

**CITY OF BROUSSARD, LOUISIANA**

Financial Report

Year Ended June 30, 2024

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# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
Stephen J. Anderson, CPA\*  
Matthew E. Margaglio, CPA\*  
Casey L. Ardoin, CPA, CFE\*  
Wanda F. Arcement, CPA  
Bryan K. Joubert, CPA  
Nicholas Fowlkes, CPA  
Deidre L. Stock, CPA

*Of Counsel*

C. Burton Kolder, CPA\*

183 S. Beadle Rd.  
Lafayette, LA 70508  
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.  
Alexandria, LA 71301 New Iberia, LA 70560  
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.  
Abbeville, LA 70510 Morgan City, LA 70380  
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.  
Ville Platte, LA 70586 Baton Rouge, LA 70816  
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KCSRPCAS.COM

Victor R. Slaven, CPA\* - retired 2020  
Christine C. Doucet, CPA - retired 2022  
Gerald A. Thibodeaux, Jr., CPA\* - retired 2024

## INDEPENDENT AUDITOR'S REPORT

\* A Professional Accounting Corporation

The Honorable Ray Bourque, Mayor  
and Members of the City Council  
City of Broussard, 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, each major fund, and the aggregate remaining fund information of the City of Broussard, Louisiana (City), as of and for the year ended June 30, 2024, 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, business-type activities, each major fund, and the aggregate remaining fund information of the City of Broussard, Louisiana, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### 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.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 the budgetary comparison information, schedule of employer's share of net pension liability, and schedule of employer contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We 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 of Broussard 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 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. 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 of Broussard, Louisiana's basic financial statements. The accompanying comparative statements and justice system funding schedule included in supplementary information 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 schedule 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 Broussard's 2023 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 detailed budget comparison schedules 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 of 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 December 2, 2024, on our consideration of the City of Broussard, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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  
December 2, 2024

## **BASIC FINANCIAL STATEMENTS**

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

CITY OF BROUSSARD, LOUISIANA  
Statement of Net Position  
June 30, 2024

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 4,881,185	\$ 524,604	\$ 5,405,789
Investments	13,483,806	-	13,483,806
Receivables, net	1,995,563	1,087,706	3,083,269
Internal balances	162,894	(162,894)	-
Due from other governmental agencies	532,247	-	532,247
Prepaid items	387,350	185,064	572,414
Total current assets	<u>21,443,045</u>	<u>1,634,480</u>	<u>23,077,525</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	1,934,323	2,115,946	4,050,269
Capital assets -			
Land and construction in progress	16,985,660	7,139,343	24,125,003
Capital assets, net of accumulated depreciation	31,563,342	55,566,748	87,130,090
Right-of-use asset, net	950,227	123,607	1,073,834
Total noncurrent assets	<u>51,433,552</u>	<u>64,945,644</u>	<u>116,379,196</u>
Total assets	<u>72,876,597</u>	<u>66,580,124</u>	<u>139,456,721</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss on bond refunding	354,565	-	354,565
Deferred outflows related to pensions	1,558,550	-	1,558,550
Total deferred outflows of resources	<u>1,913,115</u>	<u>-</u>	<u>1,913,115</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts, salaries and other payables	1,877,787	572,758	2,450,545
Due to other governmental agencies	850,000	-	850,000
Right-of-use lease liability	355,862	38,737	394,599
Notes payable	214,925	48,000	262,925
Bonds payable	895,000	890,000	1,785,000
Accrued interest payable	79,601	120,835	200,436
Customers' deposits payable	-	618,393	618,393
Total current liabilities	<u>4,273,175</u>	<u>2,288,723</u>	<u>6,561,898</u>
Noncurrent liabilities:			
Compensated absences payable	559,879	177,677	737,556
Net pension liability	2,953,152	-	2,953,152
Right-of-use lease liability	632,946	88,858	721,804
Notes payable	178,323	891,903	1,070,226
Bonds payable, net of discount on bond issuance	13,573,997	21,501,938	35,075,935
Total noncurrent liabilities	<u>17,898,297</u>	<u>22,660,376</u>	<u>40,558,673</u>
Total liabilities	<u>22,171,472</u>	<u>24,949,099</u>	<u>47,120,571</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	26,493	-	26,493
<b>NET POSITION</b>			
Net investment in capital assets	32,682,831	39,238,698	71,921,529
Restricted for sales tax dedications	13,403,951	-	13,403,951
Restricted for debt service	839,164	486,718	1,325,882
Restricted for external legal constraint	1,934,323	-	1,934,323
Unrestricted	3,731,478	1,905,609	5,637,087
Total net position	<u>\$ 52,591,747</u>	<u>\$ 41,631,025</u>	<u>\$ 94,222,772</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Activities  
For the Year Ended June 30, 2024

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 3,504,784	\$ 2,183,580	\$ -	\$ -	\$ (1,321,204)	\$ -	\$ (1,321,204)
Economic development	389,488	-	-	-	(389,488)	-	(389,488)
Public safety	8,168,311	528,313	438,668	-	(7,201,330)	-	(7,201,330)
Streets and drainage	6,359,002	-	118,281	3,044,190	(3,196,531)	-	(3,196,531)
Culture and recreation	10,483	-	-	-	(10,483)	-	(10,483)
Interest on long-term debt	552,183	-	-	-	(552,183)	-	(552,183)
Total governmental activities	18,984,251	2,711,893	556,949	3,044,190	(12,671,219)	-	(12,671,219)
Business-type activities:							
Water	3,714,061	3,285,545	-	-	-	(428,516)	(428,516)
Sewer	2,718,933	1,877,644	-	-	-	(841,289)	(841,289)
Sanitation	1,683,008	1,661,739	-	-	-	(21,269)	(21,269)
Parks and Recreation	3,907,259	715,411	-	-	-	(3,191,848)	(3,191,848)
Total business-type activities	12,023,261	7,540,339	-	-	-	(4,482,922)	(4,482,922)
Total	\$31,007,512	\$ 10,252,232	\$ 556,949	\$ 3,044,190	(12,671,219)	(4,482,922)	(17,154,141)
General revenues:							
Taxes -							
Sales and use taxes, levied for general purposes					21,365,667	-	21,365,667
Franchise taxes					1,621,625	-	1,621,625
Grants and contributions not restricted to specific programs -							
State sources					123,767	-	123,767
Non-employer contributions					64,467	-	64,467
Interest and investment earnings					893,578	77,339	970,917
Miscellaneous					458,027	-	458,027
Transfers					(6,068,189)	6,068,189	-
Total general revenues and transfers					18,458,942	6,145,528	24,604,470
Change in net position					5,787,723	1,662,606	7,450,329
Net position - July 1, 2023					46,804,024	39,968,419	86,772,443
Net position - June 30, 2024					\$ 52,591,747	\$ 41,631,025	\$ 94,222,772

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **MAJOR 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.

#### **1992 Sales Tax Fund -**

To account for the receipt and use of proceeds of the City's 1992 1% sales and use tax (rededicated in 1998). These taxes are dedicated to be used for (1) constructing, improving, operating and maintaining waterworks facilities, fire protection facilities, and police protection facilities, including the acquisition of equipment therefore, (2) constructing, improving, operating and maintaining sewers and sewerage disposal works, and (3) constructing, improving, operating and maintaining public streets and bridges and drainage facilities, including the acquisition of equipment therefore, and shall be used to fund any bonds issued for any of the aforesaid purposes to pay for the capital costs thereof.

#### **2011 Recreational Sales Tax Fund -**

To account for the receipt and use of proceeds of the City's 2011 1/2% recreational facilities sales and use tax. These taxes are dedicated to be used for the operations of the park and for the payment of revenue bonds associated with the acquisition, construction and equipping of recreational facilities and related infrastructure throughout the City.

### **Capital Projects Fund**

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds.

#### **Capital Projects Fund -**

To account for the improvements of various projects using proceeds from grant revenue and City's funds.

### **Enterprise Funds**

#### **Utility Fund -**

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

#### **Parks and Recreation Fund -**

To account for the operation of the St. Julien Park Sports Complex and Arceneaux Park. All fees and revenues derived from these facilities and all related expenses are accounted for in this fund.

CITY OF BROUSSARD, LOUISIANA

Balance Sheet  
Governmental Funds  
June 30, 2024

	General	1992 Sales Tax	2011 Recreational Sales Tax	Capital Projects	Other Governmental Funds	Total
<b>ASSETS</b>						
Cash and interest-bearing deposits	\$ 910,213	\$1,055,119	\$ 2,513,570	\$ 497,447	\$1,839,159	\$ 6,815,508
Investments	5,695,880	5,660,471	2,127,455	-	-	13,483,806
Receivables -						
Taxes and licenses	899,088	728,126	364,087	-	-	1,991,301
Due from other governmental agencies	17,760	-	-	514,487	-	532,247
Interest	1,705	1,705	852	-	-	4,262
Due from other funds	18,434	1,720,000	-	804,872	3	2,543,309
Prepaid items	387,350	-	-	-	-	387,350
Total assets	<u>\$ 7,930,430</u>	<u>\$9,165,421</u>	<u>\$ 5,005,964</u>	<u>\$ 1,816,806</u>	<u>\$1,839,162</u>	<u>\$ 25,757,783</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities -						
Accounts payable and accrued expenditures	\$ 551,484	\$ 4,089	\$ 2,029	\$ 275	\$ -	\$ 557,877
Contracts payable	-	-	-	1,014,074	-	1,014,074
Retainage payable	-	-	-	305,836	-	305,836
Due to other governmental agencies	340,000	340,000	170,000	-	-	850,000
Due to other funds	860,412	5	251,311	268,689	999,998	2,380,415
Total liabilities	<u>1,751,896</u>	<u>344,094</u>	<u>423,340</u>	<u>1,588,874</u>	<u>999,998</u>	<u>5,108,202</u>
Fund balances -						
Nonspendable for prepaid items	387,350	-	-	-	-	387,350
Restricted for sales tax dedications	-	8,821,327	4,582,624	-	-	13,403,951
Restricted for debt service	-	-	-	-	839,164	839,164
Restricted for external legal constraint	1,934,323	-	-	-	-	1,934,323
Unassigned	3,856,861	-	-	227,932	-	4,084,793
Total fund balances	<u>6,178,534</u>	<u>8,821,327</u>	<u>4,582,624</u>	<u>227,932</u>	<u>839,164</u>	<u>20,649,581</u>
Total liabilities and fund balances	<u>\$ 7,930,430</u>	<u>\$9,165,421</u>	<u>\$ 5,005,964</u>	<u>\$ 1,816,806</u>	<u>\$1,839,162</u>	<u>\$ 25,757,783</u>

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

# CITY OF BROUSSARD, LOUISIANA

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2024

Total fund balances for governmental funds at June 30, 2024		\$20,649,581
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		48,549,002
Intangible right-of-use assets used in governmental activities are not financial resources, and therefore, are not reported in the fund.		
Right-of-use assets		950,227
The deferred loss on bond refunding is not a use of current resources, and therefore, is not reported in the funds.		354,565
The deferred outflows of expenditures in the municipal police employees retirement system are not a use of current resources, and therefore, are not reported in the funds		1,558,550
Long-term liabilities at June 30, 2024:		
Compensated absences payable	\$ (559,879)	
Net pension liability	(2,953,152)	
Notes payable	(393,248)	
Right-of-use liabilities	(988,808)	
Bonds payable	(14,468,997)	
Accrued interest payable	<u>(79,601)</u>	(19,443,685)
The deferred inflows of contributions for the municipal police employees retirement system are not available resources, and therefore, are not reported in the funds		<u>(26,493)</u>
Total net position of governmental activities at June 30, 2024		<u>\$52,591,747</u>

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

CITY OF BROUSSARD, LOUISIANA  
Statement of Revenues, Expenditures and Changes in Fund Balances -  
Governmental Funds  
For the Year Ended June 30, 2024

	General	1992 Sales Tax	2011 Recreational Sales Tax	Capital Projects	Other Governmental Funds	Total
Revenues:						
Taxes	\$ 10,167,768	\$ 8,546,143	\$ 4,273,381	\$ -	\$ -	\$ 22,987,292
Licenses and permits	2,183,580	-	-	-	-	2,183,580
Intergovernmental	680,716	-	-	3,044,190	-	3,724,906
Fine and forfeits	528,313	-	-	-	-	528,313
Interest	404,032	340,160	133,348	-	16,038	893,578
Miscellaneous	458,027	-	-	-	-	458,027
Total revenues	<u>14,422,436</u>	<u>8,886,303</u>	<u>4,406,729</u>	<u>3,044,190</u>	<u>16,038</u>	<u>30,775,696</u>
Expenditures:						
Current -						
General government	3,156,185	87,090	43,188	8,628	-	3,295,091
Economic development	388,406	-	-	-	-	388,406
Public safety	7,185,905	-	-	-	-	7,185,905
Streets and drainage	4,886,766	-	-	-	-	4,886,766
Culture and recreation	-	-	10,483	-	-	10,483
Debt service	394,449	-	-	-	1,495,581	1,890,030
Capital outlay	6,949,639	-	-	6,807,340	-	13,756,979
Total expenditures	<u>22,961,350</u>	<u>87,090</u>	<u>53,671</u>	<u>6,815,968</u>	<u>1,495,581</u>	<u>31,413,660</u>
Excess (deficiency) of revenues over expenditures	<u>(8,538,914)</u>	<u>8,799,213</u>	<u>4,353,058</u>	<u>(3,771,778)</u>	<u>(1,479,543)</u>	<u>(637,964)</u>
Other financing sources (uses):						
Proceeds from issuance of debt	680,831	-	-	-	-	680,831
Transfers in	1,750,000	-	-	6,699,755	447,440	8,897,195
Transfers out	<u>(168,575)</u>	<u>(8,781,302)</u>	<u>(3,261,288)</u>	<u>(2,754,219)</u>	<u>-</u>	<u>(14,965,384)</u>
Total other financing sources (uses)	<u>2,262,256</u>	<u>(8,781,302)</u>	<u>(3,261,288)</u>	<u>3,945,536</u>	<u>447,440</u>	<u>(5,387,358)</u>
Net change in fund balances	(6,276,658)	17,911	1,091,770	173,758	(1,032,103)	(6,025,322)
Fund balances - beginning	<u>12,455,192</u>	<u>8,803,416</u>	<u>3,490,854</u>	<u>54,174</u>	<u>1,871,267</u>	<u>26,674,903</u>
Fund balances - ending	<u>\$ 6,178,534</u>	<u>\$ 8,821,327</u>	<u>\$ 4,582,624</u>	<u>\$ 227,932</u>	<u>\$ 839,164</u>	<u>\$ 20,649,581</u>

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

# CITY OF BROUSSARD, LOUISIANA

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended June 30, 2024

Total net changes in fund balances at June 30, 2024 in the  
statement of revenues, expenditures and changes in fund balances \$ (6,025,322)

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	\$13,756,979	
Depreciation expense	(2,179,819)	
Loss on disposal of capital assets	<u>(246)</u>	11,576,914

Bond proceeds are reported as financing sources in 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, principal  
payments are recorded as expenditures in the governmental funds but  
reduce the liability in the statement of net position. Also, governmental  
funds report the effect of premiums, discounts, and similar items when  
debt is first issued, whereas these amounts are deferred and amortized  
in the statement of activities:

Principal payments	1,278,484	
Proceeds from intangible right-to-use assets	(463,950)	
Proceeds from notes payable	(216,881)	
Amortization of bond premium	83,507	
Loss on refunding amortized	<u>(29,547)</u>	651,613

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.

Compensated absences	34,693	
Interest expense	5,403	
Pension expense	<u>(520,045)</u>	(479,949)

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

Non-employer pension contributions		<u>64,467</u>
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Total changes in net position at June 30, 2024 in the statement of activities \$ 5,787,723

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

## CITY OF BROUSSARD, LOUISIANA

## Statement of Net Position

## Proprietary Funds

June 30, 2024

	Utility Fund	Parks and Recreation Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 425,767	\$ 98,837	\$ 524,604
Accounts receivable, net	1,043,563	44,143	1,087,706
Due from other funds	55,540	-	55,540
Prepaid insurance	119,407	65,657	185,064
Total current assets	<u>1,644,277</u>	<u>208,637</u>	<u>1,852,914</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	618,393	1,497,553	2,115,946
Capital assets -			
Land and construction in progress	3,859,894	3,279,449	7,139,343
Capital assets, net	26,964,239	28,602,509	55,566,748
Right-of-use asset, net	83,000	40,607	123,607
Total noncurrent assets	<u>31,525,526</u>	<u>33,420,118</u>	<u>64,945,644</u>
Total assets	<u>33,169,803</u>	<u>33,628,755</u>	<u>66,798,558</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	360,353	25,187	385,540
Retainage payable	103,456	-	103,456
Contracts payable	28,108	-	28,108
Accrued expenses	23,608	32,046	55,654
Due to other funds	-	218,434	218,434
Right-of-use lease liability	28,330	10,407	38,737
Loan payable	48,000	-	48,000
Payable from restricted assets:			
Bonds payable	-	890,000	890,000
Accrued interest	-	120,835	120,835
Customers' deposits	618,393	-	618,393
Total current liabilities	<u>1,210,248</u>	<u>1,296,909</u>	<u>2,507,157</u>
Noncurrent liabilities:			
Compensated absences payable	100,283	77,394	177,677
Right-of-use lease liability	57,210	31,648	88,858
Loan payable	891,903	-	891,903
Bonds payable, net of discount on bond issuance	-	21,501,938	21,501,938
Total noncurrent liabilities	<u>1,049,396</u>	<u>21,610,980</u>	<u>22,660,376</u>
Total liabilities	<u>2,259,644</u>	<u>22,907,889</u>	<u>25,167,533</u>
<b>NET POSITION</b>			
Net investment in capital assets	29,750,126	9,488,572	39,238,698
Restricted for debt service	-	486,718	486,718
Unrestricted	1,160,033	745,576	1,905,609
Total net position	<u>\$ 30,910,159</u>	<u>\$ 10,720,866</u>	<u>\$ 41,631,025</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended June 30, 2024

	Utility Fund	Parks and Recreation Fund	Total
Operating revenues:			
Charges for services	\$ 6,369,537	\$ 715,411	\$ 7,084,948
Miscellaneous	<u>455,391</u>	<u>-</u>	<u>455,391</u>
Total operating revenues	<u>6,824,928</u>	<u>715,411</u>	<u>7,540,339</u>
Operating expenses:			
Water	3,685,539	-	3,685,539
Sewer	2,718,933	-	2,718,933
Garbage	1,683,008	-	1,683,008
St. Julien Sports Complex	-	3,111,112	3,111,112
Arceneaux Park	<u>-</u>	<u>25,505</u>	<u>25,505</u>
Total operating expenses	<u>8,087,480</u>	<u>3,136,617</u>	<u>11,224,097</u>
Loss from operations	<u>(1,262,552)</u>	<u>(2,421,206)</u>	<u>(3,683,758)</u>
Nonoperating revenues (expenses):			
Interest earned	22,590	54,749	77,339
Interest expense	(28,522)	(746,432)	(774,954)
Amortization of premium on bond	<u>-</u>	<u>(24,210)</u>	<u>(24,210)</u>
Total nonoperating revenues (expenses)	<u>(5,932)</u>	<u>(715,893)</u>	<u>(721,825)</u>
Loss before transfers	(1,268,484)	(3,137,099)	(4,405,583)
Transfers:			
Transfers in	<u>3,054,219</u>	<u>3,013,970</u>	<u>6,068,189</u>
Change in net position	1,785,735	(123,129)	1,662,606
Net position, beginning	<u>29,124,424</u>	<u>10,843,995</u>	<u>39,968,419</u>
Net position, ending	<u>\$ 30,910,159</u>	<u>\$ 10,720,866</u>	<u>\$ 41,631,025</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2024

	Utility Fund	Parks and Recreation Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 6,952,932	\$ 712,893	\$ 7,665,825
Payments to suppliers	(5,728,920)	(1,190,591)	(6,919,511)
Payments of employees	(927,276)	(969,729)	(1,897,005)
Net cash provided (used) by operating activities	296,736	(1,447,427)	(1,150,691)
Cash flows from noncapital financing activities:			
Cash paid to other funds	(1,303)	200,001	198,698
Transfers from other funds	300,000	3,013,970	3,313,970
Net cash provided by noncapital financing activities	298,697	3,213,971	3,512,668
Cash flows from capital and related financing activities:			
Principal paid on bonds/notes payable	(48,000)	(870,000)	(918,000)
Vehicle lease payable	(23,595)	(10,945)	(34,540)
Interest	(28,522)	(746,541)	(775,063)
Acquisition of capital assets	(261,149)	(113,051)	(374,200)
Net cash used by capital and related financing activities	(361,266)	(1,740,537)	(2,101,803)
Cash flows from investing activities:			
Purchase of interest-bearing deposits	(461,164)	(856,065)	(1,317,229)
Maturities of interest-bearing deposits	440,097	813,208	1,253,305
Interest on cash and investments	22,590	54,749	77,339
Net cash provided by investing activities	1,523	11,892	13,415
Net increase in cash and cash equivalents	235,690	37,899	273,589
Cash and cash equivalents, beginning of period	347,306	702,426	1,049,732
Cash and cash equivalents, end of period	\$ 582,996	\$ 740,325	\$ 1,323,321

(Continued)

CITY OF BROUSSARD, LOUISIANA

Statement of Cash Flows  
Proprietary Funds (Continued)  
For the Year Ended June 30, 2024

	Utility Fund	Parks and Recreation Fund	Total
Reconciliation of operating loss to net cash used by operating activities			
Operating loss	\$ (1,262,552)	\$ (2,421,206)	\$ (3,683,758)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities -			
Depreciation	1,492,099	992,520	2,484,619
Allowance for bad debt	19,248	-	19,248
Changes in assets and liabilities -			
Accounts receivable	26,205	(2,518)	23,687
Prepaid insurance	(40,017)	(21,463)	(61,480)
Accounts payable	(23,411)	(45,204)	(68,615)
Accrued expenses	(2,851)	31,148	28,297
Customer deposits	82,550	-	82,550
Compensated absences payable	5,465	19,295	24,760
Net cash provided (used) by operating activities	<u>\$ 296,736</u>	<u>\$ (1,447,428)</u>	<u>\$ (1,150,692)</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:			
Cash and cash equivalents, beginning of period -			
Interest-bearing deposits - unrestricted	\$ 251,560	\$ 73,039	\$ 324,599
Interest-bearing deposits - restricted	535,843	1,442,595	1,978,438
Less: interest bearing deposits with maturity in excess of 90 days	<u>(440,097)</u>	<u>(813,208)</u>	<u>(1,253,305)</u>
Total cash and cash equivalents, beginning of period	<u>\$ 347,306</u>	<u>\$ 702,426</u>	<u>\$ 1,049,732</u>
Cash and cash equivalents, end of period -			
Interest-bearing deposits - unrestricted	\$ 425,767	\$ 98,837	\$ 524,604
Interest-bearing deposits - restricted	618,393	1,497,553	2,115,946
Less: interest bearing deposits with maturity in excess of 90 days	<u>(461,164)</u>	<u>(856,065)</u>	<u>(1,317,229)</u>
Total cash and cash equivalents, end of period	<u>\$ 582,996</u>	<u>\$ 740,325</u>	<u>\$ 1,323,321</u>

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

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements

#### (1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Broussard (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 Broussard was incorporated in 1884 under the provisions of the Lawrason Act. The City operates under the Mayor-Board of Aldermen form of government.

This report includes all funds that are controlled by or dependent on the City executive and legislative branches (the Mayor and Board of Alderman). Control by or dependence on the City was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of the governing body, and other general oversight responsibility.

There are no component units over which the City exercises significant control.

##### 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.

###### 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.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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 proprietary funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds.

A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental 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. Additionally, it is used to account for the receipt and use of the proceeds of the City's 1975 one percent sales and use tax. These taxes may be used for any lawful public purpose.

##### Special Revenue Funds

##### 1992 Sales Tax Fund -

The 1992 Sales Tax Fund is used to account for the receipt and use of the proceeds of the City's 1992 one percent sales and use tax (rededicated in 1998). These taxes are dedicated to be used for (1) constructing, improving, operating and maintaining waterworks facilities, fire protection facilities, and police protection facilities, including the acquisition of equipment therefore, (2) constructing, improving, operating, and maintaining sewers and sewerage disposal works, and (3) constructing, improving, operating and maintaining public streets and bridges and drainage facilities, including the acquisition of equipment therefore, and shall be used to fund any bonds issued for any of the aforesaid purposes to pay for the capital costs thereof.

##### 2011 Recreational Sales Tax Fund -

The 2011 Recreational Sales Tax Fund is used to account for receipt and use of the proceeds of the City's 2011 one-half percent recreational sales and use tax. These taxes are dedicated to be used for the operations of the park and for the payment of revenue bonds associated with the acquisition, construction, and equipping of recreational facilities and related infrastructure throughout the City.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Capital Projects Funds

##### Capital Projects Fund –

The Capital Projects Fund is used to account for the improvements of various projects utilizing proceeds from grant revenues and City's funds.

#### Proprietary Funds -

##### Enterprise Funds

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 Broussard's enterprise funds are the Utility Fund and the Parks and Recreation 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:

- a. 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.
- b. The proprietary funds utilize 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.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### 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. For this purpose, 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 are recorded only when payment is due.

The proprietary funds utilize 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 accounts, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary funds' statement of cash flows, "cash and cash equivalents" include all demand and savings accounts and certificates of deposits 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. 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 I50, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### 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, franchise taxes, and grant funds. Business-type activities report customer’s utility service receivables as their major receivables. Allowances for uncollectible accounts receivable are based on historical trends and the periodic aging of accounts receivable. The allowance for uncollectible utility receivables was \$174,692 at June 30, 2024. 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.

#### 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 various threshold levels for capitalizing capital assets. The levels are as follows:

General Fund	\$ 2,500
Utility Fund	5,000
Parks and Recreation Fund	2,500

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 the adoption of GASB 34, the City did not have a complete listing of infrastructure. At that time, the City began accumulating infrastructure information prospectively.

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 assets. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	10 -40 years
Equipment and vehicles	3 - 20 years
Utility system and improvements	5 - 40 years
Infrastructure	10 - 40 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 governmental funds and proprietary funds that are legally restricted as to their use. The restricted assets are related to debt service interest sinking and reserve accounts, utility meter deposits, and St. Martin reinvestment 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 revenue bonds payable and utility meter deposits 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.

#### Compensated Absences

Unused vacation is paid at the end of each calendar year. Unused sick leave up to 60 days may be carried over, with up to 30 days of the accumulated balance payable at termination of employment. At June 30, 2024, the City has \$737,556 of noncurrent accumulated leave benefits required to be reported in accordance with GASB Statement No. 16 "Accounting for Compensated Absences".

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments 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 June 30, 2024, the City's deferred outflows of resources and deferred inflows of resources are attributable to the unamortized loss on the bond refunding and the pension plan.

#### Equity Classifications

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

- a. Net investment in capital assets – Consists of net capital assets reduced by 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.
- b. Restricted net position – Net position is considered restricted if the 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 reduced by liabilities and deferred inflows of resources related to the restricted assets. 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 June 30, 2024, the City reported \$16,664,156 of restricted net position, \$15,338,274 of which was restricted by enabling legislation.

- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the 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:

- a. 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.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

- b. 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.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the City's Mayor and Board of Aldermen, which is the highest level of decision-making authority for the City.
- d. 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 determined by a formal decision of the City's Mayor and Board of Aldermen.
- e. 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 their commitment or assignment actions.

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

#### 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 Funds - 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.

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### 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 13

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

### H. Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pension, and pension expense has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

### (2) 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 the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2024, the City had cash and interest-bearing deposits (book balances) totaling \$9,456,058 as follows:

Non interest-bearing deposits	\$ 1,464,926
Interest-bearing deposits	<u>7,991,132</u>
Total	<u>\$ 9,456,058</u>

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

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 June 30, 2024, which are required to be secured are as follows:

Bank balances	<u>\$ 9,951,155</u>
Federal deposit insurance	1,002,000
Pledged securities / Letter of credit	<u>8,949,155</u>
Total insured and secured bank balances	<u>\$ 9,951,155</u>

Deposits in the amount of \$8,949,155 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. Even though the pledged securities are considered uncollateralized, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand. The City does not have a policy for custodial credit risk.

### (3) Investments

As of June 30, 2024, the City's investments were as follows:

<u>Description</u>	<u>Maturity</u>	<u>Fair Value</u>
Governmental Activities:		
Louisiana Asset Management Pool (LAMP)	Less than one year	<u>\$ 13,483,806</u>

The City participates in the Louisiana Asset Management Pool (LAMP). LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The financial statements for LAMP may be accessed on their website (<https://www.lamppool.com>). The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA – R.S. 33:2955.

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

The investment in LAMP is not exposed to 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. Credit risk is the risk that an issuer or other counterparty to an investment will be unable to meet its obligations. LAMP is rated AAAM by Standard & Poor's. Interest rate risk is the risk that changes in interest rates will adversely affect the estimated fair value of an investment. 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.

LAMP's financial statements can be obtained by contacting LAMP at 650 Poydras Street, Suite 200 New Orleans Louisiana 70130 or by contacting the administrative office at 800-249-5267, and the financial statements are also available on the Louisiana Legislative Auditors website at <https://lla.la.gov/>.

### (4) Receivables

Receivables at June 30, 2024 consisted of the following:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		
	<u>General</u>	<u>Sales Tax</u>	<u>Utility</u>	<u>Parks and</u>	
	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Recreation</u>	<u>Total</u>
Accounts, net	\$ -	\$ -	\$ 615,105	\$ 44,143	\$ 659,248
Unbilled utility	-	-	197,694	-	197,694
Sales taxes	728,126	1,092,213	-	-	1,820,339
Interest on sales taxes	1,705	2,557	-	-	4,262
Franchise taxes	170,962	-	-	-	170,962
Other	-	-	230,764	-	230,764
Totals	<u>\$ 900,793</u>	<u>\$ 1,094,770</u>	<u>\$1,043,563</u>	<u>\$ 44,143</u>	<u>\$ 3,083,269</u>

### (5) Due from Other Governmental Units

Due from other governmental units at June 30, 2024 consisted of the following:

Fund financial statements:

Governmental Funds:

State of Louisiana

Beer taxes \$ 4,399

Video poker revenues 13,361

State grant funds 498,451

Lafayette Consolidated Government - local grants 16,036

Total governmental funds \$ 532,247

Government-wide financial statements:

Total amount reported in Governmental Funds, from above \$ 532,247

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Restricted Assets

Restricted assets consisted of the following at June 30, 2024:

	Governmental Activities	Business-Type Activities	Total
Saint Martin sales tax reinvestment fund	\$ 567,774	\$ -	\$ 567,774
2012 revenue bond and interest sinking	-	376,982	376,982
2012 revenue bond reserve fund	-	1,120,571	1,120,571
LAMP investment	1,366,549	-	1,366,549
Customers' deposits	-	618,393	618,393
Total restricted assets	<u>\$ 1,934,323</u>	<u>\$ 2,115,946</u>	<u>\$ 4,050,269</u>

(7) Capital Assets

Capital asset activity for the year ended June 30, 2024 follows:

	Balance 07/01/23	Additions	Deletions	Balance 06/30/24
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,350,140	\$ 690,803	\$ -	\$ 2,040,943
Construction in progress	7,426,561	11,269,685	3,751,529	14,944,717
Other capital assets:				
Buildings and improvements	3,719,626	53,392	8,140	3,764,878
Equipment and vehicles	3,760,091	740,603	73,244	4,427,450
Infrastructure	<u>34,320,387</u>	<u>4,290,075</u>	<u>-</u>	<u>38,610,462</u>
Total capital assets	<u>50,576,805</u>	<u>17,044,558</u>	<u>3,832,913</u>	<u>63,788,450</u>
Less accumulated depreciation:				
Buildings and improvements	2,102,951	145,954	8,140	2,240,765
Equipment and vehicles	2,469,460	357,137	72,998	2,753,599
Infrastructure	<u>8,889,550</u>	<u>1,355,534</u>	<u>-</u>	<u>10,245,084</u>
Total accumulated depreciation	<u>13,461,961</u>	<u>1,858,625</u>	<u>81,138</u>	<u>15,239,448</u>
Governmental activities, capital assets, net	<u>\$ 37,114,844</u>	<u>\$ 15,185,933</u>	<u>\$ 3,751,775</u>	<u>\$ 48,549,002</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 202,304
Public safety	192,080
Streets	<u>1,464,241</u>
Total depreciation expense - governmental activities	<u>\$ 1,858,625</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Balance 07/01/23	Additions	Deletions	Balance 06/30/24
Business-type activities:				
Capital assets not being depreciated:				
Land - Sewer system	\$ 1,048,966	\$ -	\$ -	\$ 1,048,966
Land - Parks and Recreation	3,279,449	-	-	3,279,449
Construction in progress - Utility Fund	1,366,324	2,777,688	1,333,084	2,810,928
Other capital assets:				
Plant and equipment - Water system	16,735,017	606,957	-	17,341,974
Plant and equipment - Sewer system	30,238,993	793,579	-	31,032,572
Buildings - Parks and Recreation	33,818,709	65,194	-	33,883,903
Autos and office equipment - Utility	1,101,146	196,028	-	1,297,174
Equipment - Parks and Recreation	1,095,382	47,858	12,114	1,131,126
Vehicle - Parks and Recreation	43,090	-	-	43,090
Totals capital assets	<u>88,727,076</u>	<u>4,487,304</u>	<u>1,345,198</u>	<u>91,869,182</u>
Less accumulated depreciation:				
Plant and equipment - Water system	9,214,343	436,768	-	9,651,111
Plant and equipment - Sewer system	11,153,723	911,527	-	12,065,250
Buildings - Parks and Recreation	4,912,465	858,929	-	5,771,394
Autos and office equipment - utility	950,614	40,506	-	991,120
Equipment - Parks and Recreation	540,414	117,639	9,095	648,958
Vehicle - Parks and Recreation	31,123	4,135	-	35,258
Total accumulated depreciation	<u>26,802,682</u>	<u>2,369,504</u>	<u>9,095</u>	<u>29,163,091</u>
Business-type activities, capital assets, net	<u>\$ 61,924,394</u>	<u>\$ 2,117,800</u>	<u>\$1,336,103</u>	<u>\$ 62,706,091</u>

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

Water system	\$ 461,202
Sewer system	927,599
Parks and recreation	980,703
Total depreciation expense - business-type activities	<u>\$ 2,369,504</u>

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### (8) Leased Assets

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

	Balance 07/01/23	Additions	Deletions	Balance 06/30/24
Governmental activities:				
Intangible Right-to-use-assets	\$ 1,106,491	\$ 463,950	\$ 89,214	\$ 1,481,227
Less: accumulated amortization	<u>299,020</u>	<u>321,194</u>	<u>89,214</u>	<u>531,000</u>
Intangible right-to-use-assets, net	<u>\$ 807,471</u>	<u>\$ 142,756</u>	<u>\$ -</u>	<u>\$ 950,227</u>
Business-type activities:				
Intangible Right-to-use-assets	\$ 229,603	\$ 78,699	\$ 135,050	\$ 173,252
Less: accumulated amortization	<u>69,580</u>	<u>115,115</u>	<u>135,050</u>	<u>49,645</u>
Intangible right-to-use-assets, net	<u>\$ 160,023</u>	<u>\$ (36,416)</u>	<u>\$ -</u>	<u>\$ 123,607</u>

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

Year Ending June 30,	Governmental Funds	Business-Type Activities
2025	\$ 346,203	\$ 37,523
2026	308,295	32,139
2027	181,790	25,214
2028	94,283	18,930
2029	<u>19,656</u>	<u>9,801</u>
	<u>\$ 950,227</u>	<u>\$ 123,607</u>

The following is a summary of changes in the lease liability for the year ended June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities	\$ 673,392	\$ 463,950	\$ 148,534	\$ 988,808	\$ 355,862
Business-Type Activities	<u>83,436</u>	<u>78,699</u>	<u>34,540</u>	<u>127,595</u>	<u>38,737</u>
Total	<u>\$ 756,828</u>	<u>\$ 542,649</u>	<u>\$ 183,074</u>	<u>\$ 1,116,403</u>	<u>\$ 394,599</u>

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. For purposes of discounting future payments on the lease, the City used the interest rate of 3.33% - 7.92%. 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 direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or the lease term.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Minimum lease payments through the lease term are as follows:

Year Ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 355,862	\$ 47,740	\$ 38,737	\$ 6,309
2026	315,347	42,305	33,219	5,441
2027	192,416	25,813	26,213	4,339
2028	103,394	13,781	19,798	3,281
2029	21,789	2,923	9,628	1,572
	<u>\$ 988,808</u>	<u>\$ 132,562</u>	<u>\$ 127,595</u>	<u>\$ 20,942</u>

(9) Accounts, Salaries and Other Payables

Accounts, salaries, and other payables consisted of the following at June 30, 2024:

	Governmental Activities	Business-Type Activities	Total
Accounts payable	\$ 278,882	\$ 385,540	\$ 664,422
Payroll liabilities	270,223	55,654	325,877
Collection fees payable	8,772	-	8,772
Contracts payable	1,014,074	28,108	1,042,182
Retainage payable	305,836	103,456	409,292
Totals	<u>\$ 1,877,787</u>	<u>\$ 572,758</u>	<u>\$2,450,545</u>

(10) Due to Other Governmental Agencies

Amounts due to other governmental agencies at June 30, 2024 in the amount of \$850,000 consists of \$340,000 for 1975 sales taxes (accounted for in the General Fund), \$340,000 for 1992 sales taxes, and \$170,000 for 2011 recreational sales taxes due to the Lafayette Parish School System Sales Tax Office for sales taxes erroneously remitted to the City.

(11) Long-Term Liabilities

The following is a summary of long-term liabilities transactions of the City for the year ended June 30, 2024:

	Revenue Bonds	Notes Payable	Compensated Absences
Governmental Activities:			
Balance, June 30, 2023	\$ 14,234,878	\$ 348,317	\$ 594,572
Additions	-	216,881	95,132
Deletions	(958,000)	(171,950)	(129,825)
Balance, June 30, 2024	<u>\$ 13,276,878</u>	<u>\$ 393,248</u>	<u>\$ 559,879</u>

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

	Revenue Bonds	Notes Payable	Compensated Absences
Business-type Activities:			
Balance, June 30, 2023	\$ 23,695,000	\$ 987,903	\$ 152,917
Additions	-	-	27,525
Deletions	(870,000)	(48,000)	(2,765)
Balance, June 30, 2024	<u>\$ 22,825,000</u>	<u>\$ 939,903</u>	<u>\$ 177,677</u>

Long-term liabilities payable at June 30, 2024 is comprised of the following:

Governmental activities:	Total	Current Portion
Direct borrowing general obligation bonds -		
\$4,000,000 2011 Sales Tax Bonds due in annual installments ranging from \$95,000 to \$110,000 through May 1, 2032; interest at .95%; secured by a pledge of and payable solely from the proceeds of the 1% 1992 sales tax revenues.	\$ 1,476,878	\$ 105,000
\$9,225,000 Sales Tax Refunding Bonds, Series 2015, due in annual installments ranging from \$135,000 through \$540,000 through May 1, 2038; interest at 2.0%-5.0%; secured by a pledge of and payable solely from the proceeds of the 1% 1992 sales tax revenues.	6,110,000	445,000
\$7,855,000 Sales Tax Refunding Bonds, Series 2016, due in annual installments ranging from \$290,000 to \$545,000 through May 1, 2037; interest at 2%-4%; secured by a pledge of and payable solely from the proceeds of the 1% 1992 sales tax revenues.	5,690,000	345,000
Total bonds payable	13,276,878	<u>\$ 895,000</u>
Add: unamortized bond premium	1,192,119	
Net bonds payable - governmental activities	<u>\$14,468,997</u>	

Proceeds of the Series 2011 sales tax bonds are received from the Louisiana Department of Health and Hospitals to finance the costs of drinking water infrastructure improvements. As of June 30, 2024, the City has \$876,122 remaining to be drawn. No amounts were drawn during the fiscal year.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

	<u>Total</u>	<u>Current Portion</u>
Notes payable -		
\$288,972 purchase agreement dated May 25, 2020, due in five annual installments of \$62,895 including interest of 2.9% through June 12, 2025; payable from any non-restricted revenues of the city	\$ 61,130	\$ 61,130
\$1,099,602 purchase agreement dated May 29, 2020, due in six annual installments, one in the amount of \$549,801 and five in the amount of \$118,002 including interest of 2.4% through May 29, 2025; payable from any non-restricted revenues of the city	115,237	115,237
\$216,881 purchase agreement dated November 28, 2023, due in five annual installments of \$51,333 including interest of 5.89% through November 28, 2028; payable from any non-restricted revenues of the city	216,881	38,558
Total notes payable - governmental activities	<u>\$ 393,248</u>	<u>\$ 214,925</u>
Business-type activities:		
Parks and Recreation Fund -		
\$13,670,000 Recreational Facility Sales Tax Revenue Bond, Series 2021, due in annual instalments ranging from \$120,000 through \$890,000 through May 1, 2042; interest at 1%-3%; secured by a pledge of and payable solely from the proceeds of the 1/2% 2011 sales tax revenues.	\$ 12,890,000	\$ 600,000
\$12,000,000 Recreational Facility Sales Tax Revenue Bonds, Series 2015, due in annual installments ranging from \$140,000 through \$830,000 through May 1, 2045; interest at 2%-5%; secured by a pledge of and payable solely from the proceeds of the 1/2% 2011 sales tax revenues.	9,935,000	290,000
Total bonds payable	22,825,000	<u>\$ 890,000</u>
Less: unamortized discount on issuance of bond	(433,062)	
Net bonds payable - business-type activities	<u>\$ 22,391,938</u>	
Utility Fund -		
Loan from the Louisiana Department of Health and Hospitals; interest at 1.95%; payable from the utilities system revenues. The balance at June 30, 2024 is net of a 20% debt forgiveness.	\$ 939,903	\$ 48,000
Total notes payable - business-type activities	<u>\$ 939,903</u>	<u>\$ 48,000</u>

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

The City borrowed \$1,403,629 (of which \$280,726 was forgiven) from the Louisiana Department of Health and Hospitals as an interim loan to finance the cost of the drinking water infrastructure improvements project. Upon completion of the project, the City will issue taxable utilities revenue bonds for permanent financing. The forgiveness of debt is recorded as a capital contribution in the Utility Fund statement of revenues, expenses, and changes in fund net position.

The annual debt service requirements to maturity for all bonds payable as of June 30, 2024 are as follows:

Year Ended June 30,	Governmental Activities			
	Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2025	\$ 895,000	\$ 488,218	\$214,925	\$ 17,305
2026	925,000	464,046	40,830	10,503
2027	950,000	426,122	43,234	8,098
2028	985,000	395,414	45,781	5,552
2029	1,025,000	362,216	48,478	2,855
2030-2034	5,201,878	1,202,672	-	-
2035-2039	3,295,000	306,568	-	-
	<u>\$13,276,878</u>	<u>\$3,645,256</u>	<u>\$393,248</u>	<u>\$ 44,313</u>

  

Year Ended June 30,	Business-type Activities			
	Bonds		Notes Payable	
	Principal	Interest	Principal	Interest
2025	\$ 890,000	\$ 756,762	\$ 48,000	\$ 23,628
2026	905,000	738,764	49,000	22,464
2027	930,000	718,114	51,000	21,276
2028	950,000	695,266	52,000	20,051
2029	975,000	676,776	53,000	18,789
2030-2034	5,320,000	2,983,770	289,000	73,917
2035-2039	6,205,000	2,135,076	327,000	37,167
2040-2044	5,820,000	1,073,087	70,903	3,488
2045	830,000	193,800	-	-
	<u>\$22,825,000</u>	<u>\$9,971,415</u>	<u>\$939,903</u>	<u>\$220,780</u>

### (12) Prior Year Defeasance of Debt

During fiscal year 2018, the City defeased \$7,975,000 of Public Improvement Sales Tax Revenue Bonds, Series 2007 by purchasing U.S. Government securities and creating separate irrevocable trust funds with an escrow agent. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore has been removed as a liability from the City's financial statements. As of June 30, 2024, the amount of defeased sales tax revenue debt outstanding but removed from the financial statements amounts to \$5,935,000 of Series 2007 sales tax bonds.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### (13) Dedication of Proceeds and Flow of Funds-Sales and Use Tax

In 1975, the voters of the City approved a 1% sales tax (collected in the General Fund) to be used for any lawful public purpose. In 1998, the City incorporated areas in St. Martin Parish. In 2001, an agreement was made between the City and St. Martin Parish Government which requires the City to deposit into a "Reinvestment Fund" an amount equal to ½ of the one cent sales tax collected in the incorporated areas of St. Martin Parish.

The funds are to be used for infrastructure development to directly benefit those areas. The balance of cash in the Reinvestment Fund at June 30, 2024 in the amount of \$1,934,323 is restricted for external legal constraints in the fund balance of the General Fund statements and the net position of the governmental activities in the government-wide financial statements.

In 1992 (rededicated in 1998), voters of the City approved an additional 1% sales tax dedicated to constructing, improving, operating and maintaining waterworks, fire and police protection facilities, sewerage works, streets, bridges and drainage. The terms of the bond indentures relative to the Public Improvement Sales Tax Revenue Bonds, Series 2007 and 2008, the 2011 Sales Tax Bonds, and the Sales Tax Refunding Bonds, Series 2015 and 2016 pledge and dedicate the proceeds of the 1992 sales tax to the retirement of these bonds and to establish and maintain revenue bond sinking and reserve funds adequate to pay the revenue bonds and interest on these bonds when due. Remaining revenues may then be used for any purpose for which the tax was authorized. The ordinances also contain provisions which restrict the issuance of additional revenue bonds unless the above-mentioned sinking and reserve funds contain the required amounts and certain financial ratios are met.

In 2011, voters of the City approved an additional ½% sales tax dedicated to the payment of revenue bonds associated with the acquisition, construction, and equipping of recreational facilities and related infrastructure throughout the City.

Recreational Facility Sales Tax Revenue Bonds, Series 2021, Series 2012 and Series 2015 ordinances provide that revenues of the 2011 sales tax are to be used to establish and maintain revenue bond sinking and reserve funds adequate to pay the revenue bonds and interest when due. Remaining revenues may then be used for any purpose for which the tax was authorized. The ordinance also contains provisions which restrict the issuance of additional revenue bonds unless the required above mentioned sinking and reserve funds contain the required amounts and certain financial ratios are met.

The City complied with all significant financial requirements of the bond ordinances as of June 30, 2024.

All of the above sales taxes were issued in perpetuity.

#### (14) Pension Plan

The City participates in a cost-sharing defined benefit plan, administered by a public employee retirement system. 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 the public employee retirement system to the State Legislature. The plan is not closed to new entrants.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Municipal Police Employees' Retirement System of Louisiana (MPERS) –

**Plan Description:** The Municipal Police Employees' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in MPERS is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. MPERS provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through MPERS in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. MPERS issues a publicly available financial report that may be accessed on their website (<http://lampers.org>).

Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

The system's 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 the services performed. Benefits are recognized when due and payable in accordance with the terms of the plan. Interest income is recognized when earned.

**Membership Prior to January 1, 2013 –** A member is eligible for regular retirement after he has been a member of MPERS and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of MPERS for 20 years of creditable service at any age with an actuarially reduced benefit. Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service, not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from forty to sixty percent of the member's average final compensation for the surviving spouse. In addition, each child under eighteen receives benefits equal to ten percent of the member's average final compensation or \$200 per month, whichever is greater.

**Membership Commencing January 1, 2013 –** Member eligibility for regular retirement, early retirement, disability, and survivor benefits are based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of MPERS and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of MPERS and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60.

Under both sub plans, a member is eligible for early retirement after he has been a member of MPERS for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

Upon death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from twenty-five to fifty-five percent of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives ten percent of average final compensation or \$200 per month whichever is greater. If deceased member had less than ten years of service, beneficiary will receive a refund of employee contributions only.

#### Deferred Retirement Option Plan:

A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in MPERS is terminated. At the entry date into the DROP, the employee and employer contributions cease.

The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty-six months or less. If employment is terminated after the three-year period, the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into MPERS shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service.

For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of MPERS's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on MPERS's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account. If the member elects a money market investment return, the funds are transferred to a government money market account.

**Initial Benefit Option Plan:** In 1999, the State Legislature authorized MPERS to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest is computed on the balance based on the same criteria as DROP.

**Contributions:** Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay. For the year ended June 30, 2024, total contributions due for employers and employees were 43.925%. The employer and employee contribution rates for all members hired prior to January 1, 2013, and Hazardous Duty members hired after January 1, 2013, were 33.925% and 10%, respectively.

#### Net Pension Liability:

At June 30, 2024, the City reported a liability of \$2,953,152 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

The City's proportionate share of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the City's proportionate share was 0.279523% which is an increase of .05% from the proportionate share measured at June 30, 2022.

Since the measurement date of the net pension liability was June 30, 2023, the net pension liability is based upon fiduciary net position for the plan as of that date. Detailed information about the 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 report for the fiscal year ended June 30, 2023.

**Long-term Rate of Return:** For MPERS, the long-term expected rate of return 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.

**Actuarial Assumptions:** The following table provides information concerning actuarial assumptions used in the determination of the total pension liability for the defined benefit plan in which the City is a participating employer:

Date of experience study on which significant assumptions are based	7/1/2014 - 6/30/2019
Actuarial cost method	Entry Age Normal Cost
Expected remaining service lives	4 years
Investment rate of return	6.750%, net of investment expense
Inflation rate	2.50%
Projected salary increases	4.7% - 12.3%
Mortality rates	Pub-2010 Safety Below-Median Healthy Retiree Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale. Pub-2010 Safety Below-Median Employee Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale. Pub-2010 Safety Disable Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale.
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

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 table:

<u>Asset Class</u>	<u>Expected Rate of Return</u>	
	<u>Target Asset Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Equity	52.00%	3.29%
Fixed income	34.00%	1.12%
Alternative	14.00%	0.95%
	<u>100%</u>	<u>5.36%</u>
Inflation		<u>2.54%</u>
Expected nominal return		<u>7.90%</u>

### Cost of Living Adjustments:

The pension plan in which the City participates has 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 system 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 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.

### 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 June 30, 2024, the City recognized \$934,837 in pension expense related to its participation in MPERS.

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to MPERS from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 208,020	\$ 1,238
Changes of assumptions	49,279	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	567,649	25,255
Net differences between projected and actual earnings on plan investments	318,810	-
Contributions subsequent to the measurement date	414,792	-
Total	<u>\$ 1,558,550</u>	<u>\$ 26,493</u>

Deferred outflows of resources of \$414,792 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2025	\$ 397,300
2026	315,656
2027	420,155
2028	(15,846)
	<u>\$ 1,117,265</u>

The projection of cash flows used to determine the discount rate assumed that the 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, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure MPERS's net pension liability was 6.750% for the year ended June 30, 2023, which is a change of .000% from the prior year.

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

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

The following presents MPERS's net pension liability of the participating employers calculated using the discount rate of 6.75%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease 5.750%	Current Discount Rate 6.750%	1% Increase 7.750%
Net Pension Liability	<u>\$ 4,155,318</u>	<u>\$ 2,953,152</u>	<u>\$ 1,948,901</u>

For the year ended June 30, 2024, the City's payable for MPERS is \$45,094, which is the contractually required contributions payable for the month of June 2024.

#### (15) On-Behalf Payments of Salaries

The State of Louisiana paid the City's policemen and firemen \$256,328 of supplemental pay during the year ended June 30, 2024. That amount is included in the accompanying financial statements as intergovernmental revenues and police and fire expense in the government-wide statement of activities.

#### (16) Risk Management

The City is exposed to risks of loss in the areas of general and auto liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year. Settlements have not exceeded insurance coverage during the three-year period ended June 30, 2024.

#### (17) Litigation and Claims

At June 30, 2024, the City was 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 in excess of insurance coverage.

#### (18) Compensation of City Council Members

Compensation paid to the City Council Members for the year ended June 30, 2024 follows:

Jeff Delahoussaye	\$ 24,000
Angel Racca	18,000
David Bonin	18,000
Jesse Regan	18,000
Heather Girouard	18,000
David Forbes	18,000
Kody Allen	18,000
	<u>\$ 132,000</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(19) Compensation, Benefits, and Other Payments to Agency Head

The schedule of compensation, benefits, and other payments made to Ray Bourque, Mayor, for the year ended June 30, 2024 follows:

Salary	\$ 92,491
Benefits - insurance	16,386
Benefits - retirement	7,399
Car allowance	9,600
Cell phone	600
Internet	780
Travel and conference	1,713
Special meals	1,164
Other (auto repairs)	227
Other (vehicle gas expense)	3,285
	<u>\$ 133,645</u>

(20) Interfund Transactions

A. Interfund receivables and payables consisted of the following at June 30, 2024:

	<u>Receivable</u>	<u>Payable</u>
Major funds:		
Governmental funds:		
General Fund	\$ 18,434	\$ 860,412
1992 Sales Tax Special Revenue Fund	1,720,000	5
2011 Recreational Sales Tax Special Revenue Fund	-	251,311
Capital Projects Fund	804,872	268,689
Proprietary funds:		
Utility Fund	55,540	-
Parks and Recreation Fund	-	218,434
Non-major funds - debt service funds	3	999,998
Total	<u>\$ 2,598,849</u>	<u>\$ 2,598,849</u>

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

# CITY OF BROUSSARD, LOUISIANA

## Notes to Basic Financial Statements (Continued)

B. Interfund transfers consisted of the following at June 30, 2024:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
Governmental funds:		
General Fund	\$ 1,750,000	\$ 168,575
1992 Sales Tax Special Revenue Fund	-	8,781,302
2011 Recreational Sales Tax Special Revenue Fund	-	3,261,288
Capital Projects Fund	6,699,755	2,754,219
Proprietary funds:		
Utility Fund	3,054,219	-
Parks and Recreation Fund	3,013,970	-
Non-major funds - debt service funds	447,440	-
Total	<u>\$ 14,965,384</u>	<u>\$ 14,965,384</u>

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 to (b) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

### (21) Subsequent Events

On October 17, 2024, the City issued \$7,500,000 of Public Improvement Sales Tax Revenue Bonds, Series 2024, with an average interest rate of 3.55%, maturing May 1, 2044. The bonds were issued for funding related to street improvements in the City and are secured by the 1992 Sales Tax revenues.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

CITY OF BROUSSARD, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 9,898,400	\$ 10,105,022	\$ 10,167,768	\$ 62,746
Licenses and permits	1,833,650	2,142,240	2,183,580	41,340
Intergovernmental	604,983	689,417	680,716	(8,701)
Fines and forfeits and seizures	600,000	530,000	528,313	(1,687)
Miscellaneous	463,000	844,198	862,059	17,861
Total revenues	<u>13,400,033</u>	<u>14,310,877</u>	<u>14,422,436</u>	<u>111,559</u>
Expenditures:				
Current -				
General government	2,641,532	3,125,065	3,156,185	(31,120)
Economic development	418,252	382,320	388,406	(6,086)
Public safety:				
Police	5,091,799	4,932,203	4,881,548	50,655
Fire	2,376,932	2,069,582	2,304,357	(234,775)
Streets and drainage	4,309,450	4,802,079	4,886,766	(84,687)
Debt service	566,181	313,648	394,449	(80,801)
Capital outlay	768,135	6,957,842	6,949,639	8,203
Total expenditures	<u>16,172,281</u>	<u>22,582,739</u>	<u>22,961,350</u>	<u>(378,611)</u>
Deficiency of revenue over expenditures	<u>(2,772,248)</u>	<u>(8,271,862)</u>	<u>(8,538,914)</u>	<u>(267,052)</u>
Other financing sources (uses):				
Proceeds from issuance of debt	447,086	103,482	680,831	577,349
Transfers in	2,325,000	1,650,000	1,750,000	100,000
Transfers out	(636,600)	(683,835)	(168,575)	515,260
Total other financing sources (uses)	<u>2,135,486</u>	<u>1,069,647</u>	<u>2,262,256</u>	<u>1,192,609</u>
Net change in fund balance	(636,762)	(7,202,215)	(6,276,658)	925,557
Fund balance, beginning	<u>12,455,192</u>	<u>12,455,192</u>	<u>12,455,192</u>	<u>-</u>
Fund balance, ending	<u>\$ 11,818,430</u>	<u>\$ 5,252,977</u>	<u>\$ 6,178,534</u>	<u>\$ 925,557</u>

See notes to the required supplementary information.

CITY OF BROUSSARD, LOUISIANA  
1992 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales taxes - 1%	\$ 8,303,400	\$ 8,523,005	\$ 8,546,143	\$ 23,138
Miscellaneous -				
Interest	100,000	257,276	340,160	82,884
Total revenues	<u>8,403,400</u>	<u>8,780,281</u>	<u>8,886,303</u>	<u>106,022</u>
Expenditures:				
Current -				
General government:				
Collection fees	56,200	62,077	68,450	(6,373)
Professional fees	<u>17,000</u>	<u>18,000</u>	<u>18,640</u>	<u>(640)</u>
Total expenditures	<u>73,200</u>	<u>80,077</u>	<u>87,090</u>	<u>(7,013)</u>
Excess of revenues over expenditures	<u>8,330,200</u>	<u>8,700,204</u>	<u>8,799,213</u>	<u>99,009</u>
Other financing uses:				
Transfers out	<u>(9,658,440)</u>	<u>(8,767,789)</u>	<u>(8,781,302)</u>	<u>(13,513)</u>
Total other financing uses	<u>(9,658,440)</u>	<u>(8,767,789)</u>	<u>(8,781,302)</u>	<u>(13,513)</u>
Net change in fund balance	(1,328,240)	(67,585)	17,911	85,496
Fund balance, beginning	<u>8,803,416</u>	<u>8,803,416</u>	<u>8,803,416</u>	<u>-</u>
Fund balance, ending	<u>\$ 7,475,176</u>	<u>\$ 8,735,831</u>	<u>\$ 8,821,327</u>	<u>\$ 85,496</u>

See notes to the required supplementary information.

CITY OF BROUSSARD, LOUISIANA  
2011 Recreation Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes -				
Sales taxes - 1/2%	\$ 4,151,700	\$ 4,261,845	\$ 4,273,381	\$ 11,536
Miscellaneous -				
Interest	50,000	10,088	133,348	123,260
Total revenues	<u>4,201,700</u>	<u>4,271,933</u>	<u>4,406,729</u>	<u>134,796</u>
Expenditures:				
General government:				
Collection fees	28,100	23,443	34,238	(10,795)
Professional fees	<u>7,500</u>	<u>7,915</u>	<u>8,950</u>	<u>(1,035)</u>
Total general government	<u>35,600</u>	<u>31,358</u>	<u>43,188</u>	<u>(11,830)</u>
Culture and recreation:				
Ida Crouchet Park -				
Repairs and maintenance	10,000	2,684	2,013	671
Utilities	2,000	8,276	8,261	15
Supplies	<u>11,500</u>	<u>281</u>	<u>209</u>	<u>72</u>
Total culture and recreation	<u>23,500</u>	<u>11,241</u>	<u>10,483</u>	<u>758</u>
Total expenditures	<u>59,100</u>	<u>42,599</u>	<u>53,671</u>	<u>(11,072)</u>
Excess of revenues over expenditures	<u>4,142,600</u>	<u>4,229,334</u>	<u>4,353,058</u>	<u>123,724</u>
Other financing uses:				
Transfers out	<u>(3,203,970)</u>	<u>(3,353,790)</u>	<u>(3,261,288)</u>	<u>92,502</u>
Total other financing uses	<u>(3,203,970)</u>	<u>(3,353,790)</u>	<u>(3,261,288)</u>	<u>92,502</u>
Net change in fund balance	938,630	875,544	1,091,770	216,226
Fund balance, beginning	<u>3,490,854</u>	<u>3,490,854</u>	<u>3,490,854</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,429,484</u>	<u>\$ 4,366,398</u>	<u>\$ 4,582,624</u>	<u>\$ 216,226</u>

See notes to the required supplementary information.

CITY OF BROUSSARD, LOUISIANA

Municipal Police Employees' Retirement System  
Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2024\*

<u>Year Ended June 30,</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>
2024	0.279523%	\$ 2,953,152	\$ 946,922	311.9%	71.30%
2023	0.229373%	2,344,599	708,105	331.1%	70.79%
2022	0.160195%	853,927	486,372	175.6%	84.09%
2021	0.172072%	1,590,346	531,495	299.2%	70.94%
2020	0.042158%	382,865	131,656	290.8%	71.01%

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

*This 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 BROUSSARD, LOUISIANA

Municipal Police Employees' Retirement System  
Schedule of Employer Contributions  
For the Year Ended June 30, 2024

Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2024	\$ 414,792	\$ 414,792	\$ -	\$1,222,674	33.925%
2023	295,913	295,913	-	946,922	31.25%
2022	210,661	210,661	-	708,105	29.75%
2021	164,151	164,151	-	486,372	33.75%
2020	172,736	172,736	-	531,495	32.50%

*This 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 BROUSSARD, 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) The City Clerk submits no later than 15 days prior to the beginning of each fiscal year, a proposed budget to the Mayor and Board of Aldermen.
- 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 an increase in a fund's appropriations require the approval of the Board of Aldermen. The Mayor may transfer budget amounts between departments within any fund. The level of budgetary control is by total appropriations (by fund); however, for report purposes, the budgetary information has been expanded.
- 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 finally amended by the Board of Aldermen.

#### (2) Pension Plan

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 pension s through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increases, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

# CITY OF BROUSSARD, LOUISIANA

## Notes to the Required Supplementary Information (Continued)

### (3) Excess of Expenditures Over Appropriations

For the year ended June 30, 2024, the City 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	\$ 3,125,065	\$ 3,156,185	\$ (31,120)
Economic development	382,320	388,406	(6,086)
Public safety	7,001,785	7,185,905	(184,120)
Streets and drainage	4,802,079	4,886,766	(84,687)
Debt service	313,648	394,449	(80,801)
1992 Sales Tax Fund:			
General government	80,077	87,090	(7,013)
2011 Recreation Sales Tax Fund:			
General government	31,358	43,188	(11,830)

## **SUPPLEMENTARY INFORMATION**

## CITY OF BROUSSARD, LOUISIANA

## Statement of Net Position

June 30, 2024

With Comparative Totals as of June 30, 2023

	2024			2023
	Governmental	Business-	Total	Totals
	Activities	Type		
	Activities	Activities		
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$ 4,881,185	\$ 524,604	\$ 5,405,789	\$ 2,973,539
Investments	13,483,806	-	13,483,806	18,394,850
Receivables, net	1,995,563	1,087,706	3,083,269	2,963,932
Internal balances	162,894	(162,894)	-	-
Due from other governmental agencies	532,247	-	532,247	931,696
Prepaid items	387,350	185,064	572,414	526,651
Total current assets	21,443,045	1,634,480	23,077,525	25,790,668
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	1,934,323	2,115,946	4,050,269	6,840,059
Capital assets -				
Land and construction in progress	16,985,660	7,139,343	24,125,003	14,471,440
Capital assets, net	31,563,342	55,566,748	87,130,090	84,567,798
Right-to-use assets, net	950,227	123,607	1,073,834	967,494
Total noncurrent assets	51,433,552	64,945,644	116,379,196	106,846,791
Total assets	72,876,597	66,580,124	139,456,721	132,637,459
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred loss on bond refunding	354,565	-	354,565	384,112
Deferred outflows related to pensions	1,558,550	-	1,558,550	1,466,142
Total deferred outflows of resources	1,913,115	-	1,913,115	1,850,254
<b>LIABILITIES</b>				
Current liabilities:				
Accounts, salaries and other payables	1,877,787	572,758	2,450,545	1,600,034
Deferred revenue	-	-	-	500,000
Due to other governmental agencies	850,000	-	850,000	850,000
Right-of-use lease liability	355,862	38,737	394,599	253,463
Notes payable	214,925	48,000	262,925	218,951
Bonds payable	895,000	890,000	1,785,000	1,725,000
Accrued interest payable	79,601	120,835	200,436	208,966
Customers' deposits payable	-	618,393	618,393	535,843
Total current liabilities	4,273,175	2,288,723	6,561,898	5,892,257
Noncurrent liabilities:				
Compensated absences payable	559,879	177,677	737,556	747,489
Net pension liability	2,953,152	-	2,953,152	2,344,599
Right-of-use lease liability	632,946	88,858	721,804	503,365
Notes payable	178,323	891,903	1,070,226	1,117,269
Bonds payable	13,573,997	21,501,938	35,075,935	37,023,231
Total noncurrent liabilities	17,898,297	22,660,376	40,558,673	41,735,953
Total liabilities	22,171,472	24,949,099	47,120,571	47,628,210
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions	26,493	-	26,493	87,060
<b>NET POSITION</b>				
Net investment in capital assets	32,682,831	39,238,698	71,921,529	59,165,453
Restricted for sales tax dedications	13,403,951	-	13,403,951	12,294,270
Restricted for debt service	839,164	486,718	1,325,882	2,204,858
Restricted for external legal constraint	1,934,323	-	1,934,323	2,990,359
Unrestricted (deficit)	3,731,478	1,905,609	5,637,087	10,117,503
Total net position	\$52,591,747	\$41,631,025	\$ 94,222,772	\$86,772,443

CITY OF BROUSSARD, LOUISIANA  
Balance Sheet  
General and Special Revenue Funds  
June 30, 2024  
With Comparative Totals as of June 30, 2023

	General		1992 Sales Tax		2011 Recreational Sales Tax	
	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>						
Cash and interest-bearing deposits	\$ 910,213	\$ 2,497,393	\$ 1,055,119	\$ 814,156	\$ 2,513,570	\$ 1,540,012
Investments	5,695,880	10,279,297	5,660,471	6,098,468	2,127,455	2,017,085
Receivables -						
Taxes and licenses	899,088	882,988	728,126	715,413	364,087	357,488
Due from other governmental agencies	17,760	42,032	-	-	-	-
Interest	1,705	-	1,705	-	852	-
Due from other funds	18,434	18,434	1,720,000	1,520,000	-	-
Prepaid items	387,350	403,067	-	-	-	-
Total assets	<u>\$ 7,930,430</u>	<u>\$ 14,123,211</u>	<u>\$ 9,165,421</u>	<u>\$ 9,148,037</u>	<u>\$ 5,005,964</u>	<u>\$ 3,914,585</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities -						
Accounts payable and accrued expenditures	\$ 551,484	\$ 468,910	\$ 4,089	\$ 4,616	\$ 2,029	\$ 2,420
Due to other governmental agencies	340,000	340,000	340,000	340,000	170,000	170,000
Due to other funds	860,412	859,109	5	5	251,311	251,311
Total liabilities	<u>1,751,896</u>	<u>1,668,019</u>	<u>344,094</u>	<u>344,621</u>	<u>423,340</u>	<u>423,731</u>
Fund balances -						
Nonspendable for prepaid items	387,350	403,067	-	-	-	-
Restricted for sales tax dedications	-	-	8,821,327	8,803,416	4,582,624	3,490,854
Restricted for debt service	-	-	-	-	-	-
Restricted for external legal constraint	1,934,323	2,990,359	-	-	-	-
Assigned for capital expenditures	-	-	-	-	-	-
Unassigned	3,856,861	9,061,766	-	-	-	-
Total fund balances	<u>6,178,534</u>	<u>12,455,192</u>	<u>8,821,327</u>	<u>8,803,416</u>	<u>4,582,624</u>	<u>3,490,854</u>
Total liabilities and fund balances	<u>\$ 7,930,430</u>	<u>\$ 14,123,211</u>	<u>\$ 9,165,421</u>	<u>\$ 9,148,037</u>	<u>\$ 5,005,964</u>	<u>\$ 3,914,585</u>

## CITY OF BROUSSARD, LOUISIANA

## Comparative Statement of Net Position

## Enterprise Fund

## Utility Fund

June 30, 2024 and 2023

	2024	2023
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 425,767	\$ 251,560
Receivables, net	1,043,563	735,654
Due from other funds	55,540	54,237
Due from other governmental agencies	-	247,598
Prepaid insurance	119,407	79,390
Total current assets	<u>1,644,277</u>	<u>1,368,439</u>
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits	618,393	535,843
Capital assets -		
Land and construction in progress	3,859,894	2,415,290
Capital assets, net	26,964,239	26,756,476
Right-of-use assets, net	83,000	130,561
Total noncurrent assets	<u>31,525,526</u>	<u>29,838,170</u>
Total assets	<u>33,169,803</u>	<u>31,206,609</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	360,353	383,764
Retainage payable	103,456	-
Contracts payable	28,108	-
Accrued expenses	23,608	26,459
Right-of-use lease liability	28,330	25,679
Notes payable	48,000	47,000
Customers' deposits (payable from restricted assets)	618,393	535,843
Total current liabilities	<u>1,210,248</u>	<u>1,018,745</u>
Noncurrent liabilities:		
Compensated absences payable	100,283	94,818
Right-of-use lease liability	57,210	27,719
Notes payable	891,903	940,903
Total noncurrent liabilities	<u>1,049,396</u>	<u>1,063,440</u>
Total liabilities	<u>2,259,644</u>	<u>2,082,185</u>
<b>NET POSITION</b>		
Net investment in capital assets	29,750,126	28,261,026
Unrestricted	1,160,033	863,398
Total net position	<u>\$ 30,910,159</u>	<u>\$ 29,124,424</u>

CITY OF BROUSSARD, LOUISIANA

Comparative Statement of Revenues, Expenses and Changes in Fund Net Position -  
Enterprise Fund  
Utility Fund

For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating revenues:		
Charges for services	\$ 6,369,537	\$ 5,665,968
Miscellaneous	<u>455,391</u>	<u>518,555</u>
Total operating revenues	<u>6,824,928</u>	<u>6,184,523</u>
Operating expenses:		
Water	3,685,539	3,516,435
Sewer	2,718,933	2,696,916
Garbage	<u>1,683,008</u>	<u>1,545,674</u>
Total operating expenses	<u>8,087,480</u>	<u>7,759,025</u>
Loss from operations	<u>(1,262,552)</u>	<u>(1,574,502)</u>
Nonoperating revenues (expenses):		
Interest income	22,590	6,527
Interest expense	(28,522)	(28,269)
Gain on sale of capital assets	<u>-</u>	<u>73,101</u>
Total nonoperating revenue (expenses)	<u>(5,932)</u>	<u>51,359</u>
Loss before capital contributions and transfers	<u>(1,268,484)</u>	<u>(1,523,143)</u>
Capital contributions	<u>-</u>	<u>83,980</u>
Transfers in	<u>3,054,219</u>	<u>1,094,187</u>
Change in net position	1,785,735	(344,976)
Net position, beginning	<u>29,124,424</u>	<u>29,469,400</u>
Net position, ending	<u>\$ 30,910,159</u>	<u>\$ 29,124,424</u>

CITY OF BROUSSARD, LOUISIANA

Enterprise Fund

Utility Fund

Comparative Departmental Statement of Revenues and Expenses

For the Years Ended June 30, 2024 and 2023

	Totals		Water		Sewer		Garbage	
	2024	2023	2024	2023	2024	2023	2024	2023
Operating revenues:								
Charges for services	\$ 6,369,537	\$ 5,665,968	\$ 2,957,834	\$ 2,787,605	\$ 1,784,284	\$ 1,388,030	\$1,627,419	\$ 1,490,333
Connections, penalties, impact fees, and other	455,391	518,555	327,711	353,855	93,360	123,819	34,320	40,881
Total operating revenues	<u>6,824,928</u>	<u>6,184,523</u>	<u>3,285,545</u>	<u>3,141,460</u>	<u>1,877,644</u>	<u>1,511,849</u>	<u>1,661,739</u>	<u>1,531,214</u>
Operating expenses:								
Salaries	672,780	675,723	410,324	399,017	262,456	276,706	-	-
Payroll taxes and retirement	108,408	110,893	71,094	66,844	37,314	44,049	-	-
Bad debt	19,248	35,617	8,854	16,384	4,620	8,548	5,774	10,685
Group insurance	148,702	146,407	79,347	76,412	69,355	69,995	-	-
Professional fees	75,811	117,213	46,092	38,439	29,719	78,774	-	-
Engineering fees	152,742	170,086	79,768	123,040	72,974	47,046	-	-
Repairs and maintenance	952,480	853,681	274,906	267,095	677,574	586,586	-	-
Vehicle	57,862	39,476	33,680	25,982	24,182	13,494	-	-
Utilities	281,408	209,034	141,650	43,762	139,758	165,272	-	-
Materials and supplies	1,102,807	920,463	840,096	607,201	262,711	313,262	-	-
Depreciation	1,388,801	1,407,710	461,202	465,028	927,599	942,682	-	-
Depreciation right-to-use assets	103,298	50,263	57,388	29,184	45,910	21,079	-	-
Insurance	259,094	185,713	133,823	93,515	125,271	92,198	-	-
Office	94,568	74,508	43,045	28,304	29,311	25,960	22,212	20,244
Training and travel	2,680	3,996	1,123	2,128	1,557	1,868	-	-
Water purchases	916,009	1,162,888	916,009	1,162,888	-	-	-	-
Garbage collection expense	1,655,022	1,514,745	-	-	-	-	1,655,022	1,514,745
Miscellaneous	95,760	80,609	87,138	71,212	8,622	9,397	-	-
Total operating expenses	<u>8,087,480</u>	<u>7,759,025</u>	<u>3,685,539</u>	<u>3,516,435</u>	<u>2,718,933</u>	<u>2,696,916</u>	<u>1,683,008</u>	<u>1,545,674</u>
Operating loss	<u>\$ (1,262,552)</u>	<u>\$ (1,574,502)</u>	<u>\$ (399,994)</u>	<u>\$ (374,975)</u>	<u>\$ (841,289)</u>	<u>\$ (1,185,067)</u>	<u>\$ (21,269)</u>	<u>\$ (14,460)</u>

CITY OF BROUSSARD, LOUISIANA

Statement of Net Position  
Enterprise Fund  
Parks and Recreation Fund  
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 98,837	\$ 73,039
Accounts receivable	44,143	41,625
Prepaid insurance	65,657	44,194
Total current assets	<u>208,637</u>	<u>158,858</u>
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits	1,497,553	1,442,595
Capital assets -		
Land and construction in progress	3,279,449	3,279,449
Capital assets, net	28,602,509	29,473,179
Right-of-use asset, net	40,607	29,462
Total noncurrent assets	<u>33,420,118</u>	<u>34,224,685</u>
Total assets	<u>33,628,755</u>	<u>34,383,543</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	25,187	70,391
Accrued expenses	32,046	898
Due to other funds	218,434	18,433
Right-of-use lease liability	10,407	9,368
Payable from restricted assets:		
Bonds payable	890,000	870,000
Accrued interest payable	120,835	123,962
Total current liabilities	<u>1,296,909</u>	<u>1,093,052</u>
Noncurrent liabilities:		
Compensated absences payable	77,394	58,099
Right-of-use lease liability	31,648	20,670
Bonds payable, net of discount on bond issuance	21,501,938	22,367,727
Total noncurrent liabilities	<u>21,610,980</u>	<u>22,446,496</u>
Total liabilities	<u>22,907,889</u>	<u>23,539,548</u>
<b>NET POSITION</b>		
Net investment in capital assets	9,488,572	9,514,325
Restricted for debt service	486,718	448,633
Unrestricted	745,576	881,037
Total net position	<u>\$ 10,720,866</u>	<u>\$ 10,843,995</u>

CITY OF BROUSSARD, LOUISIANA  
Statement of Revenues, Expenses and Changes in Fund Net Position -  
Enterprise Fund  
Parks and Recreation Fund  
For the Years Ended June 30, 2024 and 2023

	2024	2023
Operating revenues	<u>\$ 715,411</u>	<u>\$ 626,755</u>
Operating expenses:		
St. Julien Sports Complex -		
Salaries	752,452	639,197
Contract labor - services	82,971	87,645
Payroll taxes and retirement	112,968	88,551
Group insurance	123,605	118,000
Professional fees	105,117	85,662
Repairs and maintenance	257,675	154,870
Vehicle	34,533	24,529
Utilities and communication	220,300	200,772
Materials and supplies	82,792	154,642
Insurance	148,007	104,783
Office	44,081	32,971
Uniforms	13,519	11,712
Miscellaneous	13,407	6,360
Advertising	1,200	1,370
Award expenses	-	1,019
Sponsorship fees	11,895	35,410
Conference and travel	1,080	1,423
Security fees	111,601	70,375
Depreciation	977,727	948,215
Depreciation right-to-use assets	11,817	7,546
League and tournament expense	4,365	5,322
Total St. Julien Sports Complex	<u>3,111,112</u>	<u>2,780,374</u>
Arceneaux Park -		
Utilities and communication	13,053	11,827
Materials and supplies	1,545	5,293
Depreciation	2,976	2,359
Repairs and maintenance	7,931	13,745
Total Arceneaux Park	<u>25,505</u>	<u>33,224</u>
Loss from operations	<u>(2,421,206)</u>	<u>(2,186,843)</u>
Nonoperating revenues (expenses):		
Interest income	54,749	21,764
Interest and fiscal agency fees	(746,432)	(776,950)
Amortization of premium on bond	(24,210)	(24,206)
Total nonoperating revenues (expenses)	<u>(715,893)</u>	<u>(779,392)</u>
Loss before capital contributions and transfers	<u>(3,137,099)</u>	<u>(2,966,235)</u>
Capital contribution	<u>-</u>	<u>27,000</u>
Transfers in	<u>3,013,970</u>	<u>3,140,947</u>
Change in net position	(123,129)	201,712
Net position, beginning	<u>10,843,995</u>	<u>10,642,283</u>
Net position, ending	<u>\$ 10,720,866</u>	<u>\$ 10,843,995</u>

CITY OF BROUSSARD, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity  
For the Year Ended June 30, 2024

	First Six Month Period Ended 12/31/2023	Second Six Month Period Ended 6/30/2024
Beginning Balance of Amounts Collected	\$ 18,716	\$ 11,616
Add: Collections -		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	169,551	199,014
Criminal Fines - Contempt	13,050	15,996
Criminal Fines - Other	187,580	213,685
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	12,689	14,573
Interest Earnings on Collected Balances	-	-
Other	-	-
Subtotal Collections	<u>382,870</u>	<u>443,268</u>
Less: Disbursements to Governments and Nonprofits -		
Louisiana Commission on Law Enforcement - Criminal Fines	3,508	5,391
Louisiana State Treasurer CMIS - Criminal Fines	4,947	5,691
Acadiana Criminalistics Lab	42,357	52,022
Lafayette Crime Stoppers	4,123	4,738
LA Association of Chiefs of Police	1,649	1,895
15th JDC Indigent Defender Fund	57,715	66,267
Louisiana Traumatic Head and Spinal Cord Injury Trust Fund	3,972	5,075
Louisiana Judicial College Collections	823	945
Department of Treasury, Handicap Parking Fees	-	-
LA Dept of Health & Hospitals THI/SCI - Criminal Fines	-	-
Louisiana Supreme Court - Criminal Fines	-	-
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	270,390	286,068
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Restitution Payments to Individuals	<u>486</u>	<u>1,174</u>
Subtotal Disbursements/Retainage	<u>389,970</u>	<u>429,266</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 11,616</u>	<u>\$ 25,618</u>

## **OTHER INFORMATION**

CITY OF BROUSSARD, LOUISIANA  
General Fund

Schedule of Revenues  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024		Variance -	2023
	Budget	Actual	Positive (Negative)	Actual
Revenues:				
Taxes -				
Franchise taxes	\$ 1,582,017	\$ 1,621,625	\$ 39,608	\$ 1,582,837
Sales taxes - 1%	8,523,005	8,546,143	23,138	8,319,547
Total taxes	10,105,022	10,167,768	62,746	9,902,384
Licenses and permits -				
Occupational licenses	1,069,119	1,082,317	13,198	966,814
Insurance licenses	465,000	477,385	12,385	472,992
Condemnation fees	500	-	(500)	-
Drainage study fees	3,000	3,000	-	-
Permits	604,621	620,878	16,257	464,488
Total licenses and permits	2,142,240	2,183,580	41,340	1,904,294
Intergovernmental -				
Federal sources -				
Bulletproof vest partnership grant	13,000	13,899	899	-
FEMA reimbursement	6,000	6,483	483	107,654
ARPA	-	-	-	4,704,776
State sources -				
Video poker	106,955	105,745	(1,210)	115,071
On-behalf payments	266,600	256,328	(10,272)	243,460
Beer taxes	17,448	18,022	574	13,920
Highway maintenance	15,565	16,413	848	14,010
Local sources -				
LCVC	-	-	-	7,500
Lafayette Parish School Board	168,065	168,441	376	165,139
Lafayette Consolidated Government	95,784	95,385	(399)	29,134
Total intergovernmental	689,417	680,716	(8,701)	5,400,664
Fines and forfeits and seizures	530,000	528,313	(1,687)	360,831
Miscellaneous -				
Interest	403,666	404,032	366	173,761
Planning/review fees	48,315	48,815	500	27,995
Sale of assets	-	-	-	139,055
Other	392,217	409,212	16,995	336,014
Total miscellaneous	844,198	862,059	17,861	676,825
Total revenues	14,310,877	\$ 14,422,436	\$ 111,559	\$ 18,244,998

## CITY OF BROUSSARD, LOUISIANA

## General Fund

## Schedule of Expenditures

Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2024

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024		Variance - Positive (Negative)	2023 Actual
	Budget	Actual		
Current -				
General government:				
Salaries	\$ 886,418	\$ 890,306	\$ (3,888)	\$ 791,626
Payroll taxes	66,401	66,096	305	59,762
Group insurance	177,247	179,417	(2,170)	163,454
Retirement	59,436	62,785	(3,349)	50,062
Auto	3,043	-	3,043	-
Auto allowance	12,600	12,600	-	12,600
Insurance	119,981	122,691	(2,710)	68,173
Office	78,000	78,210	(210)	77,449
Utilities	32,167	33,134	(967)	31,705
Telephone	14,187	14,867	(680)	13,644
Advertising	15,660	15,569	91	17,281
Dues and subscriptions	23,520	25,360	(1,840)	32,433
Sales tax collection fees	67,619	68,450	(831)	54,996
Supplies	33,659	41,264	(7,605)	8,939
Legal	127,579	128,775	(1,196)	93,787
Accounting	34,241	31,163	3,078	26,335
Engineering	331,375	337,531	(6,156)	290,792
Professional fees	399,722	403,832	(4,110)	351,938
Consultants	575	-	575	-
Training and travel	14,414	12,244	2,170	13,177
Building inspection fees	455,971	463,294	(7,323)	343,524
Miscellaneous	37,132	37,265	(133)	20,831
Magistrate court	57,000	57,605	(605)	49,952
Repairs and maintenance	70,000	73,727	(3,727)	44,170
Uniforms	1,118	-	1,118	-
Civil service salaries	6,000	-	6,000	6,000
Total general government	<u>3,125,065</u>	<u>3,156,185</u>	<u>(31,120)</u>	<u>2,622,630</u>
Economic development				
Salaries	58,789	59,107	(318)	54,891
Payroll taxes	4,518	4,518	-	4,426
Group insurance	9,321	9,321	-	9,350
Retirement	4,703	4,952	(249)	4,031
Contract services	230,000	230,000	-	200,000
Advertising	100	100	-	64
Dues and subscriptions	10,101	12,580	(2,479)	12,059
Supplies	8,359	6,675	1,684	10,026
Office expense	2,496	2,763	(267)	2,346
Miscellaneous	5,200	5,504	(304)	350
Professional fees	10,372	16,868	(6,496)	21,260
Repairs and maintenance	30,667	29,198	1,469	9,010
Uniforms	83	-	83	-
Utilities	3,393	2,688	705	423
Training and travel	4,218	4,132	86	1,735
Total economic development	<u>382,320</u>	<u>388,406</u>	<u>(6,086)</u>	<u>329,971</u>

(continued)

CITY OF BROUSSARD, LOUISIANA  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual (Continued)  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024		Variance -	2023
	Budget	Actual	Positive (Negative)	Actual
Public safety:				
Police department -				
Salaries	2,284,420	2,276,773	7,647	2,077,490
On-behalf payments - salaries	258,000	249,128	8,872	238,320
Payroll taxes	194,868	184,213	10,655	171,799
Retirement	525,791	518,888	6,903	396,119
Group insurance	499,161	488,342	10,819	443,021
Insurance	260,326	260,473	(147)	232,124
Auto	348,524	348,668	(144)	204,889
Auto allowance	18,000	18,000	-	18,000
Uniforms and supplies	113,000	114,617	(1,617)	63,218
Legal	2,000	1,053	947	2,138
Professional fees	25,000	24,436	564	20,812
Miscellaneous	20,000	15,353	4,647	15,460
Repairs and maintenance	20,000	20,322	(322)	25,738
Training	35,000	32,137	2,863	24,929
Dues and subscriptions	242,113	245,083	(2,970)	257,320
Utilities and communication	86,000	84,062	1,938	69,998
Total police department	<u>4,932,203</u>	<u>4,881,548</u>	<u>50,655</u>	<u>4,261,375</u>
Fire department -				
Salaries	1,083,618	1,080,492	3,126	927,331
On-behalf payments - salaries	6,600	7,200	(600)	5,140
Payroll taxes	83,988	82,799	1,189	72,110
Retirement	4,302	3,908	394	3,891
Group insurance	8,899	11,210	(2,311)	8,120
Insurance	90,000	173,612	(83,612)	172,186
Auto and fuel	117,936	150,008	(32,072)	119,199
Professional fees	61,637	72,896	(11,259)	94,590
Office expense	31,340	30,012	1,328	14,490
Dues and subscriptions	24,000	28,364	(4,364)	27,016
Fire prevention	128,002	127,857	145	119,088
Repairs and maintenance	153,600	234,266	(80,666)	61,089
Supplies	67,932	95,889	(27,957)	16,795
Telephone and utilities	94,227	96,419	(2,192)	79,745
Miscellaneous	9,000	8,677	323	9,307
Uniforms	79,500	73,895	5,605	77,690
Training	25,001	26,853	(1,852)	25,461
Total fire department	<u>2,069,582</u>	<u>2,304,357</u>	<u>(234,775)</u>	<u>1,833,248</u>
Total public safety	<u>7,001,785</u>	<u>7,185,905</u>	<u>(184,120)</u>	<u>6,094,623</u>

CITY OF BROUSSARD, LOUISIANA  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual (Continued)

For the Year Ended June 30, 2024

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024		Variance -	2023
	Budget	Actual	Positive (Negative)	Actual
Streets and drainage:				
Salaries	1,909,351	1,913,612	(4,261)	1,584,480
Payroll taxes	137,733	138,329	(596)	118,325
Retirement	166,264	166,659	(395)	135,612
Group insurance	380,108	379,022	1,086	312,070
Insurance	249,961	298,663	(48,702)	243,930
Auto	229,986	235,332	(5,346)	113,346
Equipment rent	14,543	17,182	(2,639)	6,138
Equipment operating costs	173,280	177,357	(4,077)	156,522
Street and drainage maintenance	887,290	894,630	(7,340)	637,371
Drainage studies - engineering	80,649	86,288	(5,639)	67,285
Professional	36,904	37,709	(805)	31,433
Office	8,779	9,526	(747)	5,821
Engineering	69,339	72,164	(2,825)	116,879
Utilities and communication	183,851	183,721	130	166,825
Uniforms and supplies	171,043	170,835	208	168,762
On call patching	1,758	-	1,758	-
Casual labor	86,976	88,428	(1,452)	84,032
Miscellaneous	14,264	17,309	(3,045)	15,147
Total streets and drainage	<u>4,802,079</u>	<u>4,886,766</u>	<u>(84,687)</u>	<u>3,963,978</u>
Capital outlay	<u>6,957,842</u>	<u>6,949,639</u>	<u>8,203</u>	<u>1,043,595</u>
Debt service:				
Principal	268,771	320,484	(51,713)	488,372
Interest	<u>44,877</u>	<u>73,965</u>	<u>(29,088)</u>	<u>54,163</u>
Total debt service	<u>313,648</u>	<u>394,449</u>	<u>(80,801)</u>	<u>542,535</u>
Total expenditures	<u>\$ 22,582,739</u>	<u>\$ 22,961,350</u>	<u>\$ (378,611)</u>	<u>\$ 14,597,332</u>

CITY OF BROUSSARD, LOUISIANA

1992 Sales Tax Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget (GAAP Basis) and Actual

For the Year Ended June 30, 2024

With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023 Actual
	Budget	Actual		
Revenues:				
Taxes -				
Sales taxes - 1%	\$ 8,523,005	\$ 8,546,143	\$ 23,138	\$ 8,319,547
Miscellaneous -				
Interest	257,276	340,160	82,884	79,640
Total revenues	<u>8,780,281</u>	<u>8,886,303</u>	<u>106,022</u>	<u>8,399,187</u>
Expenditures:				
Current -				
General government:				
Collection fees	62,077	68,450	(6,373)	54,996
Professional fees	18,000	18,640	(640)	17,235
Total expenditures	<u>80,077</u>	<u>87,090</u>	<u>(7,013)</u>	<u>72,231</u>
Excess of revenues over expenditures	<u>8,700,204</u>	<u>8,799,213</u>	<u>99,009</u>	<u>8,326,956</u>
Other financing uses:				
Transfers out	<u>(8,767,789)</u>	<u>(8,781,302)</u>	<u>(13,513)</u>	<u>(3,848,823)</u>
Total other financing uses	<u>(8,767,789)</u>	<u>(8,781,302)</u>	<u>(13,513)</u>	<u>(3,848,823)</u>
Net change in fund balance	(67,585)	17,911	85,496	4,478,133
Fund balance, beginning	<u>8,803,416</u>	<u>8,803,416</u>	<u>-</u>	<u>4,325,283</u>
Fund balance, ending	<u>\$ 8,735,831</u>	<u>\$ 8,821,327</u>	<u>\$ 85,496</u>	<u>\$ 8,803,416</u>

CITY OF BROUSSARD, LOUISIANA  
2011 Recreational Sales Tax Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024		Variance with Final Budget Positive (Negative)	2023 Actual
	Budget	Actual		
Revenues:				
Taxes -				
Sales taxes - 1/2%	\$ 4,261,845	\$ 4,273,381	\$ 11,536	\$ 4,159,318
Miscellaneous -				
Interest	10,088	133,348	123,260	34,791
Total revenues	<u>4,271,933</u>	<u>4,406,729</u>	<u>134,796</u>	<u>4,194,109</u>
Expenditures:				
General government:				
Collection fees	23,443	34,238	(10,795)	27,527
Professional fees	7,915	8,950	(1,035)	6,590
Total general government	<u>31,358</u>	<u>43,188</u>	<u>(11,830)</u>	<u>34,117</u>
Culture and recreation:				
Ida Crouchet Park -				
Repairs and maintenance	2,684	2,013	671	5,754
Utilitites	8,276	8,261	15	10,645
Supplies	281	209	72	711
Total culture and recreation	<u>11,241</u>	<u>10,483</u>	<u>758</u>	<u>17,110</u>
Capital outlay:				
Ida Crochet Park improvements	-	-	-	4,297
Total expenditures	<u>42,599</u>	<u>53,671</u>	<u>(11,072)</u>	<u>55,524</u>
Excess of revenues over expenditures	4,229,334	4,353,058	123,724	4,138,585
Other financing uses:				
Transfers out	<u>(3,353,790)</u>	<u>(3,261,288)</u>	<u>92,502</u>	<u>(3,392,258)</u>
Net change in fund balance	875,544	1,091,770	216,226	746,327
Fund balance, beginning	<u>3,490,854</u>	<u>3,490,854</u>	<u>-</u>	<u>2,744,527</u>
Fund balance, ending	<u>\$ 4,366,398</u>	<u>\$ 4,582,624</u>	<u>\$ 216,226</u>	<u>\$ 3,490,854</u>

**INTERNAL CONTROL, COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
Stephen J. Anderson, CPA\*  
Matthew E. Margaglio, CPA\*  
Casey L. Ardoin, CPA, CFE\*  
Wanda F. Arcement, CPA  
Bryan K. Joubert, CPA  
Nicholas Fowlkes, CPA  
Deidre L. Stock, CPA

*Of Counsel*  
C. Burton Kolder, CPA\*

Victor R. Slaven, CPA\* - retired 2020  
Christine C. Doucet, CPA - retired 2022  
Gerald A. Thibodeaux, Jr., CPA\* - retired 2024

\* A Professional Accounting Corporation

183 S. Beadle Rd.  
Lafayette, LA 70508  
Phone (337) 232-4141

1428 Metro Dr. 450 E. Main St.  
Alexandria, LA 71301 New Iberia, LA 70560  
Phone (318) 442-4421 Phone (337) 367-9204

200 S. Main St. 1201 David Dr.  
Abbeville, LA 70510 Morgan City, LA 70380  
Phone (337) 893-7944 Phone (985) 384-2020

434 E. Main St. 11929 Bricksome Ave.  
Ville Platte, LA 70586 Baton Rouge, LA 70816  
Phone (337) 363-2792 Phone (225) 293-8300

WWW.KCSRPCAS.COM

## 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 Ray Bourque, Mayor  
and Members of the City Council  
City of Broussard, 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, each major fund, and the aggregate remaining fund information of the City of Broussard, Louisiana (the City) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 2, 2024 .

### 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 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 a certain deficiency in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2024-001 that we consider to be a material weakness.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City'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 that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2024-002.

## **City of Broussard's Response to the Findings**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
December 2, 2024

CITY OF BROUSSARD, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings  
and Management's Corrective Action Plan  
Year Ended June 30, 2024

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

A. Internal Control Findings –

**2024-001 Inadequate Controls Over Financial Statement Preparation**

Fiscal year finding initially occurred: 2024

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

Condition: The City of Broussard 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's financial transactions and financial statements may not be prepared in accordance with GAAP.

Recommendation: The City of Broussard should be able to record financial transactions and prepare financial statements in accordance with GAAP. The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

Management's Corrective Action Plan: Management of 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 it 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.

B. Compliance Findings –

**2024-002 Procurement**

Fiscal year finding initially occurred: 2024

Criteria: Louisiana Revised Statute 39:1753.1(C) states "Prior to the procurement of telecommunications or video surveillance equipment or services, the vendor shall provide documentation by affidavit that the equipment or services to be procured are not prohibited." Additionally, Louisiana Revised Statute 39:1753.1(C) also states "No procurement shall be made from a vendor or other entity who fails to provide the documentation required in Subsection C of this Section. Any procurement of prohibited telecommunications or video surveillance equipment or services as defined in Subsection A of this section, or other procurement in violation of this Section shall be void."

Condition: The City of Broussard entered into an agreement with a vendor that was not properly procured.

## CITY OF BROUSSARD, LOUISIANA

### Summary Schedule of Current and Prior Year Audit Findings and Management's Corrective Action Plan (Continued) Year Ended June 30, 2024

Cause: The City was unaware of the procurement requirements related to telecommunications and video surveillance equipment.

Effect: The City entered into an agreement with a vendor that may have violated Louisiana Revised Statute 39:1753.1.

Recommendation: The City should implement policies and procedures that require the City to obtain an affidavit verifying that the equipment or services are not prohibited.

Management's Corrective Action Plan: As of the date of this report, the City of Broussard has obtained the necessary affidavits and has modified contracts with its vendors to be in compliance with state statute.

#### Part II. Prior Year Findings

##### A. Internal Control Findings –

There are no findings to report under this section

##### B. Compliance Findings –

There are no findings to report under this section

**CITY OF BROUSSARD**

Broussard, Louisiana

**Agreed-Upon Procedures Report**

Year Ended June 30, 2024

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
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183 S. Beadle Rd.  
Lafayette, LA 70508  
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1428 Metro Dr. 450 E. Main St.  
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434 E. Main St. 11929 Bricksome Ave.  
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Phone (337) 363-2792 Phone (225) 293-8300

WWW.KCSRPCAS.COM

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Ray Bourque, Mayor  
and Members of the City Council  
City of Broussard, 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 July 1, 2023 through June 30, 2024. The City of Broussard's (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 July 1, 2023 through June 30, 2024. 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. Obtain and inspect the City's written policies and procedures and observe 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) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) ***Credit Cards (and debit cards, fuel cards, Purchase Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- 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) ***Prevention of 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***

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- 2. Obtain and inspect 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) Observe 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) Observe 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) Obtain the prior year audit report and observe 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, observe 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.
  - d) Observe the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

### ***Bank Reconciliations***

---

3. Obtain a listing of the City's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the City's main operating account. Select the City's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected accounts, and observe 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 within 1 month of the date the reconciliation was prepared (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)***

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4. Obtain 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. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe 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. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select 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.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe 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) Trace the actual deposit per the bank statement to the general ledger.

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

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- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
  - e) Only employees/ officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- 10. For each location selected under #8 above, obtain the City's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - b) Observe that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9, as applicable.
- 11. Using the City's main operating account and the month selected in "Bank Reconciliations" procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was:
  - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy.
  - b) Approved by the required number of authorized signers per the entity's policy.

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

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12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe 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) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
  - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe 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, describe the nature of the transaction and note 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)***

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15. Obtain 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. Randomly select 5 reimbursements, obtain 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, observe 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](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1g).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

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16. Obtain 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.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

- a) Observe 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) Observe 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), observe 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) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agree to the terms and conditions of the contract.

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

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- 17. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 18. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the City's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- 19. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the City's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee/officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
- 20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

### ***Ethics***

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- 21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
  - a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - b) Observe 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.
- 22. Inquire and/or observed whether the agency has appointed an ethics designee as required by R.S. 42:1170.

### ***Debt Service***

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23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree 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***

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25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the City reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the City is domiciled as required by R.S. 24:523.

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

26. Observe 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***

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27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

**We performed the procedure and discussed the results with management.**

- 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.

**We performed the procedure and discussed the results with management.**

- 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.

**We performed the procedure and discussed the results with management.**

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 and observe evidence that the selected terminated employees have been removed or disabled from the network.
  - a) Observe evidence that the selected terminated employees have been removed or disabled from the network.

29. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the City's information technology assets completed cybersecurity training as required by R.S. 42:1267:
  - a) Completed the training if hired before June 9, 2020; and
  - b) Completed the training within 30 days of initial service or employment if hired on or after June 9, 2020.

#### ***Prevention of Sexual Harassment***

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30. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
31. Observe the entity 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).
32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe 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:***

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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 policies and procedures regarding sexual harassment.

#### **Ethics**

2. One of the five employees selected for testing did not complete one hour of ethics training.

#### **Prevention of Sexual Harassment**

3. One of the five employees selected for testing did not complete one hour of prevention of sexual harassment training.
4. The City's sexual harassment report was not dated on or before February 1<sup>st</sup>.

#### ***Management's Response:***

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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 from 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  
December 2, 2024