

BAYOU VERMILION DISTRICT

LAFAYETTE, LOUISIANA

FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2024

BAYOU VERMILION DISTRICT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Bayou Vermilion District
Lafayette, 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, and each major fund of Bayou Vermilion District (the District), a component unit of the Consolidated Government of Lafayette, Louisiana as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund as of December 31, 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 Bayou Vermilion District 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.

Responsibility 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 District'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.

Auditors' 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 GAAS 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 GAAS and Government Auditing Standards, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District'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.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and other required schedules on pages 44-48 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management has omitted the 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.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2025, on our consideration of the Bayou Vermilion District'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 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 Bayou Vermilion District's internal control over financial reporting and compliance.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

June 19, 2025

BASIC FINANCIAL STATEMENTS

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

BAYOU VERMILION DISTRICT

**STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash And Interest-Bearing Deposits	\$ 2,598,947	\$ 414,416	\$ 3,013,363
Receivables, Net	3,300	1,699	4,999
Ad Valorem Tax Receivable	236,978	-	236,978
Due From Sheriff	2,090,869	-	2,090,869
Internal Balances	(33,670)	33,670	-
Prepaid Expenses	59,733	-	59,733
Inventory	<u>-</u>	<u>35,204</u>	<u>35,204</u>
Total Current Assets	<u>4,956,157</u>	<u>484,989</u>	<u>5,441,146</u>
Noncurrent Assets:			
Land	146,000	-	146,000
Capital Assets, Net	<u>2,414,210</u>	<u>597,267</u>	<u>3,011,477</u>
Total Noncurrent Assets	<u>2,560,210</u>	<u>597,267</u>	<u>3,157,477</u>
Total Assets	<u>7,516,367</u>	<u>1,082,256</u>	<u>8,598,623</u>
Deferred Outflows of:			
Deferred Outflows of Resources - Pension	<u>105,147</u>	<u>140,982</u>	<u>246,129</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 7,621,514</u>	<u>\$ 1,223,238</u>	<u>\$ 8,844,752</u>

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

BAYOU VERMILION DISTRICT

**STATEMENT OF NET POSITION
DECEMBER 31, 2024**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
LIABILITIES			
Current Liabilities:			
Accounts And Other Payables	\$ 80,127	\$ 55,761	\$ 135,888
Retirement Payable	-	4,645	4,645
Unearned Revenue	-	14,430	14,430
Leases Payable Due Within One Year	7,655	-	7,655
Bonds Payable	180,000	-	180,000
Accrued Interest	22,131	-	22,131
Total Current Liabilities	<u>289,913</u>	<u>74,836</u>	<u>364,749</u>
Noncurrent Liabilities:			
Accrued Compensated Absences	73,257	34,427	107,684
Leases Payable Due in More than One Year	40,656	-	40,656
Bonds Payable, Net	2,755,664	-	2,755,664
Net Pension Liability	32,201	43,174	75,375
Total Noncurrent Liabilities	<u>2,901,778</u>	<u>77,601</u>	<u>2,979,379</u>
Total Liabilities	<u>3,191,691</u>	<u>152,437</u>	<u>3,344,128</u>
DEFERRED INFLOWS OF RESOURCES			
Ad Valorem Taxes	2,423,220	-	2,423,220
Deferred Inflows of Resources - Pension	16,897	22,656	39,553
Total Deferred Inflow of Resources	<u>2,440,117</u>	<u>22,656</u>	<u>2,462,773</u>
NET POSITION			
Net Investment in Capital Assets	2,513,665	597,267	3,110,932
Restricted for Capital Projects	1,991	-	1,991
Restricted For Debt Service	788,672	-	788,672
Unrestricted	(1,314,622)	450,878	(863,744)
Total Net Position	<u>1,989,706</u>	<u>1,048,145</u>	<u>3,037,851</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 7,621,514</u>	<u>\$ 1,223,238</u>	<u>\$ 8,844,752</u>

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

BAYOU VERMILION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Expenses	Charges for Services	Operating Grants and Contributions	Net (Expense) Revenues and Changes in Net Position		
				Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
General Government	\$ 1,376,365	\$ -	\$ 78,364	\$ (1,298,001)	\$ -	\$ (1,298,001)
Interest on Long-Term Debt	65,379	-	-	(65,379)	-	(65,379)
Total Governmental Activities	<u>1,441,744</u>	<u>-</u>	<u>78,364</u>	<u>(1,363,380)</u>	<u>-</u>	<u>(1,363,380)</u>
Business-Type Activities:						
Vermilionville	<u>1,865,918</u>	<u>1,031,669</u>	<u>-</u>	<u>-</u>	<u>(834,249)</u>	<u>(834,249)</u>
Total Business-Type Activities	<u>1,865,918</u>	<u>1,031,669</u>	<u>-</u>	<u>-</u>	<u>(834,249)</u>	<u>(834,249)</u>
Total	<u>\$ 3,307,662</u>	<u>\$ 1,031,669</u>	<u>\$ 78,364</u>	<u>(1,363,380)</u>	<u>(834,249)</u>	<u>(2,197,629)</u>
General Revenues:						
Taxes -						
Property Taxes, Levied for General Purposes				2,309,770	-	2,309,770
Interest and Investment Earnings				164,212	-	164,212
Loss on Disposal of Fixed Assets				(6,000)	-	(6,000)
Nonemployer Pension Contributions				3,344	4,484	7,828
Miscellaneous				35,662	23,537	59,199
Transfers				<u>(815,069)</u>	<u>815,069</u>	<u>-</u>
Total General Revenues and Transfers				<u>1,691,919</u>	<u>843,090</u>	<u>2,535,009</u>
Change in Net Position				<u>328,539</u>	<u>8,841</u>	<u>337,380</u>
Net Position - January 1, 2024, Restated				<u>1,661,167</u>	<u>1,039,304</u>	<u>2,700,471</u>
Net Position - December 31, 2024				<u>\$ 1,989,706</u>	<u>\$ 1,048,145</u>	<u>\$ 3,037,851</u>

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

FUND FINANCIAL STATEMENTS (FFS)

BAYOU VERMILION DISTRICT

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS				
Cash And Interest-Bearing Deposits	\$ 1,786,153	\$ 810,803	\$ 1,991	\$ 2,598,947
Receivables -				
Grants	3,300	-	-	3,300
Due From Sheriff	1,844,876	245,993	-	2,090,869
Prepaid Expenses	<u>59,733</u>	<u>-</u>	<u>-</u>	<u>59,733</u>
 Total Assets	 <u>\$ 3,694,062</u>	 <u>\$ 1,056,796</u>	 <u>\$ 1,991</u>	 <u>\$4,752,849</u>
 LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 55,433	-	\$ -	\$ 55,433
Due To Other Funds	33,670	-	-	33,670
Accrued Expenses	<u>24,694</u>	<u>-</u>	<u>-</u>	<u>24,694</u>
Total Current Liabilities	<u>113,797</u>	<u>-</u>	<u>-</u>	<u>113,797</u>
 DEFERRED INFLOWS OF RESOURCES				
Ad Valorem Taxes	<u>1,929,028</u>	<u>257,214</u>	<u>-</u>	<u>2,186,242</u>
 Total Deferred Inflow of Resources	 <u>1,929,028</u>	 <u>257,214</u>	 <u>-</u>	 <u>2,186,242</u>
 FUND BALANCES				
Fund Balances -				
Nonspendable	59,733	-	-	59,733
Restricted	-	799,582	1,991	801,573
Unassigned	<u>1,591,503</u>	<u>-</u>	<u>-</u>	<u>1,591,503</u>
Total Fund Balances	<u>1,651,236</u>	<u>799,582</u>	<u>1,991</u>	<u>2,452,809</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 3,694,062</u>	 <u>\$ 1,056,796</u>	 <u>\$ 1,991</u>	 <u>\$4,752,848</u>

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

BAYOU VERMILION DISTRICT

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2024**

Total fund balances for governmental funds at December 31, 2024		\$ 2,452,809
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:		
Land	\$ 146,000	
Intangible right-to-use asset, net of \$31,029 accumulated amortization	46,545	
Buildings, net of \$361,684 accumulated depreciation	1,173,267	
Site improvements, net of \$2,696,493 accumulated depreciation	1,162,253	
Equipment, net of \$1,068,558 accumulated depreciation	<u>32,145</u>	2,560,210
Long-term liabilities at December 31, 2024:		
Accrued compensated absences	(73,257)	
Net pension liability (asset)	(32,201)	
Bonds payable	(2,905,000)	
Bond premium, net of \$19,275 accumulated amortization	(30,664)	
Lease liability	(48,311)	
Accrued interest payable	<u>(22,131)</u>	(3,111,564)
Deferred Outflows of Resources Related to Net Pension Liability		105,147
Deferred Inflows of Resources Related to Net Pension Liability		<u>(16,897)</u>
Total net position of governmental activities at December 31, 2024		<u>\$ 1,989,706</u>

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

BAYOU VERMILION DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
DECEMBER 31, 2024**

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Revenues:				
Ad Valorem Taxes	\$ 2,049,678	\$ 260,092	\$ -	\$ 2,309,770
Intergovernmental	78,364	-	-	78,364
Interest	123,878	40,216	118	164,212
Miscellaneous	<u>35,662</u>	<u>-</u>	<u>-</u>	<u>35,662</u>
Total Revenues	<u>2,287,582</u>	<u>300,308</u>	<u>118</u>	<u>2,588,008</u>
Expenditures:				
Current -				
General Government	1,110,661	11,946	400	1,123,007
Capital Outlay	89,204	-	-	89,204
Debt Service -				
Principal Paid	7,503	170,000	-	177,503
Interest And Fiscal Charges	<u>1,048</u>	<u>68,094</u>	<u>-</u>	<u>69,142</u>
Total Expenditures	<u>1,208,416</u>	<u>250,040</u>	<u>400</u>	<u>1,458,856</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>1,079,166</u>	<u>50,268</u>	<u>(282)</u>	<u>1,129,152</u>
Other Financing Sources (Uses):				
Transfers Out	<u>(815,069)</u>	<u>-</u>	<u>-</u>	<u>(815,069)</u>
Total Other Financing Sources (Uses)	<u>(815,069)</u>	<u>-</u>	<u>-</u>	<u>(815,069)</u>
Excess (Deficiency) Of Revenues Over Expenditures And Other Uses	264,097	50,268	(282)	314,083
Fund Balances, Beginning	<u>1,387,139</u>	<u>749,314</u>	<u>2,273</u>	<u>2,138,726</u>
Fund Balances, Ending	<u><u>\$ 1,651,236</u></u>	<u><u>\$ 799,582</u></u>	<u><u>\$ 1,991</u></u>	<u><u>\$ 2,452,809</u></u>

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

BAYOU VERMILION DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024

Total net changes in fund balances at December 31, 2024 per
Statement of Revenues, Expenditures and Changes in Fund Balances \$ 314,083

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 which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 89,203	
Depreciation expense for the year ended December 31, 2024	<u>(259,893)</u>	(170,690)

In the Statement of Activities, only the gain (loss) on sale or transfer
of assets is reported, whereas in the governmental funds, the proceeds
from the sale increase financial resources. Thus, the change in net
position differs from the change in fund balance by the difference. (6,000)

The issuance of Long- term debt provides current financial resources
of Governmental funds, while the repayment of the principal of
long-term debt consumes the current financial resources of
governmental funds. Neither transaction, however, has an effect
on net position:

Principal payments on outstanding leases	7,503	
Amortization expense for the year ended December 31, 2024	<u>(7,757)</u>	(254)

Governmental funds report bonded debt repayments as expenditures.
However, this expenditure does not appear in the statement of activities
since the payment is applied against the bond payable balance on the
statement of net position.

Principal payments on long-term debt	170,000
Net bond premium amortization	2,628

Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	1,135
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The effect of recording net pension liability, deferred outflows of
resources and deferred inflows of resources as it relates to the net
pension liability:

Change in pension expense	24,865	
Nonemployer pension contribution revenue recognized	<u>3,344</u>	28,209

Some expenses reported in the Statement of Activities, such as
compensated absences, do not require the use of current financial
resources and therefore are not reported as expenditures in
governmental funds. (10,572)

Total changes in net position at December 31, 2024 per Statement of Activities \$ 328,539

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

BAYOU VERMILION DISTRICT

**STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2024**

ASSETS

Current Assets:

Cash And Interest-Bearing Deposits	\$ 414,416
Accounts Receivable	1,699
Due From Other Funds	33,670
Inventory	<u>35,204</u>
Total Current Assets	<u>484,989</u>

Noncurrent Assets:

Buildings	3,405,063
Equipment	232,258
Furniture And Fixtures	93,120
Leasehold Improvements	1,499,523
Artifacts	182,729
Accumulated Depreciation	<u>(4,815,426)</u>
Total Noncurrent Assets	<u>597,267</u>

Total Assets	<u><u>\$ 1,082,256</u></u>
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DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows of Resources - Pension	<u>\$ 140,982</u>
Total Deferred Outflows of Resources	<u><u>\$ 140,982</u></u>

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

BAYOU VERMILION DISTRICT

**STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2024**

LIABILITIES

Current Liabilities:

Accounts Payable	\$ 26,036
Accrued Liabilities	29,725
Accrued Compensated Absences	4,645
Unearned Revenues	<u>14,430</u>
Total Current Liabilities	<u>74,836</u>

Noncurrent Liabilities:

Accrued Compensated Absences	34,427
Net Pension Liability	<u>43,174</u>
Total Noncurrent Liabilities	<u>77,601</u>

Total Liabilities	<u><u>\$ 152,437</u></u>
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DEFERRED INFLOWS OF RESOURCES

Deferred Inflows of Resources - Pension	<u>\$ 22,656</u>
Total Deferred Inflows of Resources	<u><u>\$ 22,656</u></u>

NET POSITION

Net Investment in Capital Assets	\$ 597,267
Unrestricted	<u>450,878</u>
Total Net Position	<u><u>\$ 1,048,145</u></u>

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

BAYOU VERMILION DISTRICT

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND**

YEAR ENDED DECEMBER 31, 2024

Operating Revenues:

Charges, Fees And Sales -	
Gate Admission And Programs	\$ 240,373
Hospitality	547,410
Gift Shop	234,923
Miscellaneous -	
Grants	8,963
Other	23,537
Total Operating Revenues	<u>1,055,206</u>

Operating Expenses:

Hospitality	621,990
Gift Shop	204,883
Programming	394,038
Curator	51,432
Marketing	4,569
Maintenance	163,756
General And Administrative	426,353
Pension Expense (Revenue)	(24,311)
Grant Expense	21,787
Depreciation	<u>1,421</u>
Total Operating Expenses	<u>1,865,918</u>
Operating Loss	(810,712)

Non-Operating Revenues:

Nonemployer Pension Contribution	4,484
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Other Financing Sources:

Operating Transfers In	<u>815,069</u>
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Net Income (Loss)	8,841
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Net Position, Beginning, RESTATED	<u>1,039,304</u>
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Net Position, Ending	<u>\$ 1,048,145</u>
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The accompanying notes are an integral part of the basic financial statements.

BAYOU VERMILION DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2024

Cash Flows From Operating Activities:

Receipts From Customers	\$ 1,055,297
Payments To Suppliers	(1,397,739)
Payments To Employees	<u>(490,595)</u>
Net Cash Used By Operating Activities	<u>(833,037)</u>

Cash Flows From Capital and Noncapital Financing Activities:

Cash Paid To Other Funds	7,616
Transfers From Other Funds	<u>815,069</u>
Net Cash Provided By Noncapital Financing Activities	<u>822,685</u>

Net Decrease In Cash And Cash Equivalents	(10,352)
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Cash And Cash Equivalents, Beginning of Period	<u>424,768</u>
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Cash And Cash Equivalents, End of Period	<u><u>\$ 414,416</u></u>
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Reconciliation Of Operating Loss To Net Cash

Used By Operating Activities:

Operating Loss	\$ (810,712)
Adjustments To Reconcile Operating Loss To Net Cash Used By Operating Activities:	
Depreciation	1,421
Provision for Net Pension Liability, Net	(24,311)
Changes In Current Assets And Liabilities:	
Accounts Receivable	11,542
Inventory	(5,113)
Accounts Payable	5,769
Accrued Expenses	968
Unearned Revenues	(11,451)
Accrued Compensated Absences	<u>(1,150)</u>
Net Cash Used By Operating Activities	<u><u>\$ (833,037)</u></u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Bayou Vermilion District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Financial Reporting Entity

Bayou Vermilion District is a corporate body created under Chapter 32 of Title 33 of the Louisiana Revised Statutes of 1950, comprised of R.S. 33:9201 through 33:9210. The District is governed by a Board of Commissioners composed of nine members. Two members are appointed by the chief executive officers of the incorporated municipalities of Lafayette Parish other than the City of Lafayette; one member is appointed by the chief executive officer of the Lafayette Consolidated Government; three members, one of whom shall be a black citizen, shall be appointed by the governing authority of the City of Lafayette; one member shall be appointed by the chief executive officer of Lafayette Parish; and two members shall be appointed by the governing authority of the Lafayette Consolidated Government. The District is a component unit of Lafayette City-Parish Consolidated Government.

The District's purpose is that of improving the water quality and the aesthetics of the Bayou Vermilion within the Parish of Lafayette in an effort to promote the bayou as a recreational and cultural asset, to create and control a new type of viable economic development adjacent to Bayou Vermilion so as to provide a diversified economic base for the City and Parish of Lafayette, and to do any and all other acts which would enhance the general condition of Bayou Vermilion.

Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the District 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 nonexchange 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 District and for each function of the District'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.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Fund Financial Statements

The accounts of the District 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 that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

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

The major funds of the District are described below:

Governmental Funds:

General Fund

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

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the proprietary fund).

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Proprietary Fund:

Enterprise Fund

The enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses) 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 enterprise fund included in the financial statements is Vermilionville.

Vermilionville began operations on April 1, 1990. Vermilionville operates as a commemorative museum of living history which preserves and re-creates the elements of folk life of the cultures who settled the Attakapas area of South Louisiana between 1765 and 1890. Services are funded through user charges, membership fees, and sales of food, beverages and souvenirs.

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

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - 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. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Activities presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The accounts of the District are in conformity with generally accepted accounting principles (GAAP).

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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The District considers property tax revenue as available in the year following the assessment when the majority of the taxes are actually collected. Other major revenues susceptible to accrual are earned grant revenues, other intergovernmental revenues and interest revenue. The District reports unearned revenue on its balance sheet. Unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period.

Unearned revenues also arise when resources are received by the District prior to the District incurring qualified expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

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

Cash and Cash Equivalents

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts and time deposits of the District.

For purposes of the statement of cash flows, the proprietary fund considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Under State law, the District may invest in United States bonds, treasury notes or certificates, time certificates of deposit of State banks having their principal office in the State of Louisiana, or any other *federally insured investment*. In accordance with professional standards, investments meeting the criteria specified in the standards are stated at fair value. Investments that do not meet the requirements are stated at cost.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Activity between funds that are representative of lending/borrowing arrangements usually for working capital purposes with the expectation of repayment but not expected to be repaid within one year are referred to as advances to/from other funds.

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 ad valorem taxes. Uncollectible amounts due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. All receivables are reported net of estimated uncollectible amounts. The allowance for credit losses at December 31, 2024 was \$-0- in the enterprise fund.

Inventories

Inventories of the proprietary fund are valued at the lower of cost or market. Inventory consists of gift shop merchandise and restaurant food and beverages.

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 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 District maintains a threshold level of \$5,000 or more for capitalizing capital assets.

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

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

Buildings	30 – 40 years
Site Improvements	20 years
Equipment	5 – 10 years
Furniture and Fixtures	7 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.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

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 of general obligation bonds payable, net pension liabilities and compensated absences payable.

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

Government-wide and Proprietary Fund Net Position

In the government-wide and proprietary fund financial statements, the District classifies net position and displayed in three components as follows:

- a. Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position – Consists of assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net Position – All other assets that do not meet the definition of “restricted” or “net investment in capital assets.”

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Governmental Fund Balance

In the fund statements, governmental fund equity is classified as fund balance. In the fund financial statements, the governmental fund reports the following classifications of fund balance:

- a. Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or legally or contractually required to be maintained intact. All amounts reported as nonspendable at December 31, 2024, by the District are nonspendable in form. The District has not reported any amounts that are legally or contractually required to be maintained intact.
- b. Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provisions or enabling legislation.
- c. Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to directives of the District who has the highest level of decision-making authority. Commitments may be modified or rescinded only through actions of the District.
- d. Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The District or his designee may assign amounts to this classification.
- e. Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned.

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

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.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Expenditures/Expenses

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

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

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

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

Compensated Absences

The earning of annual/vacation for regular, full-time employees shall be based upon equivalent years of service. Such leave shall be accrued from the date of hire and credited to the employee upon successful completion of the introductory period. Vacation leave is accrued on the anniversary date and in accordance with the following schedule:

<u>Years of Service</u>	<u>Days per Year</u>
0-1 year	5 days
2-5 years	10 days
5+ years	15 days

Employees may carry forward a total of 106 hours of unused vacation time. When employees accumulate 160 hours of vacation, they will cease accruing additional vacation until such time as the employee's total accumulation of unused vacation is less than 160 hours.

Sick leave is accumulated based on the following schedule:

<u>Years of Service</u>	<u>Days per Year</u>
3mths – 1 year	2 days
1 + years	6 days

A maximum of 32 hours of granted and unused sick leave time may be carried over from one calendar year to the next up to a maximum of four weeks (20 business days).

Estimated accrued compensated absences resulting from unused vacation and sick at the end of the fiscal year are recorded as long-term liabilities in the financial statements. This policy resulted in an accrual for compensated absences of \$73,257 for the general fund and \$34,427 for the proprietary fund at December 31, 2024.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - 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.

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general fund. The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments. All annual appropriations lapse at fiscal year-end.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid expenses.

Leases

The District is the lessee for a noncancelable lease of land. It recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured at or before the lease commencement date, plus certain initial direct cost. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

The District uses the interest rate charged by the lessor at the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

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 in 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.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Pensions – The District funds all of its accrued pension cost at the time of contribution, for its contributory pension plan which covers substantially all of its employees. Annual costs are actuarially computed using the entry age normal cost method.

New Accounting Pronouncements - The GASB has released Statement No. 101, *Compensated Absences* (Statement 101), which replaces GASB Statement No. 16, *Accounting for Compensated Absences*. The Statement 101 requires liabilities for compensated absences to be recognized for: Leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. Under the new Statement a liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered; (b) the leave has accumulated; and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits is not included in the compensated absences liability. The Statement also addresses the timing of the recognition of a liability for certain types of compensated absences, such as sabbatical leave, parental leave, military leave, jury duty leave and other specific types of compensated balances. The Statement is effective for fiscal years beginning after December 15, 2023. The adoption of this standard resulted in a prior period adjustment which reduced net position in the governmental activities by \$39,417 and in the proprietary fund by \$17,785 as of December 31, 2023.

NOTE 2 LEGAL COMPLIANCE - BUDGETS

A modified accrual basis budget for the General Fund is formally adopted by the District prior to the beginning of the year. After its adoption, adjustments to the budget for transfers between funds and/or functions, changes in the capital budget, or for appropriation of unobligated funds must be approved by the Board. All appropriations for expenditures lapse at year end. Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. The budget is prepared by function and activity and includes information on the past year, current year estimates and requested appropriations for the next year.

The proposed budget is presented by the Chief Executive Officer to the Board of Commissioners for review. The Board holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Chief Executive Officer or the estimates must be changed by an affirmative vote of a majority of the Board.

NOTE 3 CASH AND INTEREST-BEARING DEPOSITS

Under state law, the District 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 District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2024, the District has cash and interest-bearing deposits (book balances) totaling \$3,013,363.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 3 CASH AND INTEREST-BEARING DEPOSITS - continued

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits might not be recovered. The District does not have a policy for custodial credit risk, however, under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with 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 pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Deposit balances (bank balances) at December 31, 2024, are secured as follows:

Bank Balances	<u>\$3,041,567</u>
Federal deposit insurance	\$ 250,000
Pledged securities (Category 3)	<u>2,791,567</u>
Total federal insurance and pledged securities	<u>\$3,041,567</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the District's name. Even though the pledged securities are considered uncollateralized (Category 3) 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 District that the fiscal agent has failed to pay deposited funds upon demand.

NOTE 4 RECEIVABLES AND DUE FROM OTHER GOVERNMENTAL UNITS

Receivables and due from other governmental units at December 31, 2024 of \$2,362,840 consist of the following:

	Governmental Activities	Business-type Activities	Total
Ad valorem taxes	\$2,327,847	\$ -	\$2,327,847
Other	<u>3,300</u>	<u>1,699</u>	<u>4,999</u>
Totals	<u>\$2,331,147</u>	<u>\$ 1,699</u>	<u>\$2,332,846</u>

The balance in Due from Sheriff of \$2,090,869 consisted of ad valorem taxes collected by the Lafayette Parish Sheriff at December 31, 2024 but not yet been distributed to the District. The amounts reported as ad valorem tax receivable of \$236,978 represents ad valorem taxes collected by the Lafayette Parish Sheriff after December 31, 2024.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 5 AD VALOREM TAXES

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied by the District in October and were billed to the taxpayers by the Lafayette Parish Sheriff in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the Tax Assessor of Lafayette Parish and are collected by the Lafayette Parish Sheriff. The taxes are remitted to Bayou Vermilion District net of deductions for pension fund contributions.

For the year ended December 31, 2024, taxes were dedicated as follows:

General Maintenance	0.79
Debt Service	0.10

For the year ended December 31, 2024, taxes were levied on property with assessed valuations totaling \$3,308,688,683, less homestead exemptions of \$440,561,322.

NOTE 6 ACCOUNTS AND OTHER PAYABLES

The accounts and other payables consisted of the following at December 31, 2024:

	Governmental Activities	Business-type Activities	Total
Accounts payable	\$ 80,127	\$ 55,761	\$ 135,888
Other liabilities	<u>22,131</u>	<u>4,645</u>	<u>26,776</u>
Totals	<u>\$ 102,258</u>	<u>\$ 60,406</u>	<u>\$ 162,664</u>

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 7 CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2024 was as follows:

	Balance 01/01/2024	Additions	Transfers/ Deletions	Balance 12/31/2024
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	\$ 146,000	\$ -	\$ -	\$ 146,000
Construction In Progress	6,000	-	(6,000)	-
Other Capital Assets:				
Right-To-Use-Asset	77,574	-	-	77,574
Buildings	1,534,951	-	-	1,534,951
Site Improvements	3,784,456	74,289	-	3,858,745
Equipment	<u>1,085,789</u>	<u>14,914</u>	<u>-</u>	<u>1,100,703</u>
Totals	<u>6,634,770</u>	<u>89,203</u>	<u>(6,000)</u>	<u>6,717,973</u>
Less Accumulated Depreciation and Amortization:				
Right-To-Use Asset	23,272	7,757	-	31,029
Buildings	310,161	51,523	-	361,684
Site Improvements	2,534,530	161,962	-	2,696,492
Equipment	<u>1,022,150</u>	<u>46,408</u>	<u>-</u>	<u>1,068,558</u>
Total Accumulated Depreciation	<u>3,890,113</u>	<u>267,650</u>	<u>-</u>	<u>4,157,763</u>
Governmental Activities Capital Assets, net	<u>\$2,744,657</u>	<u>\$(178,449)</u>	<u>\$ (6,000)</u>	<u>\$2,560,210</u>
Business-type Activities:				
Capital Assets not being Depreciated:				
Artifacts	\$ 182,729	\$ -	\$ -	\$ 182,729
Other Capital Assets:				
Buildings	3,405,063	-	-	3,405,063
Site Improvements	1,499,523	-	-	1,499,523
Equipment	232,257	-	-	232,257
Furniture and Fixtures	<u>93,120</u>	<u>-</u>	<u>-</u>	<u>93,120</u>
Totals	<u>5,229,964</u>	<u>-</u>	<u>-</u>	<u>5,229,964</u>
Less Accumulated Depreciation:				
Buildings	2,989,886	1,134	-	2,991,020
Site Improvements	1,499,523	-	-	1,499,523
Equipment	231,476	287	-	231,763
Furniture and Fixtures	<u>93,120</u>	<u>-</u>	<u>-</u>	<u>93,120</u>
Total Accumulated Depreciation	<u>4,814,005</u>	<u>1,421</u>	<u>-</u>	<u>4,815,426</u>
Business Activities Capital Assets, net	<u>\$ 598,688</u>	<u>\$ (1,421)</u>	<u>\$ -</u>	<u>\$ 597,267</u>

Depreciation and amortization expense for the governmental activities in the amount of \$267,650 was charged to the general government function. Depreciation expense for the business-type activities in the amount of \$1,421 was charged to Vermilionville.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8 CHANGES IN LONG-TERM DEBT

The following is a summary of long-term debt transactions of the District for the year ended December 31, 2024:

	(Restated) Balance at <u>12/31/23</u>	<u>Additions</u>	<u>Deductions</u>	Balance at <u>12/31/24</u>
Bonds Payable	\$ 3,075,000	\$ -	\$ (170,000)	\$ 2,905,000
Lease Liability	55,814	-	(7,503)	48,311
Net Pension Liability	32,200	10,974	-	43,174
Compensated Absences Payable	<u>104,707</u>	<u>2,977</u>	<u>-</u>	<u>107,684</u>
Total Long-Term Obligations	<u>\$ 3,267,721</u>	<u>\$ 13,951</u>	<u>\$ (177,503)</u>	<u>\$ 3,104,169</u>
Current Portion				<u>\$ 187,655</u>

Long-term debt payable at December 31, 2024 is comprised of the following individual issue:

General Obligation Bonds:

\$4,000,000 General obligation bonds, Series 2016; due in annual installments of \$50,000 to \$315,000 through March 1, 2036; interest at 2.0 percent to 2.65 percent; payable from ad valorem taxes. \$ 2,905,000

Unamortized Bond Premium 30,664

Net General Obligation Bonds Outstanding \$ 2,935,664

The bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>
2025	\$ 180,000	\$ 64,594
2026	190,000	60,894
2027	200,000	56,994
2028	210,000	52,894
2029	220,000	48,319
2030-2036	<u>1,905,000</u>	<u>174,759</u>
Total	<u>\$ 2,905,000</u>	<u>\$ 458,453</u>

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9 LEASES AND INTERGOVERNMENTAL AGREEMENTS

Intergovernmental Agreements

The District entered into an intergovernmental agreement with the State of Louisiana Department of Transportation and Development on August 4, 1987 to use the land and airspace of the Interstate Route I-10 over the Vermilion River between Louisiana Avenue and Calais Road for the purpose of constructing, operating, and maintaining a public boat launch.

Leases

The District entered into a lease agreement with the City of Lafayette, the Parish of Lafayette, and the Lafayette Airport Commission for Beaver Park property for the construction and operation of the Vermilionville Project. The lease commenced on August 17, 1987 with monthly payments of \$100 due on the first day of each month, with an annual CPI adjustment option, current monthly payments are \$1,250. The lease shall extend for a time period of seventy-one years. Property lease expenditure in the amount of \$15,000 is included in the General Fund's statement of revenues and expenditures for the year ended December 31, 2024. Future minimum lease payments are \$15,000 annually through 2053. This lease did not meet the criteria for recordation under GASB 87 *Leases*.

Bayou Vermilion District and Lafayette Airport Commission entered into an agreement on April 5, 1989 for the Beaver Park property for an initial period of 20 years with an extension through December 31, 2020. On January 1, 2021, a new lease was signed for a term of 10-year lease commencing on January 1, 2021, through December 31, 2030, and an incremental borrowing rate of 2%. The lease is payable in current monthly payments of \$713. The terms and conditions of the lease contain an annual CPI adjustment, but has no residual value guarantees, or any other special provisions. The total of the District's leased assets are recorded at cost of \$77,574, less accumulated amortization of \$31,029. Land rent expense in the amount of \$8,551 is included in the General Fund's statement of revenues and expenditures for the year ended December 31, 2024.

Principal and Interest payments due on lease liabilities under these leases are as follows:

<u>Years Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 7,655	\$ 896
2026	7,809	742
2027	7,967	584
2028	8,128	423
2029	8,292	259
2030	<u>8,459</u>	<u>92</u>
	<u>\$ 48,311</u>	<u>\$ 2,996</u>

NOTE 10 BOARD MEMBERS COMPENSATION

No per diem or other compensation was paid to the members of Bayou Vermilion District for the year ended December 31, 2024.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 DEFINED BENEFIT PENSION PLAN

Plan Description

Beginning on April 1, 2018, all full-time employees of the Bayou Vermilion District participate in the Parochial Employees' Retirement System (PERS) of Louisiana – Plan A, a cost sharing, multiple-employer defined benefit pension plan that was established by the Louisiana Legislature as of January 1, 1953, by Act 205 of 1952. The PERS was revised by Act 765 of 1979, revised by Act 584 of 2006.

The System provides retirement benefits to employees of taxing districts of a parish or any branch or section of a parish within the State which does not have their own retirement system, and which elects to become members of the System.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

Eligibility Requirements

All District employees who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

Retirement Benefits

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

- a) Any age with thirty (3) or more years of creditable service.
- b) Age 55 with twenty-five (25) years of creditable service.
- c) Age 60 with a minimum of ten (10) years of creditable service.
- d) Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

- a) Age 55 with 30 years of service.
- b) Age 62 with 10 years of service.
- c) Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to three percent of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 DEFINED BENEFIT PENSION PLAN - continued

Survivor Benefits

Upon death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

Deferred Retirement Option Plan

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account (IRA).

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the DROP on or after January 1, 2004, all amounts that remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the Board of Trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has a least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of the Plan shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or three percent multiplied by years of service assuming continued service to age sixty for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 and later.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 DEFINED BENEFIT PENSION PLAN - continued

Cost of Living Increases

The Board is authorized to provide a cost-of-living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Employer Contributions

According to state statute, contributions for all employers are actuarially determined each year. For the year ended December 31, 2023, the actuarially determined contribution rate was 7.49% of member's compensation for Plan A. The actual rate for the fiscal year ending December 31, 2023, was 11.50% for Plan A.

The total contributions for the years ended December 31, 2024, 2023, and 2022 were \$74,543, \$67,144, and \$54,800, respectively. As of December 31, 2024, the District has a pension contribution liability in the amount of \$32,420, included in accounts payable.

According to state statute, the System also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Schedule of Employer Allocations

The schedule of employer allocations reports the historical employer contributions, in addition to the employer allocation percentage for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of the Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on the employer's contributions to the plan during the fiscal year ended December 31, 2024, as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2024.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 DEFINED BENEFIT PENSION PLAN - continued

Actuarial Methods and Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability of the System's employers as of December 31, 2023, are as follows:

	PLAN A
Total Pension Liability	\$ 4,847,819,779
Plan Fiduciary Net Position	<u>4,472,547,557</u>
Total Net Pension Liability	<u>\$ 95,272,222</u>

The District's allocation is 0.079114% of the Total Net Pension Liability.

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2023, are as follows:

Valuation Date	December 31, 2023
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.40%, net of investment expense, including inflation
Expected Remaining Service Lives	4 years for Plan A
Projected Salary Increases	4.75%
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.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females using MP2018 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP 2018 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP 2018 scale for disabled annuitants.
Inflation Rate	2.30%

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 DEFINED BENEFIT PENSION PLAN - continued

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contributions rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.50% for the year ended December 31, 2023.

Best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of December 31, 2023, are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Fixed Income	33%	1.12%
Equity	51%	3.20%
Alternatives	14%	0.67%
Real Assets	2%	0.11%
Totals	100%	5.10%
Inflation		2.40%
Expected Arithmetic Nominal Return		7.50%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2018, through December 31, 2022. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. For Disabled annuitants mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 DEFINED BENEFIT PENSION PLAN - continued

Sensitivity to Changes in Discount Rate:

The following presents the net pension liability (asset) of the participating employers as of December 31, 2023 calculated using the discount rate of 6.40%, as well as what the employers' net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate.

	PLAN A		
	Changes in Discount Rate		
	1%	Current	1%
	Decrease	Discount	Increase
	5.40%	6.40%	7.40%
Net Pension Liability (Asset)	\$ 537,805	\$ 75,374	\$ (312,791)

Change in Net Pension Liability:

The changes in the net pension liability for the year ended December 31, 2024, were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience:

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability 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 are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred outflow of resources in the amount of \$35,692 and a deferred inflow of resources in the amount of \$20,232 for the year ended December 31, 2024.

Differences between Projected and Actual Investment Earnings:

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred outflow of resources in the amount of \$121,476 for the year ended December 31, 2024.

Changes of Assumptions:

The changes of assumptions about future economic or demographic factors 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 are provided with pensions through the pension plan. The changes of assumptions or other inputs resulted in a deferred inflow of resources in the amount of \$13,132 for the year ended December 31, 2024.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 DEFINED BENEFIT PENSION PLAN - continued

Change in Proportion:

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense/(benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The unamortized amounts arising from changes in proportion resulted in a deferred outflow of resources in the amount of \$14,418 and a deferred inflow of \$6,189 for the year ended December 31, 2024.

Contributions – Proportionate Share:

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense/(benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Retirement System Audit Report

The Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2023. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.la.state.la.us.

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

At December 31, 2024, the District reported a liability of \$75,374 for its proportionate share of the net pension liability, of which \$32,200 and \$43,174 was reported in the governmental activities and business-type activities, respectively.

The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2023, the District's proportion was 0.079114%, which was an increase of 0.009605% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the District recognized pension expense of \$24,344 adjusted for the employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11 DEFINED BENEFIT PENSION PLAN - continued

At December 31, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Governmental Activities		Business-Type Activities	
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows
Difference Between Expected and Actual Experience	\$ 15,248	\$ 8,643	\$ 20,444	\$ 11,589
Changes of Assumptions	-	5,610	-	7,522
Change in Proportion and Differences Between the Employer's Proportionate Share of Contributions	51,895	-	69,581	-
Net Differences Between Projected and Actual Earnings on Plan Investments	6,159	2,644	8,259	3,545
Contributions Subsequent to the Measurement Date	<u>31,845</u>	<u>-</u>	<u>42,698</u>	<u>-</u>
Total	<u>\$ 105,146</u>	<u>\$ 16,879</u>	<u>\$ 140,983</u>	<u>\$ 22,656</u>

Deferred outflows of resources of \$74,543 related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended December 31, 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 December 31,	
2024	\$ 11,438
2025	67,858
2026	102,115
2027	<u>(49,378)</u>
Total	<u>\$ 132,033</u>

NOTE 12 RISK MANAGEMENT

The District is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

NOTE 13 CONTINGENT LIABILITY LITIGATION

In the normal course of business, there may be various outstanding contingent liabilities such as lawsuits, etc., which are not reflected in the accompanying financial statements. Management is of the opinion that this would not be material to the financial condition or results of operation.

LAFAYETTE PARISH BAYOU VERMILION DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 14 COMPENSATION, REIMBURSEMENTS, BENEFITS AND OTHER PAYMENTS TO CHIEF EXECUTIVE OFFICER

Compensation, benefits, and other payments paid to the Executive Director, Stephen Broussard for the year ended December 31, 2024 amounted to \$93,077 in salaries, there were no other payments made.

NOTE 15 INTERFUND TRANSACTIONS

Interfund receivables and payables consisted of the following at December 31, 2024:

	Interfund Receivables	Interfund Payables
General Fund	\$ 33,670	\$ -
Enterprise Fund	-	33,670
Total	<u>\$ 33,670</u>	<u>\$ 33,670</u>

Operating transfers consisted of the following at December 31, 2024:

	Operating Transfers In	Operating Transfers Out
General Fund	\$ -	\$ 815,069
Enterprise Fund	815,069	-
Total	<u>\$ 815,069</u>	<u>\$ 815,069</u>

Transfers are used to transfer unrestricted revenues collected in different funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 16 NEW ACCOUNTING PRONOUNCEMENTS

As of December 31, 2024, the Governmental Accounting Standards Board has issued the following statements not yet implemented by the District. The statement that may impact the District is as follows:

GASB Statement 100, Accounting Changes and Error Corrections

This primary objective of the Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections. The Statement is effective for fiscal years beginning after June 15, 2024.

GASB Statement 102, Certain Risk Disclosures

This primary objective of the Statement is to enhance accounting and financial reporting by requiring state and local governments to disclose information about certain risks related to vulnerabilities due to concentrations or constraints. The Statement is effective for fiscal years beginning after June 15, 2024.

Management is currently evaluating the effects of the new GASB pronouncements scheduled for implementation for the fiscal year ending December 31, 2025.

NOTE 17 SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 19, 2025, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**BAYOU VERMILION DISTRICT
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL (GAAP BASIS)
YEAR ENDED DECEMBER 31, 2024**

	2024			
	Budget			Variance -
	Original	Final	Actual	Favorable (Unfavorable)
Revenues:				
Ad Valorem Taxes	\$ 1,677,850	\$ 1,851,050	\$ 2,049,678	\$ 198,628
Intergovernmental	110,700	98,000	78,364	(19,636)
Interest	24,820	95,800	123,878	28,078
Miscellaneous	26,500	20,000	35,662	15,662
Total Revenues	<u>1,839,870</u>	<u>2,064,850</u>	<u>2,287,582</u>	<u>222,732</u>
Expenditures:				
Current -				
General Government	853,188	979,649	1,110,661	(131,012)
Capital Outlay	30,000	28,000	89,204	(61,204)
Debt Service	-	-	8,551	(8,551)
Total Expenditures	<u>883,188</u>	<u>1,007,649</u>	<u>1,208,416</u>	<u>(200,767)</u>
Excess (Deficiency) Of Revenues Over Expenditures	<u>956,682</u>	<u>1,057,201</u>	<u>1,079,166</u>	<u>423,499</u>
Other Financing Uses:				
Transfers Out	<u>(806,355)</u>	<u>(807,569)</u>	<u>(815,069)</u>	<u>(7,500)</u>
Total Other Financing Uses	<u>(806,355)</u>	<u>(807,569)</u>	<u>(815,069)</u>	<u>(7,500)</u>
Excess (Deficiency) Of Revenues Over Expenditures And Other Uses	150,327	249,632	264,097	415,999
Fund Balance, Beginning	<u>1,387,139</u>	<u>1,387,139</u>	<u>1,387,139</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,537,466</u>	<u>\$ 1,636,771</u>	<u>\$ 1,651,236</u>	<u>\$ 415,999</u>

BAYOU VERMILION DISTRICT

**NOTES TO THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET TO ACTUAL (GAAP BASIS) –
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1 BASIS OF ACCOUNTING

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the District. Such amendments were not material in relation to the original appropriations.

BAYOU VERMILION DISTRICT

**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
LOUISIANA PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>Year ended December 31</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	0.079114%	\$ 75,374	\$ 573,395	13.1%	98.03%
2023	0.069509%	\$ 267,526	\$ 471,537	56.7%	91.74%
2022	0.104470%	\$ (492,099)	\$ 700,919	-70.2%	110.46%
2021	0.130868%	\$ (229,466)	\$ 874,074	-26.3%	104.00%
2020	0.148025%	\$ 6,968	\$ 938,594	0.7%	99.89%
2019	0.082765%	\$ 367,341	\$ 448,041	82.0%	88.86%

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

BAYOU VERMILION DISTRICT

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2024**

<u>Year ended December 31,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2024	\$ 65,940	\$ 65,940	\$ -	\$ 573,395	11.50%
2023	\$ 57,763	\$ 54,227	\$ 3,536	\$ 471,537	11.50%
2022	\$ 85,863	\$ 85,863	\$ -	\$ 700,919	12.25%
2021	\$ 107,074	\$ 107,074	\$ -	\$ 874,074	12.25%
2020	\$ 107,938	\$ 107,074	\$ 864	\$ 938,594	11.41%
2019	\$ 51,525	\$ 58,512	\$ (6,987)	\$ 448,041	13.06%

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

BAYOU VERMILION DISTRICT

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024**

NOTE 1 PENSION PLAN

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

**COMPLIANCE
AND
INTERNAL CONTROL**



**DARNALL SIKES
& FREDERICK**
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Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

To the Board of Commissioners
Bayou Vermilion District
Lafayette, 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, and the major funds of Bayou Vermilion District (the District), A component unit of the Consolidated Government of Lafayette, Louisiana, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 19, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Bayou Vermilion District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*. The finding is described in the accompanying schedule of findings and questioned costs as item 2024-001.

Bayou Vermilion District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor of the State of Louisiana as a public document.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

June 19, 2025

BAYOU VERMILION DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
YEAR ENDED DECEMBER 31, 2024

2023-001 Finding: Inadequate Controls over Cyber Security and Electronic Cash Disbursements

Status: Resolved

2023-001 ML Finding: Old Outstanding Checks

Status: Resolved

BAYOU VERMILION DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS DECEMBER 31, 2024

We have audited the financial statements of the Bayou Vermilion District as of and for the year ended December 31, 2024, and have issued our report thereon dated June 19, 2025. We conducted our audit in accordance with generally accepted auditing standards of the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Our audit of the financial statements as of December 31, 2024 resulted in an unmodified opinion.

Section I - Summary of Auditors' Reports

- a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Significant Deficiencies
Material Weaknesses

☐ Yes
☐ Yes

☒ No
☒ No

Compliance

Compliance Material to Financial Statements

☒ Yes

☐ No

- b. Management Letter

Was a management letter issued?

☐ Yes

☒ No

Section II - Financial Statement Findings

2024-001 Noncompliance with the Louisiana Local Government Budget Act

Criteria:

In accordance with the Louisiana Local Government Budget Act (Louisiana Revised Statutes 39:1301 through 1315), any major fund or general fund budget should be amended when actual revenues are less than the budgeted amount by more than five percent or when actual costs are more than the budgeted amount by more than five percent.

Condition:

The District failed to comply with the Louisiana Local Government Budget Act budget amendment requirements.

Cause:

The District failed to amend the general fund budget at the end of fiscal year December 31, 2024 when actual expenditures exceeded budgeted expenditures by more than five percent.

Effect:

Possible violation of the Louisiana Local Government Budget Act.

Recommendation:

The District should monitor revenues and costs for each fund and amend the budgets when actual revenues are less than the budgeted amounts by more than five percent or when actual costs are more than the budgeted amounts by more than five percent.

Section III - Federal Award Findings and Questioned Costs

This section is not applicable for the fiscal year ended December 31, 2024.

**MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2024**

Louisiana Legislative Auditor

The Bayou Vermilion District respectfully submits the following corrective action plan for the year ended December 31, 2024.

2024-001 Noncompliance with the Louisiana Local Government Budget Act

Fiscal Year Finding Initially Occurred: 2024

Recommendation:

The District should monitor revenues and costs for each fund and amend the budgets when actual revenues are less than budgeted amounts by more than five percent or when actual costs are more than budgeted amounts by more than five percent.

Management's Response:

Management amended the budgets in December 2024 using projected year end results as the benchmark, however expenditures after the benchmark period were higher than expected due to ongoing projects at year end. We will continue to work with our third party accounting firm to monitor the budget to actual comparisons more closely throughout the year and amend the budgets as determined necessary.

If the Louisiana Legislative Auditor has questions regarding this plan, please call Stephen Broussard, Executive Director at (337) 233-4077.

Sincerely,



Stephen Broussard
Executive Director
Bayou Vermilion District

BAYOU VERMILION DISTRICT
Lafayette, Louisiana

Independent Accountant's Report
On Applying Agreed-Upon Procedures

Year Ended December 31, 2024



**DARNALL SIKES
& FREDERICK**

A CORPORATION OF CERTIFIED
PUBLIC ACCOUNTANTS



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors and Management of
Bayou Vermilion District

We have performed the procedures enumerated below on the control and compliance areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2024, through December 31, 2024. Bayou Vermilion District's management is responsible for those control and compliance areas identified in the SAUPs.

Bayou Vermilion District 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 control and compliance areas identified in LLA's SAUPs for the fiscal period January 1, 2024 through December 31, 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:

1) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Obtained listing of bank accounts from management and management's representation that the listing was complete.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Not required to be tested in 2024.

- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

No exceptions noted.

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exception noted.

2) Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

- A. 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.

Obtained listing of active credit cards, bank debit cards, fuel cards, and P-cards, including the card numbers and the names of the persons who maintained possession of the cards, and management's representation that the listing was complete.

- B. 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

- i. Observe whether 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 (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

Not required to be tested in 2024.

- ii. Observe that finance charges and late fees were not assessed on the selected statements.

Not required to be tested in 2024.

- C. Using the monthly statements or combined statements selected under procedure #7B 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 (e.g., each card should have 10 transactions subject to inspection). 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, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

No exception noted.

3) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that 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.

Not required to be tested in 2024.

- B. Observe that 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).

No exception noted.

- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:

Not required to be tested in 2024.

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

We were engaged by Bayou Vermilion District 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 control and compliance areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Bayou Vermilion District 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 control and compliance 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.

Darnall, Sikes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana

June 2, 2025