity for the year follows:

Governmental Activities -

	Balance 12/1/2021	Additions	Deletions	Balance 11/30/2022
Intangible right-of-use assets	\$ 437,336	\$ 610,233	\$ 46,711	\$ 1,000,858
Less: accumulated amortization	<u>46,200</u>	<u>157,132</u>	<u>46,711</u>	<u>156,621</u>
Intangible right-of-use assets, net	<u>\$ 391,136</u>	<u>\$ 453,101</u>	<u>\$ -</u>	<u>\$ 844,237</u>

Business-Type Activities and Proprietary Fund -

	Balance 12/1/2021	Additions	Deletions	Balance 11/30/2022
Intangible right-of-use assets	\$ 120,025	\$ -	\$ -	\$ 120,025
Less: accumulated amortization	<u>30,335</u>	<u>30,006</u>	<u>-</u>	<u>60,341</u>
Intangible right-of-use assets, net	<u>\$ 89,690</u>	<u>\$ (30,006)</u>	<u>\$ -</u>	<u>\$ 59,684</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

The leased assets will be amortized over the lease terms. Unamortized lease assets to be amortized in future periods is as follows:

Year Ended November 30	Governmental Activities	Business-Type Activities	TOTAL
2023	\$ 231,083	\$ 30,007	\$ 261,090
2024	226,933	26,434	253,367
2025	190,982	3,243	194,225
2026	119,198	-	119,198
2027	76,041	-	76,041
	<u>\$ 844,237</u>	<u>\$ 59,684</u>	<u>\$ 903,921</u>

The following is a summary of changes in the lease liability for the year ended November 30, 2022:

Governmental Activities -

	Balance 12/1/2021	Additions	Deletions	Balance 11/30/2022	Due Within One Year
Right-of-use lease liability	<u>\$ 393,957</u>	<u>\$ 610,233</u>	<u>\$ 151,187</u>	<u>\$ 853,003</u>	<u>\$ 229,782</u>

Business-Type Activities and Proprietary Fund -

	Balance 12/1/2021	Additions	Deletions	Balance 11/30/2022	Due Within One Year
Right-of-use lease liability	<u>\$ 91,462</u>	<u>\$ -</u>	<u>\$ 29,419</u>	<u>\$ 62,043</u>	<u>\$ 31,217</u>

At the commencement of the lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease terms. For purposes of discontinuing future payments on the lease, the City used the interest rates of 3.25%-7.04%. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial indirect costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or the lease term.

Minimum lease payments through the lease term are as follows:

Year Ended November 30	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 229,782	\$ 34,296	\$ 264,078	\$ 31,217	\$ 1,314	\$ 32,531
2024	225,844	33,708	259,552	27,465	1,156	28,621
2025	192,004	28,657	220,661	3,361	141	3,502
2026	123,779	18,474	142,253	-	-	-
2027	81,594	12,178	93,772	-	-	-
	<u>\$ 853,003</u>	<u>\$ 127,313</u>	<u>\$ 980,316</u>	<u>\$ 62,043</u>	<u>\$ 2,611</u>	<u>\$ 64,654</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(16) On-behalf Payments for Salaries

GASB Statement No. 24, *Accounting and Reporting for Certain Grants and Other Financial Assistance* requires the City to report and disclose in the financial statements on-behalf salary and fringe benefits made by the State of Louisiana to certain groups of City employees.

Supplemental salary payments are made by the State of Louisiana directly to certain groups of employees. The City is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution made by the State. For the fiscal year ended November 30, 2022, the State paid supplemental salaries in the amount of \$201,108 to fire and law enforcement employees. The payments are recorded as intergovernmental revenue and public safety expenses/expenditures in the GAAP basis government-wide and General Fund financial statements.

(17) Compensation of City Officials

A detail of compensation paid to the City Council for the year ended November 30, 2022 follows:

Alfred Sinegal	\$ 14,997
Antoine Babineaux, Jr.	14,997
Kim Guidry	14,997
Jordan Arceneaux	15,047
Danielle Capritto	14,997
	<u>\$ 75,035</u>

(18) Compensation, Benefits, and Payments to Agency Head

The schedule of compensation, benefits, and other payments to Glenn Brasseux, Mayor, for the year ended November 30, 2022 follows:

Salary	\$ 85,665
Benefits - retirement	13,202
Vehicle allowance	9,600
Registration fees	535
Housing	1,219
Auto Expense	2,187
Other	917
Total	<u>\$ 113,325</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(19) Natural Gas Contract

Under contract dated May 1, 1989, the City of Carencro is required to purchase its natural gas from Louisiana Municipal Natural Gas Purchasing and Distribution Authority for an initial term of three (3) years and shall continue thereafter from year to year unless written notice to the contrary is given by either party to the other at least six (6) months prior to the expiration of the initial term or any renewal thereof. During the fiscal year ended November 30, 2022, the City's natural gas purchases amounted to \$315,768, of which \$17,324 was owed for purchases for the month of November 2022.

(20) Litigation and Claims

At November 30, 2022, the City is involved in several lawsuits claiming damages. In the opinion of the City's legal counsel, the only exposure to the City would be any costs in defense of the lawsuits with no liability to the City in excess of insurance coverage.

(21) Risk Management

The City is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

(22) Departmental Information for the Enterprise Fund

The City of Carencro maintains one enterprise fund with four departments, which provide gas, water, sewerage, and sanitation services. Departmental information for the income statement for the year ended November 30, 2022, was as follows:

	Gas Department	Water Department	Sewerage Department	Sanitation Department	Total Enterprise Fund
Operating revenues	\$ 816,506	\$ 1,779,618	\$ 1,620,644	\$ 831,961	\$ 5,048,729
Operating expenses:					
Depreciation	47,988	495,612	567,931	-	1,111,531
Amortization	30,006	-	-	-	30,006
Other	947,900	1,782,037	1,079,065	842,641	4,651,643
Total operating expenses	1,025,894	2,277,649	1,646,996	842,641	5,793,180
Operating income (loss)	\$ (209,388)	\$ (498,031)	\$ (26,352)	\$ (10,680)	\$ (744,451)

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(23) Fair Value Measurements

Professional standards require the disclosure for fair value measurements of financial assets and liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of inputs used to measure fair value are as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b. Level 2 inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- c. Level 3 inputs are unobservable inputs for the asset or liability.

The following methods and assumptions were used by the Government in estimating fair values of financial instruments:

- a. The carrying amount reported in the statement of net position for the following approximates fair value due to the short maturities of these instruments: cash, accounts receivable, and accounts payable.
- b. The fair value for investment securities are based on quoted market prices at the reporting date multiplied by the quantity held. The carrying value equals fair value.

The following table presents assets that are measured at fair value on a recurring basis at November 30, 2022:

Governmental Funds:

<u>Description</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Treasuries	\$ 123,957	\$ 123,957	\$ -	\$ -
U.S. Agency Securities	55,411	55,411	-	-
	<u>\$ 179,368</u>	<u>\$ 179,368</u>	<u>\$ -</u>	<u>\$ -</u>

Proprietary Fund:

<u>Description</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Treasuries	\$ 266,067	\$ 266,067	\$ -	\$ -
U.S. Agency Securities	135,396	135,396	-	-
	<u>\$ 401,463</u>	<u>\$ 401,463</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(24) Interfund Transactions

A. Interfund receivables and payables consisted of the following at November 30, 2022:

	Receivable	Payable
Governmental funds:		
Major governmental funds -		
Capital Projects Fund	\$ 504,525	\$ -
Total governmental funds	504,525	-
Proprietary fund:		
Utility Fund	-	504,525
Total	\$ 504,525	\$ 504,525

These balances resulted from short-term loans made to other funds. All interfund balances will be repaid within one year.

Transfers consisted of the following for the year ended November 30, 2022:

	Transfers In	Transfers Out
Governmental funds:		
Major governmental funds -		
General Fund	\$ 4,676,137	\$ -
1967 Sales Tax Special Revenue Fund	-	4,885,877
1993 Sales Tax Special Revenue Fund	-	2,500,000
TIF District Sales Tax Special Revenue Fund	-	938,272
2016 Sales Tax Special Revenue Fund	-	4,050,000
Capital Projects Fund	3,810,019	1,902,562
Non-major governmental funds	1,531,311	20,375
Proprietary fund:		
Utility Fund	4,284,243	4,624
Total	\$ 14,301,710	\$ 14,301,710

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(25) Transactions Between Primary Government and Discretely Presented Component Unit

External transactions consisted of the following for the year ended November 30, 2022:

1993 Sales Tax Special Revenue Fund	
Payments to PARC, Inc. to fund culture and recreation activities	\$(1,353,096)
2014 Sales Tax Bond Fund	
Revenues from PARC, Inc. to fund a portion of debt service requirements	<u>372,000</u>
	<u>\$ (981,096)</u>

(26) Tax Abatement

The City is subject to tax abatements granted by the Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment due. The City's ad valorem taxes were reduced by \$630.

(27) Net Position

Net position is presented as net investment in capital assets, restricted, and unrestricted on the City's government-wide statement of net position. The City's net position is affected by transactions that resulted in the recognition of deferred outflows of resources and deferred inflows of resources and the balance of the related asset or liability is significant. As discussed in Note 14, the City's recognition of net pension liability in accordance with GASBS No. 68 significantly affected the City's unrestricted component of net position as of November 30, 2022.

(28) Subsequent Events

- A- The City issued \$8,000,000 in Sales Tax Bonds on December 1, 2022 for the funding and construction of the City's new police station. The bonds were secured by the 1993 Sales Tax.
- B- On May 14, 2023, the Pelican Park concession stand caught fire and was destroyed. The total amount of insurance reimbursement is unknown at this time.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Taxes	\$ 838,000	\$ 1,018,092	\$ 1,016,583	\$ (1,509)
Licenses and permits	753,200	836,696	783,386	(53,310)
Intergovernmental	631,709	694,877	664,266	(30,611)
Fines and forfeits	467,200	573,699	527,032	(46,667)
Miscellaneous	40,790	56,061	77,111	21,050
Total revenues	<u>2,730,899</u>	<u>3,179,425</u>	<u>3,068,378</u>	<u>(111,047)</u>
Expenditures:				
Current -				
General government:				
Administrative	952,410	1,089,558	1,254,158	(164,600)
Code department	377,577	381,906	388,937	(7,031)
Public safety:				
Police	3,702,652	3,309,911	3,454,445	(144,534)
Fire	1,045,555	1,036,760	1,068,917	(32,157)
City court	220,477	213,600	203,561	10,039
Highways and streets	1,100,085	992,861	966,875	25,986
Culture and tourism	80,340	70,736	69,297	1,439
Capital outlay	179,000	805,636	718,630	87,006
Debt service-				
Principal retirement	53,225	205,364	204,412	952
Interest and fiscal charges	7,414	33,133	32,998	135
Total expenditures	<u>7,718,735</u>	<u>8,139,465</u>	<u>8,362,230</u>	<u>(222,765)</u>
Deficiency of revenues over expenditures	<u>(4,987,836)</u>	<u>(4,960,040)</u>	<u>(5,293,852)</u>	<u>(333,812)</u>
Other financing sources:				
Proceeds from issuance of debt	-	610,000	610,233	233
Transfers in	5,720,000	5,270,000	4,676,137	(593,863)
Total other financing sources	<u>5,720,000</u>	<u>5,880,000</u>	<u>5,286,370</u>	<u>(593,630)</u>
Net change in fund balance	732,164	919,960	(7,482)	(927,442)
Fund balance, beginning	<u>1,379,034</u>	<u>1,379,034</u>	<u>1,379,034</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,111,198</u>	<u>\$ 2,298,994</u>	<u>\$ 1,371,552</u>	<u>\$ (927,442)</u>

See notes to the required supplementary information.

CITY OF CARENCRO, LOUISIANA
1967 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 4,200,000	\$ 3,894,069	\$ 3,797,503	\$ (96,566)
Miscellaneous	1,150	3,639	(6,774)	(10,413)
Total revenues	<u>4,201,150</u>	<u>3,897,708</u>	<u>3,790,729</u>	<u>(106,979)</u>
Expenditures:				
Current -				
General government	<u>48,500</u>	<u>38,477</u>	<u>35,586</u>	<u>2,891</u>
Excess of revenues over expenditures	4,152,650	3,859,231	3,755,143	(104,088)
Other financing uses:				
Transfers out	<u>(3,425,877)</u>	<u>(4,885,877)</u>	<u>(4,885,877)</u>	<u>-</u>
Net change in fund balance	726,773	(1,026,646)	(1,130,734)	(104,088)
Fund balance, beginning	<u>1,669,348</u>	<u>1,669,348</u>	<u>1,669,348</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,396,121</u>	<u>\$ 642,702</u>	<u>\$ 538,614</u>	<u>\$(104,088)</u>

See notes to the required supplementary information.

CITY OF CARENCRO, LOUISIANA
1993 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,200,000	\$ 3,894,069	\$ 3,797,503	\$ (96,566)
Miscellaneous	1,300	3,981	13,438	9,457
Total revenues	<u>4,201,300</u>	<u>3,898,050</u>	<u>3,810,941</u>	<u>(87,109)</u>
Expenditures:				
Current:				
General government	48,500	38,477	35,586	2,891
Culture and recreation	<u>1,467,500</u>	<u>1,380,523</u>	<u>1,353,096</u>	<u>27,427</u>
Total expenditures	<u>1,516,000</u>	<u>1,419,000</u>	<u>1,388,682</u>	<u>30,318</u>
Excess of revenues over expenditures	2,685,300	2,479,050	2,422,259	(56,791)
Other financing uses:				
Transfers out	<u>(2,770,000)</u>	<u>(2,770,000)</u>	<u>(2,500,000)</u>	<u>270,000</u>
Net change in fund balance	(84,700)	(290,950)	(77,741)	213,209
Fund balance, beginning	<u>1,066,088</u>	<u>1,066,088</u>	<u>1,066,088</u>	<u>-</u>
Fund balance, ending	<u>\$ 981,388</u>	<u>\$ 775,138</u>	<u>\$ 988,347</u>	<u>\$ 213,209</u>

See notes to the required supplementary information.

CITY OF CARENCRO, LOUISIANA
TIF District Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,517,500	\$ 2,438,672	\$ 2,462,191	\$ 23,519
Intergovernmental - local	100,000	-	-	-
Miscellaneous	9,000	137,438	49,595	(87,843)
Total revenues	<u>2,626,500</u>	<u>2,576,110</u>	<u>2,511,786</u>	<u>(64,324)</u>
Expenditures:				
Current:				
General government	31,550	26,171	22,935	3,236
Capital outlay	3,855,495	2,698,571	2,719,899	(21,328)
Total expenditures	<u>3,887,045</u>	<u>2,724,742</u>	<u>2,742,834</u>	<u>(18,092)</u>
Deficiency off revenues over expenditures	<u>(1,260,545)</u>	<u>(148,632)</u>	<u>(231,048)</u>	<u>(82,416)</u>
Other financing uses:				
Transfers out	<u>(585,060)</u>	<u>(385,060)</u>	<u>(938,272)</u>	<u>(553,212)</u>
Total other financing uses	<u>(585,060)</u>	<u>(385,060)</u>	<u>(938,272)</u>	<u>(553,212)</u>
Net change in fund balance	<u>(1,845,605)</u>	<u>(533,692)</u>	<u>(1,169,320)</u>	<u>(635,628)</u>
Fund balance, beginning	<u>5,292,615</u>	<u>5,292,615</u>	<u>5,292,615</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,447,010</u>	<u>\$ 4,758,923</u>	<u>\$ 4,123,295</u>	<u>\$ (635,628)</u>

See notes to the required supplementary information.

CITY OF CARENCRO, LOUISIANA
2016 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,200,000	\$ 3,879,639	\$ 3,786,787	\$ (92,852)
Miscellaneous	9,500	34,196	101,016	66,820
Total revenues	<u>4,209,500</u>	<u>3,913,835</u>	<u>3,887,803</u>	<u>(26,032)</u>
Expenditures:				
Current:				
General government	<u>49,000</u>	<u>38,945</u>	<u>35,553</u>	<u>3,392</u>
Excess of revenues over expenditures	4,160,500	3,874,890	3,852,250	(22,640)
Other financing uses:				
Transfers out	<u>(1,350,000)</u>	<u>(2,900,000)</u>	<u>(4,050,000)</u>	<u>(1,150,000)</u>
Net change in fund balance	2,810,500	974,890	(197,750)	(1,172,640)
Fund balance, beginning	<u>8,701,660</u>	<u>8,701,660</u>	<u>8,701,660</u>	<u>-</u>
Fund balance, ending	<u>\$ 11,512,160</u>	<u>\$ 9,676,550</u>	<u>\$ 8,503,910</u>	<u>\$ (1,172,640)</u>

See notes to the required supplementary information.

CITY OF CARENCRO, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
For the Year Ended November 30, 2022

<u>Plan/ Fiscal Year</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Municipal Employees' Retirement System					
6/30/2022	1.786485%	\$ 1,568,504	\$ 1,436,273	109.2%	69.56%
6/30/2021	1.596402%	924,809	1,226,871	75.4%	79.14%
6/30/2020	1.433324%	1,298,916	1,110,786	116.9%	66.26%
6/30/2019	1.284063%	1,123,315	981,621	114.4%	66.14%
6/30/2018	1.307021%	1,105,520	968,604	114.1%	65.60%
6/30/2017	1.279821%	1,107,343	949,500	116.6%	63.49%
6/30/2016	1.286743%	1,066,591	927,589	115.0%	63.34%
6/30/2015	1.280409%	870,226	845,432	102.9%	68.71%
Municipal Police Employees' Retirement System					
6/30/2022	0.514031%	5,254,309	1,187,615	442.4%	70.80%
6/30/2021	0.465691%	2,482,388	1,420,738	174.7%	84.08%
6/30/2020	0.404790%	3,741,203	1,250,286	299.2%	70.94%
6/30/2019	0.316168%	2,871,335	987,333	290.8%	71.89%
6/30/2018	0.255428%	2,159,404	753,802	286.5%	71.89%
6/30/2017	0.253787%	2,215,668	757,792	292.4%	70.08%
6/30/2016	0.299971%	2,811,573	757,451	371.2%	66.04%
6/30/2015	0.265326%	2,078,552	709,359	293.0%	70.73%
Firefighters' Retirement System					
6/30/2022	0.105798%	746,013	272,572	273.7%	74.68%
6/30/2021	0.101032%	358,042	254,016	141.0%	86.78%
6/30/2020	0.095112%	659,274	236,793	278.4%	72.61%
6/30/2019	0.101602%	636,223	245,558	259.1%	73.96%
6/30/2018	0.079075%	454,846	187,438	242.7%	74.76%
6/30/2017	0.038542%	220,917	89,172	247.7%	73.55%
6/30/2016	0.289980%	189,763	40,455	469.1%	68.16%
6/30/2015	0.013216%	71,328	37,689	189.3%	72.45%

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

See notes to the required supplementary information.

CITY OF CARENCRO, LOUISIANA

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

<u>Year Ended November 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
Municipal Employees' Retirement System					
2022	\$224,686	\$224,686	\$ -	\$ 1,449,587	15.50%
2021	196,225	196,225	-	1,265,968	15.50%
2020	173,217	173,217	-	1,183,985	14.63%
2019	142,246	142,246	-	1,049,012	13.56%
2018	131,833	131,833	-	1,104,129	11.94%
2017	113,456	113,456	-	1,031,418	11.00%
2016	96,328	96,328	-	950,918	10.13%
2015	82,951	82,951	-	873,168	9.50%
Municipal Police Employees' Retirement System					
2022	494,049	494,049	-	1,660,670	29.75%
2021	466,521	466,521	-	1,382,284	33.75%
2020	438,911	438,911	-	1,329,228	33.02%
2019	356,702	356,702	-	1,102,634	32.35%
2018	257,272	257,272	-	819,860	31.38%
2017	238,705	238,705	-	761,906	31.33%
2016	247,445	247,445	-	812,894	30.44%
2015	239,594	239,594	-	781,200	30.67%
Firefighters Retirement System					
2022	89,604	89,604	-	263,541	33.75%
2021	85,376	85,376	-	264,732	32.25%
2020	71,198	71,198	-	240,290	29.63%
2019	65,783	65,783	-	243,460	27.02%
2018	59,993	59,993	-	226,389	26.50%
2017	31,665	31,665	-	122,875	25.77%
2016	18,708	18,708	-	70,810	26.42%
2015	20,223	20,223	-	71,158	28.42%

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

See notes to the required supplementary information.

CITY OF CARENCRO, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

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

- a. Prior to November 15, the City Clerk submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing the following December 1.
- b. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- e. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
- f. All budgetary appropriations lapse at the end of each fiscal year.
- g. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted and as amended by the Board of Aldermen.

(2) Pension Plans

Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that were provided with pensions through the pension plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plans.

(3) Excess of Expenditures Over Appropriations

For the year ended November 30, 2022, the General Fund and the TIF District Sales Tax Special Revenue Fund had actual expenditures over appropriations, at the functional level, as follows:

<u>Fund/Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
General Government	\$ 1,471,464	\$ 1,643,095	\$ (171,631)
Public Safety	4,560,271	4,726,923	(166,652)
TIF District Sales Tax Special Revenue Fund:			
Capital Outlay	2,698,571	2,719,899	(21,328)

OTHER SUPPLEMENTARY INFORMATION

CITY OF CARENCRO, LOUISIANA

Statement of Net Position

November 30, 2022

With Comparative Totals as of November 30, 2021

	2022			2021 Totals
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 15,896,676	\$ 3,810,669	\$ 19,707,345	\$ 19,670,514
Investments	179,395	459,556	638,951	732,581
Receivables, net	1,125,506	652,948	1,778,454	1,877,496
Internal balances	504,525	(504,525)	-	-
Due from other governmental agencies	323,889	1,900,466	2,224,355	1,931,762
Prepaid items	39,613	16,570	56,183	54,663
Total current assets	<u>18,069,604</u>	<u>6,335,684</u>	<u>24,405,288</u>	<u>24,267,016</u>
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	-	1,373,920	1,373,920	1,255,790
Investments	-	47,687	47,687	47,058
Capital assets -				
Land and construction in progress	6,903,395	12,622,804	19,526,199	17,649,905
Other capital assets, net	27,081,854	25,693,258	52,775,112	41,987,364
Right-of-use assets, net	844,237	59,684	903,921	480,827
Total noncurrent assets	<u>34,829,486</u>	<u>39,797,353</u>	<u>74,626,839</u>	<u>61,420,944</u>
Total assets	<u>52,899,090</u>	<u>46,133,037</u>	<u>99,032,127</u>	<u>85,687,960</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	<u>2,712,392</u>	<u>317,462</u>	<u>3,029,854</u>	<u>1,914,704</u>
LIABILITIES				
Current liabilities:				
Accounts and other payables	504,281	1,003,542	1,507,823	1,032,465
Due to other governmental agencies	90,770	-	90,770	122,809
Unearned revenue	-	2,995,903	2,995,903	1,728,177
Notes payable	54,989	241,494	296,483	106,454
Right-of-use lease liability	229,782	31,217	260,999	150,825
Total	<u>879,822</u>	<u>4,272,156</u>	<u>5,151,978</u>	<u>3,140,730</u>
Bonds and certificates of indebtedness payable	1,465,000	503,000	1,968,000	1,906,341
Customers deposits payable	-	536,181	536,181	562,415
Accrued interest	117,783	42,127	159,910	171,336
Total	<u>1,582,783</u>	<u>1,081,308</u>	<u>2,664,091</u>	<u>2,640,092</u>
Total current liabilities	<u>2,462,605</u>	<u>5,353,464</u>	<u>7,816,069</u>	<u>5,780,822</u>
Noncurrent liabilities:				
Compensated absences payable	310,109	97,432	407,541	186,826
Net pension liability	6,627,724	941,102	7,568,826	3,765,239
Notes payable	115,951	1,701,309	1,817,260	273,705
Right-of-use lease liability	623,221	30,826	654,047	334,594
Bonds and certificates of indebtedness payable	11,245,000	5,307,676	16,552,676	18,106,934
Total noncurrent liabilities	<u>18,922,005</u>	<u>8,078,345</u>	<u>27,000,350</u>	<u>22,667,298</u>
Total liabilities	<u>21,384,610</u>	<u>13,431,809</u>	<u>34,816,419</u>	<u>28,448,120</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	<u>146,279</u>	<u>11,975</u>	<u>158,254</u>	<u>1,870,393</u>
NET POSITION				
Net investment in capital assets	20,977,960	29,755,797	50,733,757	38,988,656
Restricted for sales tax dedications	14,168,955	-	14,168,955	16,759,865
Restricted for debt service	1,464,872	843,299	2,308,171	2,031,989
Restricted for capital projects	351,391	-	351,391	515,601
Unrestricted (deficit)	<u>(2,882,585)</u>	<u>2,407,619</u>	<u>(474,966)</u>	<u>(1,011,960)</u>
Total net position	<u>\$ 34,080,593</u>	<u>\$ 33,006,715</u>	<u>\$ 67,087,308</u>	<u>\$ 57,284,151</u>

CITY OF CARENCRO, LOUISIANA

Comparative Balance Sheet
 General and Special Revenue Funds
 November 30, 2022 and 2021

	General		1967 Sales Tax Special Revenue		1993 Sales Tax Special Revenue		TIF District Sales Tax Special Revenue		2016 Sales Tax Special Revenue	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
ASSETS										
Cash	\$ 715,608	\$ 798,380	\$ 38,507	\$ 1,118,741	\$ -	\$ -	\$ 717,146	\$ 3,212,912	\$ -	\$ -
Interest-bearing deposits	424,539	333,494	28,020	21,046	695,628	739,328	3,458,902	947,687	8,197,848	8,362,217
Investments	-	-	179,368	201,593	-	-	-	-	-	-
Receivables:										
Taxes	15,527	28,197	306,651	345,289	306,651	345,287	189,482	194,010	306,737	340,033
Due from other governmental agencies	320,889	308,347	-	-	-	-	3,000	1,403,169	-	-
Due from other funds	-	-	-	11,920	-	-	-	-	-	-
Accrued interest	-	-	-	1,206	-	-	-	-	-	-
Prepaid items	39,613	34,350	-	-	-	-	-	-	-	-
Total assets	<u>\$ 1,516,176</u>	<u>\$ 1,502,768</u>	<u>\$ 552,546</u>	<u>\$ 1,699,795</u>	<u>\$ 1,002,279</u>	<u>\$ 1,084,615</u>	<u>\$ 4,368,530</u>	<u>\$ 5,757,778</u>	<u>\$ 8,504,585</u>	<u>\$ 8,702,250</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$ 140,189	\$ 108,679	\$ 675	\$ 12,510	\$ 675	\$ 590	\$ 42,463	\$ 470	\$ 675	\$ 590
Contracts payable	-	-	-	-	-	-	-	292,652	-	-
Retainage payable	-	-	-	-	-	-	138,516	85,106	-	-
Customer rental deposits	4,435	3,135	-	-	-	-	-	-	-	-
Due to other governmental agencies	-	-	13,257	17,937	13,257	17,937	64,256	86,935	-	-
Due to other funds	-	11,920	-	-	-	-	-	-	-	-
Total liabilities	<u>144,624</u>	<u>123,734</u>	<u>13,932</u>	<u>30,447</u>	<u>13,932</u>	<u>18,527</u>	<u>245,235</u>	<u>465,163</u>	<u>675</u>	<u>590</u>
Fund balances -										
Nonspendable - prepaid items	39,613	34,350	-	-	-	-	-	-	-	-
Restricted - sales tax dedications	-	-	538,614	1,669,348	988,347	1,066,088	4,123,295	5,292,615	8,503,910	8,701,660
Unassigned	1,331,939	1,344,684	-	-	-	-	-	-	-	-
Total fund balances	<u>1,371,552</u>	<u>1,379,034</u>	<u>538,614</u>	<u>1,669,348</u>	<u>988,347</u>	<u>1,066,088</u>	<u>4,123,295</u>	<u>5,292,615</u>	<u>8,503,910</u>	<u>8,701,660</u>
Total liabilities and fund balances	<u>\$ 1,516,176</u>	<u>\$ 1,502,768</u>	<u>\$ 552,546</u>	<u>\$ 1,699,795</u>	<u>\$ 1,002,279</u>	<u>\$ 1,084,615</u>	<u>\$ 4,368,530</u>	<u>\$ 5,757,778</u>	<u>\$ 8,504,585</u>	<u>\$ 8,702,250</u>

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022		Actual	Variance with Final Budget Positive (Negative)	2021 Actual
	Budget				
	Original	Final			
Taxes:					
Ad valorem	\$ 340,000	\$ 352,529	\$ 351,303	\$ (1,226)	\$ 336,007
Franchise -					
Electric	425,000	595,540	615,444	19,904	487,353
Cable TV and gas	73,000	70,023	49,836	(20,187)	52,700
Total taxes	<u>838,000</u>	<u>1,018,092</u>	<u>1,016,583</u>	<u>(1,509)</u>	<u>876,060</u>
Licenses and permits:					
Occupational licenses	418,000	488,645	425,444	(63,201)	405,587
Code department permits	335,200	348,051	357,942	9,891	299,526
Total licenses and permits	<u>753,200</u>	<u>836,696</u>	<u>783,386</u>	<u>(53,310)</u>	<u>705,113</u>
Intergovernmental:					
Federal grants	-	23,613	-	(23,613)	30,296
State of Louisiana -					
Department of Transportation and Development	20,715	20,715	10,358	(10,357)	20,715
Beer taxes	20,000	17,960	16,691	(1,269)	19,417
On-behalf payments	228,000	196,480	201,108	4,628	186,472
State grants	-	472	472	-	-
Lafayette Parish Government -					
Two percent fire insurance refund	84,272	155,256	155,256	-	111,353
Proceeds for fire department	71,322	71,322	71,322	-	42,188
Lafayette Parish School Board - resource officer	207,400	209,059	209,059	-	204,960
Total intergovernmental	<u>631,709</u>	<u>694,877</u>	<u>664,266</u>	<u>(30,611)</u>	<u>615,401</u>
Fines and forfeits:					
Fines and court costs	195,000	359,709	307,595	(52,114)	194,728
Police special detail and accident reports	272,200	213,990	219,437	5,447	253,170
Total fines and forfeits	<u>467,200</u>	<u>573,699</u>	<u>527,032</u>	<u>(46,667)</u>	<u>447,898</u>
Miscellaneous:					
Interest	390	1,395	4,265	2,870	416
Community Center rentals	20,000	18,350	23,750	5,400	19,900
Donations	400	3,775	3,775	-	9,106
Other sources	20,000	32,541	45,321	12,780	51,959
Total miscellaneous	<u>40,790</u>	<u>56,061</u>	<u>77,111</u>	<u>21,050</u>	<u>81,381</u>
Total revenues	<u>\$ 2,730,899</u>	<u>\$ 3,179,425</u>	<u>\$ 3,068,378</u>	<u>\$ (111,047)</u>	<u>\$ 2,725,853</u>

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022			Variance with Final Budget Positive (Negative)	2021 Actual
	Budget		Actual		
	Original	Final			
Current:					
General government -					
Administrative:					
Mayor and council salaries	\$ 154,214	\$ 160,208	\$ 169,808	\$ (9,600)	\$ 163,748
Other salaries and wages	91,205	85,044	85,045	(1)	81,774
Retirement	26,384	26,384	24,658	1,726	25,369
Group insurance	16,742	16,822	16,713	109	15,598
Payroll taxes	18,769	15,165	15,161	4	14,652
Insurance	71,786	106,731	101,376	5,355	61,959
Office	27,160	26,835	24,978	1,857	20,059
Advertisements and recordings	4,200	5,444	8,198	(2,754)	5,151
Dues	9,000	8,141	8,098	43	6,586
Legal fees	78,000	78,000	80,473	(2,473)	79,331
Professional fees	34,000	34,000	29,935	4,065	30,290
Engineering	300,000	406,616	518,234	(111,618)	323,658
Travel and conferences	12,000	11,316	10,378	938	10,465
Gas and repairs	14,500	4,696	5,742	(1,046)	2,575
Auto allowance	20,400	20,400	10,800	9,600	10,800
Auto lease expense	-	-	-	-	24,852
Utilities and telephone	25,900	23,009	23,470	(461)	23,331
Rent	6,000	6,000	6,000	-	6,000
Repairs and maintenance	22,000	38,831	64,679	(25,848)	42,034
Condemnation	-	-	37,827	(37,827)	-
Senior citizens' compensation	9,200	9,126	9,126	-	9,126
Uniforms	2,000	-	-	-	59
Miscellaneous	8,950	6,790	3,459	3,331	8,015
Total administrative	<u>952,410</u>	<u>1,089,558</u>	<u>1,254,158</u>	<u>(164,600)</u>	<u>965,432</u>
Code department:					
Salaries	85,864	85,864	85,864	-	81,493
Retirement	12,952	13,309	13,309	-	12,445
Group insurance	13,415	13,501	13,415	86	11,534
Payroll taxes	6,392	6,323	6,324	(1)	6,008
Insurance	2,854	3,089	2,860	229	2,498
Inspection fees	252,000	257,720	265,254	(7,534)	211,392
Miscellaneous	4,100	2,100	1,911	189	2,410
Total code department	<u>377,577</u>	<u>381,906</u>	<u>388,937</u>	<u>(7,031)</u>	<u>327,780</u>
Total general government	<u>1,329,987</u>	<u>1,471,464</u>	<u>1,643,095</u>	<u>(171,631)</u>	<u>1,293,212</u>

(continued)

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022				
	Budget		Actual	Variance with Final Budget	2021 Actual
	Original	Final		Positive (Negative)	
Public safety:					
Police department -					
Salaries	1,976,338	2,052,485	2,106,338	(53,853)	1,900,679
Retirement	568,045	197,181	194,627	2,554	185,796
Group insurance	273,950	232,401	228,633	3,768	212,354
Payroll taxes	146,069	126,643	127,592	(949)	113,782
Insurance	245,200	246,615	230,532	16,083	218,327
Gas and repairs	185,000	186,597	193,974	(7,377)	115,856
Equipment expenditures	25,000	11,377	123,553	(112,176)	34,953
Maintenance	17,000	16,932	19,269	(2,337)	17,991
Utilities and telephone	64,000	62,268	66,295	(4,027)	51,664
Auto allowance	57,600	57,600	57,600	-	19,200
Auto lease expense	-	-	-	-	31,299
Legal fees	5,000	1,050	550	500	2,488
Miscellaneous	15,950	10,767	6,627	4,140	5,696
Supplies	5,000	3,735	6,942	(3,207)	8,325
Office supplies	14,000	7,569	13,784	(6,215)	7,160
Computer charges	37,500	40,239	-	40,239	-
Criminal investigation	10,000	8,477	-	8,477	-
Radio user fees	3,000	3,150	3,150	-	2,960
Uniforms	18,000	11,571	22,348	(10,777)	15,503
Training	30,000	28,235	43,127	(14,892)	26,841
Drug task force expenditures	4,000	3,289	8,121	(4,832)	14,302
Drug testing	2,000	1,730	1,383	347	1,838
Total police department	<u>3,702,652</u>	<u>3,309,911</u>	<u>3,454,445</u>	<u>(144,534)</u>	<u>2,987,014</u>
Fire department -					
Salaries	500,785	526,451	525,651	800	499,159
Retirement	90,598	89,345	89,604	(259)	85,376
Group insurance	49,224	57,426	52,049	5,377	48,196
Payroll taxes	39,748	38,308	38,284	24	36,263
Insurance	111,400	105,883	97,947	7,936	97,127
Maintenance and supplies	30,000	35,262	36,144	(882)	22,481
Auto	64,500	57,559	81,828	(24,269)	45,341
Utilities and telephone	30,800	26,126	23,102	3,024	22,703
Equipment expenditures	35,000	10,628	28,275	(17,647)	67,208
Miscellaneous	66,000	64,714	74,963	(10,249)	69,502
Dues and subscriptions	9,000	5,033	-	5,033	-
Training	8,000	9,795	9,075	720	2,813
Radio user fees	4,000	2,700	5,400	(2,700)	55
Uniforms	6,500	7,530	6,595	935	3,172
Total fire department	<u>1,045,555</u>	<u>1,036,760</u>	<u>1,068,917</u>	<u>(32,157)</u>	<u>999,396</u>

(continued)

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022		Actual	Variance with Final Budget Positive (Negative)	2021 Actual
	Budget				
	Original	Final			
City Court department -					
City magistrate	5,200	6,777	6,597	180	5,205
Other salaries	11,277	9,417	8,671	746	8,643
Supplies	1,000	3,672	-	3,672	-
Legal fees	7,000	14,849	10,850	3,999	7,013
Fine fees	160,000	147,909	144,785	3,124	149,485
Traffic detail expenditures	<u>36,000</u>	<u>30,976</u>	<u>32,658</u>	<u>(1,682)</u>	<u>34,263</u>
Total city court department	<u>220,477</u>	<u>213,600</u>	<u>203,561</u>	<u>10,039</u>	<u>204,609</u>
Total public safety	<u>4,968,684</u>	<u>4,560,271</u>	<u>4,726,923</u>	<u>(166,652)</u>	<u>4,191,019</u>
Highways and streets:					
Salaries	405,392	348,724	352,253	(3,529)	290,946
Retirement	52,448	51,896	52,024	(128)	40,779
Group insurance	69,847	70,335	70,406	(71)	52,838
Payroll taxes	30,898	24,885	25,162	(277)	21,056
Insurance	57,000	57,000	52,267	4,733	50,123
Maintenance and supplies	83,000	104,907	140,407	(35,500)	141,760
Engineering	85,000	30,312	29,995	317	83,622
Street equipment repairs and maintenance	102,000	58,908	65,007	(6,099)	113,744
Lighting	117,000	126,571	133,117	(6,546)	116,231
Dumping fees	1,000	1,148	1,368	(220)	124
Auto	32,000	26,808	33,172	(6,364)	20,507
Auto lease expense	-	-	-	-	12,333
Uniforms	14,500	12,927	11,697	1,230	11,023
Debris removal	<u>50,000</u>	<u>78,440</u>	<u>-</u>	<u>78,440</u>	<u>-</u>
Total highways and streets	<u>1,100,085</u>	<u>992,861</u>	<u>966,875</u>	<u>25,986</u>	<u>955,086</u>
Culture and tourism -					
Community Center:					
Salaries	4,000	2,992	2,792	200	2,056
Payroll taxes	306	231	219	12	161
Insurance	15,034	15,620	14,463	1,157	13,157
Equipment and supplies	10,000	1,559	13,918	(12,359)	20,540
Repairs and maintenance	15,000	15,098	-	15,098	-
Janitorial services	20,500	19,300	21,050	(1,750)	11,200
Utilities and telephone	<u>15,500</u>	<u>15,936</u>	<u>16,855</u>	<u>(919)</u>	<u>14,388</u>
Total community center	<u>80,340</u>	<u>70,736</u>	<u>69,297</u>	<u>1,439</u>	<u>61,502</u>
Total culture and tourism	<u>80,340</u>	<u>70,736</u>	<u>69,297</u>	<u>1,439</u>	<u>61,502</u>

(continued)

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022		Actual	Variance with Final Budget Positive (Negative)	2021 Actual
	Budget				
	Original	Final			
Capital outlay:					
General government	-	82,441	-	82,441	52,000
Public safety	179,000	723,195	677,094	46,101	183,163
Highways and street	-	-	41,536	(41,536)	67,925
Total capital outlay	<u>179,000</u>	<u>805,636</u>	<u>718,630</u>	<u>87,006</u>	<u>303,088</u>
Debt service:					
Principal retirement	53,225	205,364	204,412	952	185,647
Interest and fiscal charges	7,414	33,133	32,998	135	12,838
Total debt service	<u>60,639</u>	<u>238,497</u>	<u>237,410</u>	<u>1,087</u>	<u>198,485</u>
Total expenditures	<u>\$7,718,735</u>	<u>\$ 8,139,465</u>	<u>\$ 8,362,230</u>	<u>\$ (222,765)</u>	<u>\$7,002,392</u>

CITY OF CARENCRO, LOUISIANA
1967 Sales Tax Fund
Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2021 Actual
	Original	Final			
Revenues:					
Taxes	\$4,200,000	\$3,894,069	\$ 3,797,503	\$ (96,566)	\$ 4,060,529
Interest	1,150	3,639	(6,774)	(10,413)	4,543
Total revenues	<u>4,201,150</u>	<u>3,897,708</u>	<u>3,790,729</u>	<u>(106,979)</u>	<u>4,065,072</u>
Expenditures:					
Current -					
General government:					
Collection fees	31,500	21,477	21,176	301	26,413
Professional fees	17,000	17,000	14,410	2,590	13,925
Total expenditures	<u>48,500</u>	<u>38,477</u>	<u>35,586</u>	<u>2,891</u>	<u>40,338</u>
Excess of revenues over expenditures	4,152,650	3,859,231	3,755,143	(104,088)	4,024,734
Other financing uses:					
Transfers out	<u>(3,425,877)</u>	<u>(4,885,877)</u>	<u>(4,885,877)</u>	-	<u>(2,884,787)</u>
Net change in fund balance	726,773	(1,026,646)	(1,130,734)	(104,088)	1,139,947
Fund balance, beginning	<u>1,669,348</u>	<u>1,669,348</u>	<u>1,669,348</u>	-	<u>529,401</u>
Fund balance, ending	<u>\$2,396,121</u>	<u>\$ 642,702</u>	<u>\$ 538,614</u>	<u>\$ (104,088)</u>	<u>\$ 1,669,348</u>

CITY OF CARENCRO, LOUISIANA
1993 Sales Tax Fund
Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022			Variance with Final Budget Positive (Negative)	2021 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 4,200,000	\$ 3,894,069	\$ 3,797,503	\$ (96,566)	\$4,060,529
Intergovernmental	-	-	-	-	608,877
Miscellaneous - interest	1,300	3,981	13,438	9,457	1,515
Total revenues	<u>4,201,300</u>	<u>3,898,050</u>	<u>3,810,941</u>	<u>(87,109)</u>	<u>4,670,921</u>
Expenditures:					
Current -					
General government:					
Collection fees	31,500	21,477	21,176	301	26,413
Professional fees	17,000	17,000	14,410	2,590	13,980
Total general government	48,500	38,477	35,586	2,891	40,393
Culture and recreation	1,467,500	1,380,523	1,353,096	27,427	1,389,305
Total expenditures	<u>1,516,000</u>	<u>1,419,000</u>	<u>1,388,682</u>	<u>30,318</u>	<u>1,429,698</u>
Excess of revenues over expenditures	2,685,300	2,479,050	2,422,259	(56,791)	3,241,223
Other financing uses:					
Transfers out	<u>(2,770,000)</u>	<u>(2,770,000)</u>	<u>(2,500,000)</u>	270,000	<u>(2,620,000)</u>
Net change in fund balance	(84,700)	(290,950)	(77,741)	213,209	621,223
Fund balance, beginning	<u>1,066,088</u>	<u>1,066,088</u>	<u>1,066,088</u>	-	<u>444,865</u>
Fund balance, ending	<u>\$ 981,388</u>	<u>\$ 775,138</u>	<u>\$ 988,347</u>	<u>\$ 213,209</u>	<u>\$1,066,088</u>

CITY OF CARENCRO, LOUISIANA
TIF District Sales Tax Fund
Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022			Variance with Final Budget Positive (Negative)	2021 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 2,517,500	\$ 2,438,672	\$ 2,462,191	\$ 23,519	\$ 2,432,093
Intergovernmental - local	100,000	-	-	-	142,680
Local grant - LEDA	-	-	-	-	250,000
State grant - LED	-	-	-	-	1,150,169
Miscellaneous	9,000	137,438	49,595	(87,843)	8,867
Total revenues	<u>2,626,500</u>	<u>2,576,110</u>	<u>2,511,786</u>	<u>(64,324)</u>	<u>3,983,809</u>
Expenditures:					
Current -					
General government:					
Collection fees	18,800	13,421	12,968	453	15,736
Professional fees	12,750	12,750	9,967	2,783	40,713
Total general government	31,550	26,171	22,935	3,236	56,449
Capital outlay	<u>3,855,495</u>	<u>2,698,571</u>	<u>2,719,899</u>	<u>(21,328)</u>	<u>2,063,463</u>
Total expenditures	<u>3,887,045</u>	<u>2,724,742</u>	<u>2,742,834</u>	<u>(18,092)</u>	<u>2,119,912</u>
Excess of revenues over expenditures	<u>(1,260,545)</u>	<u>(148,632)</u>	<u>(231,048)</u>	<u>(82,416)</u>	<u>1,863,897</u>
Other financing uses:					
Proceeds from issuance of debt	-	-	-	-	5,000,000
Transfers out	(585,060)	(385,060)	(938,272)	(553,212)	(3,338,319)
Total other financing sources (uses)	<u>(585,060)</u>	<u>(385,060)</u>	<u>(938,272)</u>	<u>(553,212)</u>	<u>1,661,681</u>
Net change in fund balance	(1,845,605)	(533,692)	(1,169,320)	(635,628)	3,525,578
Fund balance, beginning	<u>5,292,615</u>	<u>5,292,615</u>	<u>5,292,615</u>	<u>-</u>	<u>1,767,037</u>
Fund balance, ending	<u>\$ 3,447,010</u>	<u>\$ 4,758,923</u>	<u>\$ 4,123,295</u>	<u>\$ (635,628)</u>	<u>\$ 5,292,615</u>

CITY OF CARENCRO, LOUISIANA
2016 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022			Variance with Final Budget Positive (Negative)	2021 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 4,200,000	\$ 3,879,639	\$3,786,787	\$ (92,852)	\$4,049,067
Miscellaneous	9,500	34,196	101,016	66,820	10,212
Total revenues	<u>4,209,500</u>	<u>3,913,835</u>	<u>3,887,803</u>	<u>(26,032)</u>	<u>4,059,279</u>
Expenditures:					
Current:					
General government:					
Collection fees	31,500	21,445	21,143	302	25,908
Professional fees	17,500	17,500	14,410	3,090	13,924
Total general government	<u>49,000</u>	<u>38,945</u>	<u>35,553</u>	<u>3,392</u>	<u>39,832</u>
Excess of revenues over expenditures	4,160,500	3,874,890	3,852,250	(22,640)	4,019,447
Other financing uses:					
Transfers out	<u>(1,350,000)</u>	<u>(2,900,000)</u>	<u>(4,050,000)</u>	<u>(1,150,000)</u>	<u>(1,000,000)</u>
Net change in fund balance	2,810,500	974,890	(197,750)	(1,172,640)	3,019,447
Fund balance, beginning	<u>8,701,660</u>	<u>8,701,660</u>	<u>8,701,660</u>	<u>-</u>	<u>5,682,213</u>
Fund balance, ending	<u>\$ 11,512,160</u>	<u>\$ 9,676,550</u>	<u>\$ 8,503,910</u>	<u>\$ (1,172,640)</u>	<u>\$ 8,701,660</u>

CITY OF CARENCRO, LOUISIANA
Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budgetary Comparison Schedule
For the Year Ended November 30, 2022
With Comparative Actual Amounts for the Year Ended November 30, 2021

	2022			Variance with Budget Positive (Negative)	2021 Actual
	Budget		Actual		
	Original	Final			
Revenue:					
Intergovernmental -					
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ 22,137
State grants	1,320,000	300,000	284,391	(15,609)	986,493
Local grants		398,542	398,493	(49)	-
Miscellaneous	2,000	1	12,219	12,218	1,770
Total revenues	<u>1,322,000</u>	<u>698,543</u>	<u>695,103</u>	<u>(3,440)</u>	<u>1,010,400</u>
Expenditures:					
Current -					
General government:					
Professional fees	-	90,000	85,825	4,175	-
Capital outlay	<u>1,320,000</u>	<u>3,063,992</u>	<u>2,680,946</u>	<u>383,046</u>	<u>3,050,111</u>
Total expenditures	<u>1,320,000</u>	<u>3,153,992</u>	<u>2,766,771</u>	<u>387,221</u>	<u>3,050,111</u>
Deficiency of revenues over expenditures	<u>2,000</u>	<u>(2,455,449)</u>	<u>(2,071,668)</u>	<u>383,781</u>	<u>(2,039,711)</u>
Other financing sources (uses):					
Transfers in	-	3,360,000	3,810,019	450,019	-
Transfers out	<u>-</u>	<u>-</u>	<u>(1,902,562)</u>	<u>(1,902,562)</u>	<u>(113,010)</u>
Total other financing sources (uses)	<u>-</u>	<u>3,360,000</u>	<u>1,907,457</u>	<u>(1,452,543)</u>	<u>(113,010)</u>
Net change in fund balance	2,000	904,551	(164,211)	(1,068,762)	(2,152,721)
Fund balance, beginning	<u>515,570</u>	<u>515,570</u>	<u>515,570</u>	<u>-</u>	<u>2,668,291</u>
Fund balance, ending	<u>\$ 517,570</u>	<u>\$ 1,420,121</u>	<u>\$ 351,359</u>	<u>\$ (1,068,762)</u>	<u>\$ 515,570</u>

CITY OF CARENCRO, LOUISIANA

Comparative Statement of Net Position
Proprietary Fund
November 30, 2022 and 2021

	<u>Enterprise Fund</u>	
	<u>2022</u>	<u>2021</u>
ASSETS		
Current assets:		
Cash	\$ 3,709,036	\$ 423,564
Interest-bearing deposits	101,633	106,320
Investments	459,556	530,961
Receivables -		
Accounts	441,325	415,168
Unbilled utility receivables	211,623	203,506
Due from other governmental agencies	1,900,466	-
Accrued interest	-	3,928
Prepaid items	<u>16,570</u>	<u>20,313</u>
Total current assets	<u>6,840,209</u>	<u>1,703,760</u>
Noncurrent assets:		
Restricted assets -		
Interest-bearing deposits	1,373,920	1,255,790
Investments	47,687	47,058
Capital assets -		
Land and construction in progress	12,622,804	13,650,291
Other capital assets, net	25,693,258	15,974,483
Right-of-use lease asset, net	<u>59,684</u>	<u>89,690</u>
Total noncurrent assets	<u>39,797,353</u>	<u>31,017,312</u>
Total assets	<u>46,637,562</u>	<u>32,721,072</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	<u>317,462</u>	<u>148,415</u>
LIABILITIES		
Current liabilities:		
Accounts payable	174,985	166,073
Retainage and contracts payable	804,427	250,587
Accrued liabilities	24,130	20,927
Due to other funds	504,525	-
Customers' deposits	536,181	562,415
Unearned revenue	2,995,903	-
Accrued interest	42,127	41,177
Notes payable	241,494	53,229
Right-of-use lease liability	31,217	32,531
Bonds payable	<u>503,000</u>	<u>456,341</u>
Total current liabilities	<u>5,857,989</u>	<u>1,583,280</u>
Noncurrent liabilities:		
Compensated absences payable	97,432	85,739
Right-of-use lease liability	30,826	58,931
Net pension liability	941,102	554,885
Notes payable	1,701,309	102,765
Bonds payable	<u>5,307,676</u>	<u>5,396,934</u>
Total noncurrent liabilities	<u>8,078,345</u>	<u>6,199,254</u>
Total liabilities	<u>13,936,334</u>	<u>7,782,534</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	<u>11,975</u>	<u>172,852</u>
NET POSITION		
Net investment in capital assets	29,755,797	24,275,828
Restricted for debt service	843,299	699,256
Unrestricted	<u>2,407,619</u>	<u>(60,983)</u>
Total net position	<u>\$ 33,006,715</u>	<u>\$ 24,914,101</u>

CITY OF CARENCRO, LOUISIANA
Enterprise Fund
Utility Fund

Comparative Departmental Analysis of Revenues and Expenses
Years Ended November 30, 2022 and 2021

	Totals		Gas	
	2022	2021	2022	2021
Operating revenues:				
Customers service charges	\$ 4,848,764	\$ 4,589,357	\$ 814,871	\$ 750,645
Penalties, permits, and connection fees	178,815	191,295	1,635	12,925
Miscellaneous	21,150	26,364	-	-
Total operating revenues	<u>5,048,729</u>	<u>4,807,016</u>	<u>816,506</u>	<u>763,570</u>
Operating expenses:				
Salaries	959,852	864,752	215,169	203,592
Payroll taxes	68,069	60,169	15,884	14,872
Group insurance	133,825	115,706	14,747	13,809
Retirement	220,409	127,315	48,231	29,032
Gas purchased	315,768	202,340	315,768	202,340
Maintenance and supplies	645,500	638,376	62,693	81,459
Chemicals	504,903	316,470	-	-
Cathodic protection survey	1,615	1,430	1,615	1,430
Garbage collection fees	797,166	727,640	-	-
Depreciation expense	1,273,502	990,824	47,988	16,577
Amortization expense	30,006	26,762	30,006	26,762
Utilities	246,122	205,739	-	-
Telephone	20,885	21,132	-	-
Truck operation	79,563	43,046	35,276	14,710
Office supplies and postage	57,383	52,413	-	-
Bad debt expense	-	32,580	-	-
Insurance	141,153	133,129	31,228	32,130
Miscellaneous	1,097	1,932	-	-
Professional fees	27,725	28,690	-	-
Uniforms	27,713	23,911	8,652	7,352
Engineering fees	45,987	82,583	-	-
Travel	1,600	11,844	1,189	11,400
Contractual services	193,337	19,085	15,549	-
Meter reader expense	-	4,565	-	4,565
Allocation of general and administrative expense	-	-	181,899	164,917
Total operating expenses	<u>5,793,180</u>	<u>4,732,433</u>	<u>1,025,894</u>	<u>824,947</u>
Net operating income (loss)	<u>\$ (744,451)</u>	<u>\$ 74,583</u>	<u>\$ (209,388)</u>	<u>\$ (61,377)</u>

Water		Sewerage		Sanitation		Administrative	
2022	2021	2022	2021	2022	2021	2022	2021
\$ 1,625,283	\$ 1,565,128	\$ 1,576,649	\$ 1,504,217	\$ 831,961	\$ 769,367	\$ -	\$ -
133,185	135,850	43,995	42,520	-	-	-	-
21,150	26,364	-	-	-	-	-	-
<u>1,779,618</u>	<u>1,727,342</u>	<u>1,620,644</u>	<u>1,546,737</u>	<u>831,961</u>	<u>769,367</u>	-	-
						(21,150)	
292,847	275,903	72,247	48,091	-	-	379,589	337,166
20,605	18,912	5,430	3,611	-	-	26,150	22,774
41,944	42,137	14,533	6,768	-	-	62,601	52,992
61,089	36,534	18,168	7,803	-	-	92,921	53,946
-	-	-	-	-	-	-	-
402,426	402,790	122,081	117,148	-	-	58,300	36,979
291,294	120,464	213,609	196,006	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	797,166	727,640	-	-
495,612	277,250	567,931	533,043	-	-	161,971	163,954
-	-	-	-	-	-	-	-
81,658	60,867	150,324	132,076	-	-	14,140	12,796
-	-	-	-	-	-	20,885	21,132
30,396	17,448	13,891	10,888	-	-	-	-
-	-	-	-	-	-	57,383	52,413
-	-	-	-	-	-	-	32,580
94,685	85,966	8,924	9,403	-	-	6,316	5,630
-	-	-	-	-	-	1,097	1,932
-	-	-	-	-	-	27,725	28,690
9,477	8,445	9,166	6,589	-	-	418	1,525
22,318	27,564	23,669	55,019	-	-	-	-
411	369	-	-	-	-	-	75
160,038	3,683	17,750	15,402	-	-	-	-
-	-	-	-	-	-	-	-
<u>272,849</u>	<u>247,375</u>	<u>409,273</u>	<u>371,063</u>	<u>45,475</u>	<u>41,229</u>	<u>(909,496)</u>	<u>(824,584)</u>
<u>2,277,649</u>	<u>1,625,707</u>	<u>1,646,996</u>	<u>1,512,910</u>	<u>842,641</u>	<u>768,869</u>	-	-
<u>\$ (498,031)</u>	<u>\$ 101,635</u>	<u>\$ (26,352)</u>	<u>\$ 33,827</u>	<u>\$ (10,680)</u>	<u>\$ 498</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CARENCRO, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity
Year Ended November 30, 2022

	First Six Month Period Ended <u>5/31/2022</u>	Second Six Month Period Ended <u>11/30/2022</u>
Beginning Balance of Amounts Collected	\$ 16,845	\$ 12,484
Add: Collections -		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	77,043	67,698
Criminal Fines - Contempt	-	-
Criminal Fines - Other	236,241	210,096
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	-	-
Interest Earnings on Collected Balances	-	-
Other	-	-
Subtotal Collections	<u>313,284</u>	<u>277,794</u>
Less: Disbursements to Governments and Nonprofits -		
Lafayette Crime Stoppers - Criminal Court Cost	2,144	1,942
Acadiana Criminalistics Lab - Criminal Fines Other	31,390	26,500
Louisiana Commission on Law Enforcement - Criminal Court Cost	2,139	1,839
Louisiana State Treasurer CMIS - Criminal Court Cost	3,244	2,920
Louisiana Supreme Court - Criminal Court Cost	532	448
Louisiana Department of Health- Criminal Court Cost	3,235	2,390
Louisiana Association of Chief of Police - Criminal Court Cost	1,077	912
15th JDC Public Defenders Office - Criminal Court Cost	37,293	31,033
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	<u>236,241</u>	<u>210,096</u>
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	350	100
Payments to 3rd Party Collection/Processing Agencies	<u>-</u>	<u>-</u>
Subtotal Disbursements/Retainage	<u>317,645</u>	<u>278,180</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 12,484</u>	<u>\$ 12,098</u>

**INTERNAL CONTROL,
COMPLIANCE, AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable Charlotte Clavier, Mayor
and Members of the Board of Aldermen
City of Carencro, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Carencro, Louisiana (the City) as of and for the year ended November 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as items 2022-001 and 2022-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Carencro, Louisiana's financial statements are free of 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2022-003.

City of Carencro, Louisiana's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of current and prior year audit findings and management's corrective action plan. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

This report is intended 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 City'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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 30, 2023

CITY OF CARENCRO, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended November 31, 2022

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

A. Internal Control Findings -

2022-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

Criteria: The City should have a control policy according to which no person should be given responsibility for more than one related function.

Condition: The City did not have adequate segregation of functions within the accounting system.

Cause: Due to the size of the City, they do not have a sufficient number of employees to provide adequate segregation of segregation of accounting and financial duties.

Effect: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

Recommendation: The City should monitor mitigating controls over functions that are not completely segregated.

Management's Corrective Action Plan: Due to the size of the operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

2022-002 Inadequate Controls Over Financial Statement Preparation

Fiscal year finding initially occurred: 2021

Criteria: The City should be able to record financial transactions and prepare financial statements in accordance with GAAP.

Condition: The City does not have a staff person who has the qualifications and training necessary to apply generally accepted accounting principles (GAAP) in recording the City's financial transactions or preparing its financial statements, including the related notes.

Cause: The City does not have personnel with the qualifications needed to perform this function.

Effect: The City financial transactions and financial statements may not be prepared in accordance with GAAP.

Recommendation: The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

Management's Corrective Action Plan: The City has evaluated the cost vs benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP and determined that is in the best interest of the City to outsource this task to the independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

CITY OF CARENCRO, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended November 31, 2022

B. Compliance Findings -

2022-003 Failure to File Audited Financial Statements Timely

Fiscal year finding initially occurred: 2022

Criteria: In accordance with Louisiana Revised Statute 24:513, the City must complete and submit an audit of their financial statements within six months of the close of their fiscal year to the Legislative Auditor's office.

Condition: The City's annual audited financial statements were not filed in a timely manner for the fiscal year ended November 30, 2022.

Cause: The City's management did not take the appropriate actions to ensure its annual financial statement audit was completed within six months of the close of their fiscal year.

Effect: The City did not comply with Louisiana Revised Statute 24.513.

Recommendation: The City should take necessary actions to ensure their annual financial statement audit is completed and submitted within six months of the close of their fiscal year.

Management's Corrective Action Plan: The City will take the appropriate actions to ensure that the financial statement audit is completed and submitted within the prescribed deadline.

Part II: Prior Year Findings

A. Internal Control Findings -

2021-001 Inadequate Segregation of Functions

Fiscal year finding initially occurred: Unknown

Condition: The City did not have adequate segregation of functions within the accounting system.

Recommendation: The City should monitor mitigating controls over functions that are not completely segregated.

Current Status: Unresolved. See item 2022-001.

CITY OF CARENCRO, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended November 31, 2022

2021-002 Inadequate Controls Over Financial Statement Preparation

Fiscal year finding initially occurred: 2021

Condition: The City does not have a staff person who has the qualifications and training necessary to apply generally accepted accounting principles (GAAP) in recording the City's financial transactions or preparing its financial statements, including the related notes.

Recommendation: The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

Current Status: Unresolved. See item 2022-002.

B. Compliance Findings -

There were no findings to report under this section.

City of Carencro

Carencro, Louisiana

Agreed-Upon Procedures Report

Year Ended November 30, 2022

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Mayor and Board of Aldermen of the
City of Carencro, Louisiana and the
Louisiana Legislative Auditor

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

1. We obtained and inspected the City's written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the City's operations:
 - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) ***Disbursements***, including processing, reviewing, and approving.
 - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 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 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.

Board or Finance Committee

- 2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
 - c) Obtained the prior year audit report and observed the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.

Bank Reconciliations

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

Collections (excluding electronic fund transfers)

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. We obtained from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. We observed the bond or insurance policy for theft was enforced during the fiscal period.

7. We randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* We obtained supporting documentation for each of the 10 deposits and:
 - a) Observed that receipts are sequentially pre-numbered.
 - b) Traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) Traced the deposit slip total to the actual deposit per the bank statement.
 - d) Observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - e) Traced the actual deposit per the bank statement to the general ledger.

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

8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. We randomly selected 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, we obtained a listing of those employees involved with non-payroll purchasing and payment functions. We obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquired of employees about their job duties), and we observed that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, we obtained the City's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and we obtained management's representation that the population is complete. We randomly selected 5 disbursements for each location, we obtained supporting documentation for each transaction and:
 - a) We observed whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) We observed that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

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

12. Using the listing prepared by management, we randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, we randomly selected one monthly bank statement), we obtained supporting documentation, and:
 - a) We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - b) We observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, we observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

14. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. We randomly selected 5 reimbursements, we obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, we observed the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) We observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

15. We obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* We obtained management's representation that the listing is complete. We randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
 - a) We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) We observed that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

- c) If the contract was amended (e.g., change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) We randomly selected one payment from the fiscal period for each of the 5 contracts, we obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

- 16. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees/officials, we obtained related paid salaries and personnel files, and we agreed paid salaries to authorized salaries/pay rates in the personnel files.
- 17. We randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, we obtained attendance records and leave documentation for the pay period, and:
 - a) We observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
 - b) We observed that supervisors approved the attendance and leave of the selected employees/officials.
 - c) We observed that any leave accrued or taken during the pay period is reflected in the City's cumulative leave records.
 - d) We observed the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- 18. We obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. We randomly selected two employees/officials, we obtained related documentation of the hours and pay rates used in management's termination payment calculations and the City's policy on termination payments. We agreed the hours to the employee or officials' cumulate leave records, agreed the pay rates to the employee/officials' authorized pay rates in the employee or officials' personnel files, and agreed the termination payment to entity policy.
- 19. We obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Ethics

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
 - a) We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) We observed whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

Debt Service

21. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval was obtained for each debt instrument issued.
22. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Fraud Notice

23. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed that the City reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the City is domiciled.

The City represented that there were no misappropriations of public funds and assets during the fiscal year.

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

Information Technology Disaster Recovery/Business Continuity

25. We performed the following procedures, verbally discussed the results with management, and reported "We performed the procedure and discussed the results with management."
 - a) We obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquired of personnel responsible for backing up critical data) and observed that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), we observed evidence that backups are encrypted before being transported.
 - b) We obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.
 - c) We obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. We randomly selected 5 computers and observed while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

Sexual Harassment

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

27. We observed the City has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
28. We obtained the City's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed it includes the applicable requirements of R.S. 42:344:
 - a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - 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.

Exceptions:

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

Written Policies and Procedures

1. The City does not have sufficient written policies and procedures related to receipts, payroll/personnel, contracting, ethics and debt service.

Bank Reconciliations

2. Of the five corresponding bank statements and reconciliations selected, two accounts did not have evidence of review of items that have been outstanding for more than 12 months from the statement closing date.

Sexual Harassment

3. The City did not have its sexual harassment policy and complaint procedure on its website.

Management's Response:

Management concurs with the exceptions noted and is working to address the deficiencies identified.

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 30, 2023