

**CITY OF BROUSSARD, LOUISIANA**

Financial Report

Year Ended June 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Ray Bourque, Mayor  
and Members of the Board of Aldermen  
City of Broussard, Louisiana

### *Adverse and Unmodified Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Broussard, Louisiana (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### Adverse Opinion on Aggregate Discretely Presented Component Units

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the City of Broussard, Louisiana, as of June 30, 2023, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Unmodified Opinions on Governmental Activities, Business-Type Activities, and Each Major Fund

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the City of Broussard, Louisiana, as of June 30, 2023, 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 Adverse and Unmodified Opinions*

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

## Matters Giving Rise to Adverse Opinion on the Aggregate Discretely Presented Component Units

The financial statements do not include financial data for the City of Broussard's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the City's primary government unless the City of Broussard also issues financial statements for the financial reporting entity that include the financial data for its component units. The City of Broussard has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net assets, revenues, and expenses of the discretely presented component units would have been reported as \$2,232,182, \$4,962, \$2,227,221, \$2,355,365, and \$2,649,842, respectively.

## ***Responsibilities of Management for the Financial Statements***

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

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

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require the budgetary comparison information, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 49 through 54 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.

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Broussard, Louisiana's basic financial statements. The combining and comparative statements and various schedules included in other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The comparative statements and the Justice System Funding Schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of expenditures of federal awards on page 82 is presented for purpose of additional analysis as required by title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these comparative statements and the Justice System Funding Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative information on the combining and comparative statements has been derived from the City of Broussard's 2022 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in our opinion, was fairly presented, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

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

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

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2023, on our consideration of the City of Broussard, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

Lafayette, Louisiana  
December 20, 2023

**BASIC FINANCIAL STATEMENTS**

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

CITY OF BROUSSARD, LOUISIANA

Statement of Net Position  
June 30, 2023

	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 2,648,940	\$ 324,599	\$ 2,973,539
Investments	18,394,850	-	18,394,850
Receivables, net	1,955,889	777,279	2,733,168
Internal balances	(35,804)	35,804	-
Due from other governmental agencies	684,098	247,598	931,696
Other receivables	230,764	-	230,764
Prepaid items	403,067	123,584	526,651
Total current assets	<u>24,281,804</u>	<u>1,508,864</u>	<u>25,790,668</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	4,861,621	1,978,438	6,840,059
Capital assets -			
Land and construction in progress	8,776,701	5,694,739	14,471,440
Capital assets, net of accumulated depreciation	28,338,143	56,229,655	84,567,798
Right-of-use asset, net	807,471	160,023	967,494
Total noncurrent assets	<u>42,783,936</u>	<u>64,062,855</u>	<u>106,846,791</u>
Total assets	<u>67,065,740</u>	<u>65,571,719</u>	<u>132,637,459</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss on bond refunding	384,112	-	384,112
Deferred outflows related to pensions	1,466,142	-	1,466,142
Total deferred outflows of resources	<u>1,850,254</u>	<u>-</u>	<u>1,850,254</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts, salaries and other payables	1,118,522	481,512	1,600,034
Deferred revenue	500,000	-	500,000
Due to other governmental agencies	850,000	-	850,000
Right-of-use lease liability	218,416	35,047	253,463
Notes payable	171,951	47,000	218,951
Bonds payable	855,000	870,000	1,725,000
Accrued interest payable	85,004	123,962	208,966
Customers' deposits payable	-	535,843	535,843
Total current liabilities	<u>3,798,893</u>	<u>2,093,364</u>	<u>5,892,257</u>
Noncurrent liabilities:			
Compensated absences payable	594,572	152,917	747,489
Net pension liability	2,344,599	-	2,344,599
Right-of-use lease liability	454,976	48,389	503,365
Notes payable	176,366	940,903	1,117,269
Bonds payable, net of discount on bond issuance	14,655,504	22,367,727	37,023,231
Total noncurrent liabilities	<u>18,226,017</u>	<u>23,509,936</u>	<u>41,735,953</u>
Total liabilities	<u>22,024,910</u>	<u>25,603,300</u>	<u>47,628,210</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to pensions	87,060	-	87,060
<b>NET POSITION</b>			
Net investment in capital assets	28,472,531	38,568,764	67,041,295
Restricted for sales tax dedications	12,294,270	-	12,294,270
Restricted for debt service	1,786,263	418,595	2,204,858
Restricted for external legal constraint	2,990,359	-	2,990,359
Unrestricted (deficit)	1,260,601	981,060	2,241,661
Total net position	<u>\$ 46,804,024</u>	<u>\$ 39,968,419</u>	<u>\$ 86,772,443</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Activities  
For the Year Ended June 30, 2023

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 2,940,824	\$ 1,904,294	-	-	\$ (1,036,530)	-	\$ (1,036,530)
Economic development	332,967	-	-	-	(332,967)	-	(332,967)
Public safety	7,275,628	360,831	416,099	4,704,776	(1,793,922)	-	(1,793,922)
Streets and drainage	5,202,615	-	150,799	404,960	(4,646,856)	-	(4,646,856)
Culture and recreation	17,110	-	-	-	(17,110)	-	(17,110)
Interest on long-term debt	557,548	-	-	-	(557,548)	-	(557,548)
Total governmental activities	<u>16,326,692</u>	<u>2,265,125</u>	<u>566,898</u>	<u>5,109,736</u>	<u>(8,384,933)</u>	-	<u>(8,384,933)</u>
<b>Business-type activities:</b>							
Water	3,529,439	3,141,460	-	-	-	(387,979)	(387,979)
Sewer	2,703,701	1,511,849	-	83,980	-	(1,107,872)	(1,107,872)
Sanitation	1,554,155	1,531,214	-	-	-	(22,941)	(22,941)
Parks and Recreation	3,614,752	626,755	-	27,000	-	(2,960,997)	(2,960,997)
Total business-type activities	<u>11,402,047</u>	<u>6,811,278</u>	-	<u>110,980</u>	-	<u>(4,479,789)</u>	<u>(4,479,789)</u>
Total	<u>\$ 27,728,739</u>	<u>\$ 9,076,403</u>	<u>\$ 566,898</u>	<u>\$ 5,220,716</u>	<u>(8,384,933)</u>	<u>(4,479,789)</u>	<u>(12,864,722)</u>
<b>General revenues:</b>							
Taxes -							
Sales and use taxes, levied for general purposes					20,930,735	-	20,930,735
Franchise taxes					1,582,837	-	1,582,837
Grants and contributions not restricted to specific programs -							
State sources					128,991	-	128,991
Non-employer contributions					51,024	-	51,024
Interest and investment earnings					300,157	28,291	328,448
Gain on sale of capital assets					-	73,101	73,101
Miscellaneous					503,064	-	503,064
Transfers					(4,235,133)	4,235,133	-
Total general revenues and transfers					<u>19,261,675</u>	<u>4,336,525</u>	<u>23,598,200</u>
Change in net position					10,876,742	(143,264)	10,733,478
Net position - July 1, 2022					<u>35,927,282</u>	<u>40,111,683</u>	<u>76,038,965</u>
Net position - June 30, 2023					<u>\$ 46,804,024</u>	<u>\$ 39,968,419</u>	<u>\$ 86,772,443</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **MAJOR FUND DESCRIPTIONS**

### **General Fund**

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

### **Special Revenue Funds**

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

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

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

#### **TIF Sales Tax Fund -**

To account for the receipt and use of proceeds of the City's 2006 1% TIF district sales and use tax for the Broussard Economic Development District. These taxes are dedicated to be used to fund revenue bonds to be issued to finance economic development projects within the district.

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

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

### **Capital Projects Fund**

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

#### **LCDBG/Streets Capital Projects Fund -**

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

### **Enterprise Funds**

#### **Utility Fund -**

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

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

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

CITY OF BROUSSARD, LOUISIANA

Balance Sheet  
Governmental Funds  
June 30, 2023

	General	1992 Sales Tax	TIF Sales Tax	2011 Recreational Sales Tax	LCDBG/Streets Capital Projects	Other Governmental Funds	Total
<b>ASSETS</b>							
Cash and interest-bearing deposits	\$ 2,497,393	\$ 814,156	\$ 553,915	\$ 1,540,012	\$ 233,823	\$ 1,871,262	\$ 7,510,561
Investments	10,279,297	6,098,468	-	2,017,085	-	-	18,394,850
Receivables -							
Taxes and licenses	882,988	715,413	-	357,488	-	-	1,955,889
Due from other governmental agencies	42,033	-	-	-	642,065	-	684,098
Other receivables	-	-	-	-	230,764	-	230,764
Due from other funds	18,433	1,520,000	-	-	804,872	5	2,343,310
Prepaid items	403,067	-	-	-	-	-	403,067
Total assets	<u>\$ 14,123,211</u>	<u>\$ 9,148,037</u>	<u>\$ 553,915</u>	<u>\$ 3,914,585</u>	<u>\$ 1,911,524</u>	<u>\$ 1,871,267</u>	<u>\$ 31,522,539</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities -</b>							
Accounts payable and accrued expenditures	\$ 468,910	\$ 4,616	\$ 246	\$ 2,420	\$ 105	\$ -	\$ 476,297
Deferred revenue	-	-	-	-	500,000	-	500,000
Contracts payable	-	-	-	-	557,861	-	557,861
Retainage payable	-	-	-	-	84,364	-	84,364
Due to other governmental agencies	340,000	340,000	-	170,000	-	-	850,000
Due to other funds	859,109	5	553,669	251,311	715,020	-	2,379,114
Total liabilities	<u>1,668,019</u>	<u>344,621</u>	<u>553,915</u>	<u>423,731</u>	<u>1,857,350</u>	<u>-</u>	<u>4,847,636</u>
<b>Fund balances -</b>							
Nonspendable for prepaid items	403,067	-	-	-	-	-	403,067
Restricted for sales tax dedications	-	8,803,416	-	3,490,854	-	-	12,294,270
Restricted for debt service	-	-	-	-	-	1,871,267	1,871,267
Restricted for external legal constraint	2,990,359	-	-	-	-	-	2,990,359
Assigned for capital expenditures	-	-	-	-	54,174	-	54,174
Unassigned	9,061,766	-	-	-	-	-	9,061,766
Total fund balances	<u>12,455,192</u>	<u>8,803,416</u>	<u>-</u>	<u>3,490,854</u>	<u>54,174</u>	<u>1,871,267</u>	<u>26,674,903</u>
Total liabilities and fund balances	<u>\$ 14,123,211</u>	<u>\$ 9,148,037</u>	<u>\$ 553,915</u>	<u>\$ 3,914,585</u>	<u>\$ 1,911,524</u>	<u>\$ 1,871,267</u>	<u>\$ 31,522,539</u>

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

CITY OF BROUSSARD, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
June 30, 2023

Total fund balances for governmental funds at June 30, 2023		\$26,674,903
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	\$ 1,350,140	
Construction in progress	7,426,561	
Buildings and improvements, net of \$2,102,951 accumulated depreciation	1,616,675	
Equipment and vehicles, net of \$2,469,460 accumulated depreciation	1,290,631	
Infrastructure, net of \$8,889,550 accumulated depreciation	<u>25,430,837</u>	37,114,844
Intangible right-of-use assets used in governmental activities are not financial resources, and therefore, are not reported in the fund.		
Right-of-use assets, net of \$299,020 accumulated depreciation		807,471
The deferred loss on bond refunding is not an available resource, and therefore, is not reported in the funds		
		384,112
The deferred outflows of expenditures in the municipal police employees retirement system are not a use of current resources, and therefore, are not reported in the funds		
		1,466,142
Long-term liabilities at June 30, 2023:		
Compensated absences payable	(594,572)	
Net pension liability	(2,344,599)	
Notes payable	(348,317)	
Right-of-use liabilities	(673,392)	
Bonds payable	(15,510,504)	
Accrued interest payable	<u>(85,004)</u>	(19,556,388)
The deferred inflows of contributions for the municipal police employees retirement system are not available resources, and therefore, are not reported in the funds		
		<u>(87,060)</u>
Total net position of governmental activities at June 30, 2023		<u>\$46,804,024</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Revenues, Expenditures and Changes in Fund Balances -  
Governmental Funds  
For the Year Ended June 30, 2023

	General	1992 Sales Tax	TIF Sales Tax	2011 Recreational Sales Tax	LCDBG/Streets Capital Projects	Other Governmental Funds	Total
<b>Revenues:</b>							
Taxes	\$ 9,902,384	\$ 8,319,547	\$ 132,323	\$ 4,159,318	\$ -	\$ -	\$ 22,513,572
Licenses and permits	1,904,294	-	-	-	-	-	1,904,294
Intergovernmental	5,401,164	-	-	-	404,960	-	5,806,124
Fine and forfeits	360,831	-	-	-	-	-	360,831
Interest	173,761	79,640	521	34,791	-	11,444	300,157
Miscellaneous	502,564	-	-	-	-	-	502,564
<b>Total revenues</b>	<u>18,244,998</u>	<u>8,399,187</u>	<u>132,844</u>	<u>4,194,109</u>	<u>404,960</u>	<u>11,444</u>	<u>31,387,542</u>
<b>Expenditures:</b>							
Current -							
General government	2,622,630	72,231	8,695	34,117	2,826	-	2,740,499
Economic development	329,548	-	-	-	-	-	329,548
Public safety	6,140,193	-	-	-	-	-	6,140,193
Streets and drainage	3,963,978	-	-	-	-	-	3,963,978
Culture and recreation	-	-	-	17,110	-	-	17,110
Debt service	542,535	-	-	-	-	1,396,682	1,939,217
Capital outlay	998,448	-	-	4,297	2,428,645	-	3,431,390
<b>Total expenditures</b>	<u>14,597,332</u>	<u>72,231</u>	<u>8,695</u>	<u>55,524</u>	<u>2,431,471</u>	<u>1,396,682</u>	<u>18,561,935</u>
Excess (deficiency) of revenues over expenditures	<u>3,647,666</u>	<u>8,326,956</u>	<u>124,149</u>	<u>4,138,585</u>	<u>(2,026,511)</u>	<u>(1,385,238)</u>	<u>12,825,607</u>
<b>Other financing sources (uses):</b>							
Proceeds from intangible right-to-use assets	548,865	-	-	-	-	-	548,865
Transfers in	750,000	-	-	(251,311)	2,532,474	1,402,524	4,433,687
Transfers out	(213,034)	(3,848,823)	(821,829)	(3,140,947)	(644,187)	-	(8,668,820)
<b>Total other financing sources (uses)</b>	<u>1,085,831</u>	<u>(3,848,823)</u>	<u>(821,829)</u>	<u>(3,392,258)</u>	<u>1,888,287</u>	<u>1,402,524</u>	<u>(3,686,268)</u>
<b>Net change in fund balances</b>	<u>4,733,497</u>	<u>4,478,133</u>	<u>(697,680)</u>	<u>746,327</u>	<u>(138,224)</u>	<u>17,286</u>	<u>9,139,339</u>
Fund balances - beginning	<u>7,721,695</u>	<u>4,325,283</u>	<u>697,680</u>	<u>2,744,527</u>	<u>192,398</u>	<u>1,853,981</u>	<u>17,535,564</u>
Fund balances - ending	<u>\$ 12,455,192</u>	<u>\$ 8,803,416</u>	<u>\$ -</u>	<u>\$ 3,490,854</u>	<u>\$ 54,174</u>	<u>\$ 1,871,267</u>	<u>\$ 26,674,903</u>

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

CITY OF BROUSSARD, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended June 30, 2023

Total net changes in fund balances at June 30, 2023 in the statement of revenues, expenditures and changes in fund balances	\$ 9,139,339
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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 in the statement of revenues, expenditures and changes in fund balances	\$ 3,265,030	
Depreciation expense for the year ended June 30, 2023	(1,844,143)	
Loss on disposal of capital assets	(7,237)	1,413,650

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, principal payments are recorded as expenditures in the governmental funds but reduce the liability in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Principal payments	1,323,373	
Proceeds from intangible right-to-use assets	(538,220)	
Amortization of bond premium	83,507	
Loss on refunding amortized	(29,547)	839,113

Expenses reported in the statement of activities are recognized when liabilities are incurred; while expenditures are recognized at the fund level when cash payments are made. The amounts below represent the difference between the expenses incurred at the government-wide level and current financial resources expended at the fund level

Compensated absences	(9,418)	
Interest expense	4,339	
Pension expense	(561,305)	(566,384)

Non-employer contributions to the municipal police employees retirement system	51,024
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Total changes in net position at June 30, 2023 in the statement of activities	\$ 10,876,742
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The accompanying notes are an integral part of the basic financial statements.

CITY OF BROUSSARD, LOUISIANA

Combined Statement of Net Position  
Proprietary Funds  
June 30, 2023

	Utility Fund	Parks and Recreation Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 251,560	\$ 73,039	\$ 324,599
Accounts receivable, net	735,654	41,625	777,279
Due from other funds	54,237	-	54,237
Due from other governmental agencies	247,598	-	247,598
Prepaid insurance	79,390	44,194	123,584
Total current assets	<u>1,368,439</u>	<u>158,858</u>	<u>1,527,297</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	535,843	1,442,595	1,978,438
Capital assets -			
Land and construction in progress	2,415,290	3,279,449	5,694,739
Capital assets, net	26,756,476	29,473,179	56,229,655
Right-of-use asset, net	130,561	29,462	160,023
Total noncurrent assets	<u>29,838,170</u>	<u>34,224,685</u>	<u>64,062,855</u>
Total assets	<u>31,206,609</u>	<u>34,383,543</u>	<u>65,590,152</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	383,764	70,391	454,155
Accrued expenses	26,459	898	27,357
Due to other funds	-	18,433	18,433
Right-of-use lease liability	25,679	9,368	35,047
Loan payable	47,000	-	47,000
Payable from restricted assets:			
Bonds payable	-	870,000	870,000
Accrued interest	-	123,962	123,962
Customers' deposits	535,843	-	535,843
Total current liabilities	<u>1,018,745</u>	<u>1,093,052</u>	<u>2,111,797</u>
Noncurrent liabilities:			
Compensated absences payable	94,818	58,099	152,917
Right-of-use lease liability	27,719	20,670	48,389
Loan payable	940,903	-	940,903
Bonds payable	-	22,367,727	22,367,727
Total noncurrent liabilities	<u>1,063,440</u>	<u>22,446,496</u>	<u>23,509,936</u>
Total liabilities	<u>2,082,185</u>	<u>23,539,548</u>	<u>25,621,733</u>
<b>NET POSITION</b>			
Net investment in capital assets	28,183,863	10,384,901	38,568,764
Restricted for debt service	-	418,595	418,595
Unrestricted	940,561	40,499	981,060
Total net position	<u>\$ 29,124,424</u>	<u>\$ 10,843,995</u>	<u>\$ 39,968,419</u>

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

CITY OF BROUSSARD, LOUISIANA

Combined Statement of Revenues, Expenses and Changes in Fund Net Position  
 Proprietary Funds  
 For the Year Ended June 30, 2023

	Utility Fund	Parks and Recreation Fund	Total
Operating revenues:			
Charges for services	\$ 5,665,968	\$ 626,755	\$ 6,292,723
Miscellaneous	518,555	-	518,555
Total operating revenues	6,184,523	626,755	6,811,278
Operating expenses:			
Water	3,516,435	-	3,516,435
Sewer	2,696,916	-	2,696,916
Garbage	1,545,674	-	1,545,674
St. Julien Sports Complex	-	2,780,374	2,780,374
Arceneaux Park	-	33,223	33,223
Total operating expenses	7,759,025	2,813,597	10,572,622
Loss from operations	(1,574,502)	(2,186,842)	(3,761,344)
Nonoperating revenues (expenses):			
Interest earned	6,527	21,764	28,291
Interest expense	(28,269)	(776,950)	(805,219)
Amortization of premium on bond	-	(24,206)	(24,206)
Gain/loss on disposal of capital asset	73,101	-	73,101
Total nonoperating revenues (expenses)	51,359	(779,392)	(728,033)
Loss before capital contributions and transfers	(1,523,143)	(2,966,234)	(4,489,377)
Capital contributions	83,980	27,000	110,980
Transfers:			
Transfer from 1992 Sales Tax Fund	450,000	-	450,000
Transfer from Capital Projects	644,187	-	644,187
Transfer from Recreational Sales Tax Fund	-	3,140,946	3,140,946
Total transfers	1,094,187	3,140,946	4,235,133
Change in net position	(344,976)	201,712	(143,264)
Net position, beginning	29,469,400	10,642,283	40,111,683
Net position, ending	\$ 29,124,424	\$ 10,843,995	\$ 39,968,419

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

CITY OF BROUSSARD, LOUISIANA

Combined Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2023

	Utility Fund	Parks and Recreation Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 5,599,497	\$ 626,755	\$ 6,226,252
Payments to suppliers	(5,275,790)	(959,440)	(6,235,230)
Payments of employees	(933,023)	(845,748)	(1,778,771)
Other income	518,555	-	518,555
Net cash used by operating activities	<u>(90,761)</u>	<u>(1,178,433)</u>	<u>(1,269,194)</u>
Cash flows from noncapital financing activities:			
Cash paid to other funds	(58,026)	(14,593)	(72,619)
Transfers from other funds	1,094,187	3,140,947	4,235,134
Net increase in customer deposits payable	42,025	-	42,025
Net cash provided by noncapital financing activities	<u>1,078,186</u>	<u>3,126,354</u>	<u>4,204,540</u>
Cash flows from capital and related financing activities:			
Principal paid on bonds	(46,000)	(845,000)	(891,000)
Vehicle lease payable	5,071	20,167	25,238
Interest and fiscal agency fees paid on bonds	(28,269)	(781,552)	(809,821)
Capital contributions	83,980	27,000	110,980
Acquisition of capital assets	(961,740)	(398,730)	(1,360,470)
Net cash used by capital and related financing activities	<u>(946,958)</u>	<u>(1,978,115)</u>	<u>(2,925,073)</u>
Cash flows from investing activities:			
Purchase of interest-bearing deposits	-	(813,208)	(813,208)
Maturities of interest-bearing deposits	-	1,114,677	1,114,677
Amortization of premium on bond	-	(24,206)	(24,206)
Interest on cash and investments	6,527	21,764	28,291
Net cash provided by investing activities	<u>6,527</u>	<u>299,027</u>	<u>305,554</u>
Net increase in cash and cash equivalents	46,994	268,833	315,827
Cash and cash equivalents, beginning of period	740,409	433,593	1,174,002
Cash and cash equivalents, end of period	<u>\$ 787,403</u>	<u>\$ 702,426</u>	<u>\$ 1,489,829</u>
Reconciliation of operating loss to net cash used by operating activities			
Operating loss	\$ (1,574,502)	\$ (2,186,842)	\$ (3,761,344)
Adjustments to reconcile operating loss to net cash used by operating activities -			
Depreciation	1,457,973	958,120	2,416,093
Changes in assets and liabilities -			
Accounts receivable	(66,471)	(10,875)	(77,346)
Due from other governmental agencies	(20,911)	4,561	(16,350)
Discount on bond issuance	-	24,207	24,207
Prepaid insurance	(8,718)	(6,987)	(15,705)
Accounts payable	121,117	26,369	147,486
Accrued expenses	6,413	598	7,011
Deferred revenue	-	-	-
Compensated absences payable	(5,662)	12,416	6,754
Net cash used by operating activities	<u>\$ (90,761)</u>	<u>\$ (1,178,433)</u>	<u>\$ (1,269,194)</u>

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

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements

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

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

##### A. Financial Reporting Entity

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

The financial reporting entity should consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

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

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

Based on these criteria, the City has identified the following component units:

#### Broussard Fire Department

The Broussard Fire Department is a non-profit corporation established in 1989 for the purpose of impeding, eradicating and extinguishing all types of destructive fires within or near the City of Broussard. There are five (5) members of the governing board of the Broussard Fire Department, consisting of the Mayor, one member of the Board of Aldermen, the fire chief, and two (2) elected members of the corporation. Bonded debt issued by the Broussard Fire Department must be approved by the City Council.

Complete financial statements for the Broussard Fire Department may be obtained upon request at Broussard City Hall.

#### Broussard Economic Development Corporation

The Broussard Economic Development Corporation was chartered in 1993. The City of Broussard appoints a majority of the Corporations' Board and has the ability to impose its will on the Corporation.

These primary government financial statements of the City of Broussard do not include the financial data of the component units described above. This component unit financial data is necessary for reporting in conformity with generally accepted accounting principles.

Complete financial statements for the Broussard Economic Development Corporation may be obtained upon request at Broussard City Hall.

These primary government financial statements of the City of Broussard do not include the financial data of the component units described above. This component unit financial data is necessary for reporting in conformity with generally accepted accounting principles.

#### B. Basis of Presentation

##### Government-Wide Financial Statements (GWFS)

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

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

#### Fund Financial Statements

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

The various funds of the City are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining funds are aggregated and reported as nonmajor funds.

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

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

The major funds of the City are described below:

#### Governmental Funds-

##### General Fund

The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Additionally, it is used to account for the receipt and use of the proceeds of the City's 1975 one percent sales and use tax. These taxes may be used for any lawful public purpose.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Special Revenue Funds

1992 Sales Tax Fund -

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

TIF Sales Tax Fund -

The TIF Sales Tax Fund is used to account for the receipt and use of the proceeds of the City's 2006 one percent TIF District sales and use tax levied on the businesses located in the Broussard Economic Development District. These taxes are dedicated to be used to fund revenue bonds to be issued to finance economic development projects within the District.

2011 Recreational Sales Tax Fund -

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

Capital Projects Fund

LCDBG/Streets Capital Projects Fund –

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

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Proprietary Funds -

#### Enterprise Funds

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

In addition, the City reports the following nonmajor governmental funds:

#### Debt Service Funds –

The debt service funds are used to accumulate monies for payment of the City's various sales tax bonds, which are being financed by the 1975 and 1992 sales taxes revenues.

#### C. Measurement Focus/Basis of Accounting

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

#### Measurement Focus

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

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

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Basis of Accounting

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

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

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

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

##### Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary funds' statement of cash flows, "cash and cash equivalents" include all demand and savings accounts and certificates of deposits with an original maturity of three months or less.

##### Investments

Under state law, the City may deposit funds with a fiscal agent organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The City may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Codification Section I50, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Interfund receivables and payables

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

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

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, and grant funds. Business-type activities report customer’s utility service receivables as their major receivables. Allowances for uncollectible accounts receivable are based on historical trends and the periodic aging of accounts receivable. The allowance for uncollectible utility receivables was \$155,444 at June 30, 2023. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Capital Assets

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

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to the adoption of GASB 34, the City did not have a complete listing of infrastructure. At that time, the City began accumulating infrastructure information prospectively.

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Buildings and improvements	10 -40 years
Equipment and vehicles	3 - 20 years
Utility system and improvements	5 - 40 years
Infrastructure	10 - 40 years

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

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the governmental funds and proprietary funds that are legally restricted as to their use. The restricted assets are related to debt service interest sinking and reserve accounts and utility meter deposits.

Long-term debt

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

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

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

Compensated Absences

Unused vacation is paid at the end of each calendar year. Unused sick leave up to 60 days may be carried over, with up to 30 days of the accumulated balance payable at termination of employment. At June 30, 2023, the City has \$747,489 of noncurrent accumulated leave benefits required to be reported in accordance with GASB Statement No. 16 "Accounting for Compensated Absences".

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period.

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At June 30, 2023, the City's deferred outflows of resources and deferred inflows of resources are attributable to the unamortized loss on the bond refunding and the pension plan.

#### Equity Classifications

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

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the City's debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the two components and is available for general use by the City.

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

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

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

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

Interfund Transfers

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

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 13
Water, sewer and garbage revenue	Utility operations

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

G. Capitalization of Interest Expense

It is the policy of the City of Broussard to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets in the proprietary funds. At June 30, 2023, there were no borrowings for assets under construction and no capitalized interest expense was recorded on the books.

H. Use of Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2023, the City had cash and interest-bearing deposits (book balances) totaling \$9,813,598 as follows:

Non interest-bearing deposits	\$ 1,132,645
Interest-bearing deposits	7,632,939
Time deposits	<u>1,048,014</u>
Total	<u>\$ 9,813,598</u>

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

Deposit balances (bank balances) at June 30, 2023, which are required to be secured are as follows:

Bank balances	<u>\$ 10,587,643</u>
Federal deposit insurance	1,001,000
Pledged securities / Letter of credit	<u>9,586,643</u>
Total insured and secured bank balances	<u>\$ 10,587,643</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Deposits in the amount of \$9,586,643 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution’s trust department or agent, but not in the City’s name. Even though the pledged securities are considered uncollateralized, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand. The City does not have a policy for custodial credit risk.

(3) Investments

As of June 30, 2023, the City’s investments were as follows:

<u>Description</u>	<u>Maturity</u>	<u>Fair Value</u>
Governmental Activities:		
Louisiana Asset Management Pool (LAMP)	Less than one year	<u>\$ 18,394,850</u>

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

The investment in LAMP is not exposed to custodial credit risk. LAMP participants’ investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity’s investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required. Credit risk is the risk that an issuer or other counterparty to an investment will be unable to meet its obligations. LAMP is rated AAAm by Standard & Poor’s. Interest rate risk is the risk that changes in interest rates will adversely affect the estimated fair value of an investment. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(4) Receivables

Receivables at June 30, 2023 consisted of the following:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>General Fund</u>	<u>Sales Tax Funds</u>	<u>Utility Fund</u>	<u>Parks and Recreation</u>	
Accounts	\$ -	\$ -	\$ 545,675	\$ 41,625	\$ 587,300
Unbilled utility	-	-	189,979	-	189,979
1975 1% sales taxes	715,411	-	-	-	715,411
1992 1% sales taxes	-	715,412	-	-	715,412
TIF sales taxes	-	-	-	-	-
2011 1/2% sales taxes	-	357,489	-	-	357,489
Franchise taxes	167,577	-	-	-	167,577
Totals	<u>\$ 882,988</u>	<u>\$ 1,072,901</u>	<u>\$ 735,654</u>	<u>\$ 41,625</u>	<u>\$ 2,733,168</u>

(5) Due from Other Governmental Units

Due from other governmental units at June 30, 2023 consisted of the following:

Governmental Activities -

General Fund:

Due from State of Louisiana for beer tax revenue earned through June 30, 2023	\$ 3,826
Due from State of Louisiana for video poker revenue earned through June 30, 2023	38,207
Due from Department of Homeland Security (FEMA) for hurricane related expenses	-

LCDBG/Streets Capital Projects Fund:

Due from Lafayette Consolidated Government for reimbursement of expenditures	237,105
Due from Louisiana Division of Administration for reimbursement of expenditures	404,960
Total governmental activities	<u>684,098</u>

Business-Type Activities -

Utility Fund:

Due from Louisiana DOTD for HWY 90 water line relocation	247,598
Total business-type activities	<u>247,598</u>
Total due from other governmental agencies	<u>\$ 931,696</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Restricted Assets

Restricted assets consisted of the following at June 30, 2023:

	Governmental Activities	Business-Type Activities	Total
2015 revenue bond and interest sinking fund	\$ 180,224	\$ -	\$ 180,224
2015 revenue bond reserve fund	215,388	-	215,388
2016 revenue bond and interest sinking	682,021	-	682,021
2016 revenue bond reserve fund	438,415	-	438,415
2011 DEQ bond and interest sinking fund	89,154	-	89,154
2011 DEQ bond reserve fund	266,061	-	266,061
Saint Martin sales tax reinvestment fund	562,140	-	562,140
2012 revenue bond and interest sinking	-	376,132	376,132
2012 revenue bond reserve fund	-	1,066,463	1,066,463
LAMP investment	2,428,218	-	2,428,218
Customers' deposits	-	535,843	535,843
Total restricted assets	<u>\$4,861,621</u>	<u>\$1,978,438</u>	<u>\$6,840,059</u>

(7) Capital Assets

Capital asset activity for the year ended June 30, 2023 follows:

	Balance 07/01/22	Additions	Deletions	Balance 06/30/23
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,255,611	\$ 94,529	\$ -	\$ 1,350,140
Construction in progress	10,935,959	2,443,768	5,953,166	7,426,561
Other capital assets:				
Buildings and improvements	3,720,427	4,297	5,098	3,719,626
Equipment and vehicles	3,650,454	251,819	142,182	3,760,091
Infrastructure	28,445,469	5,874,918	-	34,320,387
Total capital assets	<u>48,007,920</u>	<u>8,669,331</u>	<u>6,100,446</u>	<u>50,576,805</u>
Less accumulated depreciation				
Buildings and improvements	1,963,485	144,564	5,098	2,102,951
Equipment and vehicles	2,302,783	308,859	142,182	2,469,460
Infrastructure	7,745,126	1,144,424	-	8,889,550
Total accumulated depreciation	<u>12,011,394</u>	<u>1,597,847</u>	<u>147,280</u>	<u>13,461,961</u>
Governmental activities, capital assets, net	<u>35,996,526</u>	<u>7,071,484</u>	<u>5,953,166</u>	<u>37,114,844</u>

(Continued)

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(7) Capital Assets (Continued)

	Balance 07/01/22	Additions	Deletions	Balance 06/30/23
<b>Business-type activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land - Sewer system	\$ 1,048,966	\$ -	\$ -	\$ 1,048,966
Land - Parks and Recreation	3,279,449	-	-	3,279,449
<b>Construction in progress:</b>				
Utility Fund	852,533	745,773	231,982	1,366,324
<b>Other capital assets:</b>				
Plant and equipment - Water system	16,450,821	284,196	-	16,735,017
Plant and equipment - Sewer system	30,409,773	68,940	239,720	30,238,993
Buildings - Parks and Recreation	33,690,326	128,383	-	33,818,709
Autos and office equipment - Utility	1,025,348	79,348	3,550	1,101,146
Equipment - Parks and Recreation	874,414	244,123	23,155	1,095,382
Vehicle - Parks and Recreation	46,590	-	3,500	43,090
<b>Totals capital assets</b>	<u>87,678,220</u>	<u>1,550,763</u>	<u>501,907</u>	<u>88,727,076</u>
<b>Less accumulated depreciation:</b>				
Plant and equipment - Water system	8,771,406	442,937	-	9,214,343
Plant and equipment - Sewer system	10,435,910	923,014	205,201	11,153,723
Buildings - Parks and Recreation	4,062,660	849,805	-	4,912,465
Autos and office equipment - utility	912,406	41,759	3,551	950,614
Equipment - Parks and Recreation	466,157	96,283	22,026	540,414
Vehicle - Parks and Recreation	30,137	4,486	3,500	31,123
<b>Total accumulated depreciation</b>	<u>24,678,676</u>	<u>2,358,284</u>	<u>234,278</u>	<u>26,802,682</u>
<b>Business-type activities, capital assets, net</b>	<u>62,999,544</u>	<u>(807,521)</u>	<u>267,629</u>	<u>61,924,394</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 193,147
Public safety	184,425
Streets	<u>1,220,275</u>
<b>Total depreciation expense - governmental activities</b>	<u>\$ 1,597,847</u>

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

Water system	\$ 465,028
Sewer system	942,682
Parks and Recreation	<u>950,574</u>
<b>Total depreciation expense - business-type activities</b>	<u>\$ 2,358,284</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Leased Assets

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

	Balance 07/01/22	Additions	Deletions	Balance 06/30/23
<b>Governmental activities:</b>				
Intangible Right-to-use-assets	644,226	548,865	86,600	1,106,491
Less: accumulated amortization	<u>132,087</u>	<u>246,296</u>	<u>79,363</u>	<u>299,020</u>
Intangible right-to-use-assets, net	<u>512,139</u>	<u>302,569</u>	<u>7,237</u>	<u>807,471</u>
<b>Business-type activities:</b>				
Right-to-use-assets - Utility Fund	128,416	92,771	34,736	186,451
Right-to-use-assets - Parks and Recreation	<u>15,799</u>	<u>27,353</u>	<u>-</u>	<u>43,152</u>
Total intangible right-to-use assets	<u>144,215</u>	<u>120,124</u>	<u>34,736</u>	<u>229,603</u>
<b>Less: accumulated amortization</b>				
Right-to-use-assets - Utility Fund	70,676	50,263	65,049	55,890
Right-to-use-assets - Parks and Recreation	<u>6,144</u>	<u>7,546</u>	<u>-</u>	<u>13,690</u>
Total accumulated amortization	<u>76,820</u>	<u>57,809</u>	<u>65,049</u>	<u>69,580</u>
Intangible right-to-use-assets, net	<u>67,395</u>	<u>62,315</u>	<u>(30,313)</u>	<u>160,023</u>

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

<u>Year Ending June 30,</u>	<u>Governmental Funds</u>	<u>Proprietary Funds</u>
2024	267,324	57,690
2025	251,448	40,222
2026	200,753	40,222
2027	62,943	18,698
2028	20,474	3,191
2029	<u>4,529</u>	<u>-</u>
	<u>807,471</u>	<u>160,023</u>

The following is a summary of changes in the lease liability for the year ended June 30, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental Funds	\$ 455,899	\$ 548,865	\$ 331,372	\$ 673,392	\$ 218,416
Proprietary Funds	<u>58,198</u>	<u>71,191</u>	<u>45,953</u>	<u>83,436</u>	<u>35,047</u>
Total	<u>\$ 514,097</u>	<u>\$ 620,056</u>	<u>\$ 377,325</u>	<u>\$ 756,828</u>	<u>\$ 253,463</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Long-Term Liabilities

The following is a summary of long-term liabilities transactions of the City for the year ended June 30, 2023:

	Revenue Bonds	Notes Payable	Compensated Absences
<b>Governmental Activities:</b>			
Balance, June 30, 2022	\$ 15,069,879	\$ 515,963	\$ 585,154
Additions	-	-	91,387
Deletions	<u>(835,000)</u>	<u>(167,646)</u>	<u>(81,969)</u>
Balance, June 30, 2023	<u>\$ 14,234,879</u>	<u>\$ 348,317</u>	<u>\$ 594,572</u>
	Revenue Bonds	Notes Payable	Compensated Absences
<b>Business-type Activities:</b>			
Balance, June 30, 2022	\$ 24,540,000	\$ 1,033,903	\$ 146,163
Additions	-	-	31,779
Deletions	<u>(845,000)</u>	<u>(46,000)</u>	<u>(25,025)</u>
Balance, June 30, 2023	<u>\$ 23,695,000</u>	<u>\$ 987,903</u>	<u>\$ 152,917</u>

Long-term liabilities payable at June 30, 2023 is comprised of the following:

	Total	Current Portion
<b>Governmental activities:</b>		
<b>General obligation bonds -</b>		
\$4,000,000 2011 Sales Tax Bonds due in annual installments ranging from \$95,000 to \$110,000 through May 1, 2032; interest at .95%; secured by a pledge of and payable solely from the proceeds of the 1% 1992 sales tax revenues.	\$ 1,679,879	\$ 100,000
\$9,225,000 Sales Tax Refunding Bonds, Series 2015, due in annual installments ranging from \$135,000 through \$540,000 through May 1, 2038; interest at 2.0%-5.0%; secured by a pledge of and payable solely from the proceeds of the 1% 1992 sales tax revenues.	6,530,000	420,000
\$7,855,000 Sales Tax Refunding Bonds, Series 2016, due in annual installments ranging from \$290,000 to \$545,000 through May 1, 2037; interest at 2%-4%; secured by a pledge of and payable solely from the proceeds of the 1% 1992 sales tax revenues.	<u>6,025,000</u>	<u>335,000</u>
<b>Total bonds payable</b>	14,234,879	<u>\$ 855,000</u>
Add: unamortized bond premium	<u>1,275,625</u>	
<b>Net bonds payable - governmental activities</b>	<u>\$ 15,510,504</u>	

(continued)

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Long-Term Liabilities - Continued

Notes payable -

\$288,972 purchase agreement dated May 25, 2020, due in five annual installments of \$62,895 including interest of 2.9% through June 12, 2025; secured by equipment with a book value of \$202,280 (appropriated to the Broussard Fire Department).	120,544	59,415
\$1,099,602 purchase agreement dated May 29, 2020, due in six annual installments, one in the amount of \$549,801 and five in the amount of \$118,002 including interest of 2.4% through May 29, 2025; secured by equipment with a book value of \$879,682 (appropriated to the Broussard Fire Department).	<u>227,773</u>	<u>112,536</u>
Total notes payable - governmental activities	<u>\$ 348,317</u>	<u>\$ 171,951</u>

Business-type activities:

Parks and Recreation Fund -

\$13,670,000 Recreational Facility Sales Tax Revenue Bond, Series 2021, due in annual instalments ranging from \$120,000 through \$745,000 through May 1, 2023; interest at 1%-3%; secured by a pledge of and payable solely from the proceeds of the 1/2% 2011 sales tax revenues.	13,485,000	595,000
\$12,000,000 Recreational Facility Sales Tax Revenue Bonds, Series 2015, due in annual installments ranging from \$140,000 through \$830,000 through May 1, 2045; interest at 2%-5%; secured by a pledge of and payable solely from the proceeds of the 1/2% 2011 sales tax revenues.	<u>10,210,000</u>	<u>275,000</u>
Total bonds payable	23,695,000	<u>870,000</u>
Less: unamortized discount on issuance of bond	<u>(457,273)</u>	
Net bonds payable - business-type activities	23,237,727	

Utility Fund -

Loan from the Louisiana Department of Health and Hospitals; interest at 1.95%; payable from the utilities system revenues. The balance at June 30, 2023 is net of a 20% debt forgiveness.	<u>987,903</u>	<u>47,000</u>
Total bonds and loan payable - business-type activities	<u>\$ 24,225,630</u>	<u>\$ 917,000</u>

(Continued)

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

The annual debt service requirements to maturity for all bonds payable as of June 30, 2023 are as follows:

Year Ended June 30,	Governmental Activities				Business-type Activities	
	Bonds		Notes Payable		Bonds and Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 855,000	\$ 521,356	\$ 171,950	\$ 8,947	\$ 917,000	\$ 780,390
2025	895,000	489,856	176,367	4,531	938,000	761,228
2026	925,000	465,684	-	-	954,000	739,390
2027	950,000	427,760	-	-	981,000	715,317
2028	985,000	397,052	-	-	1,002,000	695,565
2029-2033	5,454,879	1,406,624	-	-	5,441,000	3,057,687
2034-2038	4,170,000	474,678	-	-	6,334,000	2,172,243
2039-2043	-	-	-	-	6,490,903	1,076,575
2044-2046	-	-	-	-	1,167,727	193,800
	<u>\$ 14,234,879</u>	<u>\$ 4,183,010</u>	<u>\$ 348,317</u>	<u>\$ 13,478</u>	<u>\$ 24,225,630</u>	<u>\$ 10,192,195</u>

(12) Prior Year Defeasance of Debt

During fiscal year 2018, the City defeased \$7,975,000 of Public Improvement Sales Tax Revenue Bonds, Series 2007 by purchasing U.S. Government securities and creating separate irrevocable trust funds with an escrow agent. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore, has been removed as a liability from the City's financial statements. As of June 30, 2023, the amount of defeased sales tax revenue debt outstanding but removed from the financial statements amounts to \$6,265,000 of Series 2007 sales tax bonds.

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

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

The funds are to be used for infrastructure development to directly benefit those areas. The balance of cash in the Reinvestment Fund at June 30, 2023 in the amount of \$2,990,359 is restricted for external legal constraints in the fund balance of the General Fund statements and the net position of the governmental activities in the government-wide financial statements.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

The terms of the bond indenture relative to 1998 Sales Tax Bonds, Series A pledge and dedicate the proceeds of the 1975 sales tax to the retirement of these bonds and to establish and maintain revenue bond sinking and reserve funds adequate to pay the revenue bonds and interest when due. Remaining revenues may then be used for any purpose for which the tax was authorized. The ordinance also contains provisions which restrict the issuance of additional revenue bonds unless the above-mentioned sinking and reserve funds contain the required amounts and certain financial ratios are met.

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

In 2006, voters of the City approved an additional 1% sales tax dedicated for financing economic development projects in the Broussard Economic Development District. The City currently has an intergovernmental agreement with the State of Louisiana. The agreement states that the State will contribute 1% of sales and use tax money received in the area up to \$10,000,000. The funds received from the State have been accounted for in lieu of local funds to finance the Ambassador Caffery Road Extension, originally constructed beginning in 2007. The amount collected in the fiscal year end June 30, 2023 is \$ \$132,323. As of June 30, 2023 the \$10,000,000 agreement with the State has been fulfilled.

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

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

The City complied with all significant financial requirements of the bond ordinance as of June 30, 2023.

All of the above sales taxes were issued in perpetuity.

(14) Pension Plan

The City participates in a cost-sharing defined benefit plan, administered by a public employee retirement system. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by the public employee retirement system to the State Legislature. The plan is not closed to new entrants.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

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

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

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

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

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

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

## CITY OF BROUSSARD, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

#### Deferred Retirement Option Plan:

A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in MPERS is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty-six months or less. If employment is terminated after the three-year period, the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into MPERS shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service.

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

If the member elects a money market investment return, the funds are transferred to a government money market account.

#### Initial Benefit Option Plan:

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

#### Contributions:

Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay. For the year ended June 30, 2023, total contributions due for employers and employees were 41.25%. The employer and employee contribution rates for all members hired prior to January 1, 2013, and Hazardous Duty members hired after January 1, 2013, were 31.25% and 10%, respectively.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Net Pension Liability:

At June 30, 2023 , the City reported a liability of \$2,344,599 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the City's proportionate share was 0.229373%.

Since the measurement date of the net pension liability was June 30, 2022, the net pension liability is based upon fiduciary net position for the plan as of that date. Detailed information about the pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial report for the fiscal year ended June 30, 2022.

Long-term Rate of Return:

For MPERS, the long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following table:

<u>Asset Class</u>	<u>Expected Rate of Return</u>	
	<u>Target Asset Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Equity	55.50%	3.60%
Fixed income	30.50%	0.85%
Alternative	14.00%	0.95%
	<u>100%</u>	<u>5.40%</u>
Inflation		<u>2.66%</u>
Expected nominal return		<u>8.06%</u>

Actuarial Assumptions:

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Date of experience study on which significant assumptions are based	7/1/20014 - 6/30/2019
Actuarial cost method	Entry Age Normal Cost
Expected remaining service lives	4 years
Investment rate of return	6.750%, net of investment expense
Inflation rate	2.50%
Projected salary increases	4.7% - 12.3%
Mortality rates	Pub-2010 Safety Below-Median Healthy Retiree Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale. Pub-2010 Safety Below-Median Employee Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale. Pub-2010 Safety Disable Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale.
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

Cost of Living Adjustments:

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

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2023, the City recognized \$857,218 in pension expense related to its participation in MPERS.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to MPERS from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 11,564	\$ 19,109
Changes of assumptions	80,876	17,439
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	659,204	50,512
Net differences between projected and actual earnings on plan investments	418,585	-
Contributions subsequent to the measurement date	<u>295,913</u>	<u>-</u>
Total	<u>\$ 1,466,142</u>	<u>\$ 87,060</u>

Deferred outflows of resources of \$295,913 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	
2024	\$ 486,685
2025	219,691
2026	157,226
2027	<u>219,567</u>
	<u>\$ 1,083,169</u>

The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure MPERS's net pension liability was 6.750% for the year ended June 30, 2022, which is a change of .000% from the prior year.

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

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

	1% Decrease <u>5.750%</u>	Current Discount Rate <u>6.750%</u>	1% Increase <u>7.750%</u>
Net Pension Liability	<u>\$ 3,281,990</u>	<u>\$ 2,344,599</u>	<u>\$ 1,561,568</u>

Payables to the Pension Plan:

For the year ended June 30, 2023, the City's payable for MPERS is \$36,984, which is the contractually required contributions payable for the month of June 2023.

(15) Retirement and Deferred Compensation

- A. Employees of the City are members of the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65 percent by the City; 7.65 percent by the employee). The City's contributions during the year ended 2023 amounted to \$478,631.
- B. The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The single employer plan, the City of Broussard Deferred Compensation Plan, administered by the John Hancock, is available to all City employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City contributes 8% to 12% of wages to each participating employee account based on years of service. For the year ended June 30, 2023, the City and employees contributed \$391,109 and \$155,796, respectively. The City's contributions are not mandatory.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in a trust, custodial account or annuity contract described in IRC 457(b) for the exclusive benefit of the participants and their beneficiaries. The fair market value of the deferred compensation plan assets at June 30, 2023 was \$4,611,433.

(16) On-Behalf Payments of Salaries

The State of Louisiana paid the City's policemen and firemen \$243,460 of supplemental pay during the year ended June 30, 2023. That amount is included in the accompanying financial statements as intergovernmental revenues and police and fire expense in the government-wide statement of activities.

(17) Risk Management

The City is exposed to risks of loss in the areas of general and auto liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year. Settlements have not exceeded insurance coverage during the three-year period ended June 30, 2023.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(18) Litigation and Claims

At June 30, 2023, the City was involved in several lawsuits claiming damages. In the opinion of the City's legal counsel, the only exposure to the City would be any costs in defense of the lawsuits with no liability in excess of insurance coverage.

(19) Compensation of Board of Aldermen

Compensation paid to the Board of Aldermen for the year ended June 30, 2023 follows:

Jeff Delahoussaye	\$ 24,000
Angel Racca	18,000
David Bonin	18,000
Jesse Regan	18,000
Michael Rabon (through December 31, 2022)	9,000
Heather Girouard (effective January 1, 2023)	9,000
Kenny Higginbotham (through December 31, 2022)	9,000
David Forbes (effective January 1, 2023)	9,000
Ray Gary (through December 31, 2022)	9,000
Kody Allen (effective January 1, 2023)	9,000
	<u>\$ 132,000</u>

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

The schedule of compensation, benefits, and other payments made to Ray Bourque, Mayor, for the year ended June 30, 2023 follows:

Salary	\$ 85,544
Benefits - insurance	16,096
Benefits - retirement	6,844
Car allowance	9,600
Cell phone	600
Internet	780
Travel and conference	698
Special meals	230
Other (auto repairs)	503
Other (vehicle gas expense)	4,035
	<u>\$ 124,930</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(21) Interfund Transactions

A. Interfund receivables and payables consisted of the following at June 30, 2023:

	<u>Receivable</u>	<u>Payable</u>
Major funds:		
Governmental funds:		
General Fund	\$ 18,433	\$ 759,109
1992 Sales Tax Special Revenue Fund	1,520,000	5
TIF Sales Tax Special Revenue Fund	-	663,725
LCDBG/Streets Capital Projects Fund	704,872	604,964
Proprietary funds:		
Utility Fund	54,237	-
Parks and Recreation Fund	-	18,433
Non-major funds - debt service funds	<u>5</u>	<u>-</u>
Total	<u>\$ 2,297,547</u>	<u>\$ 2,297,547</u>

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

B. Interfund transfers consisted of the following at June 30, 2023:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
Governmental funds:		
General Fund	\$ 750,000	\$ 113,034
1992 Sales Tax Special Revenue Fund	-	3,848,823
TIF Sales Tax Special Revenue Fund	-	931,885
2011 Recreational Sales Tax Special Revenue Fund	-	3,392,258
LCDBG/Streets Capital Projects Fund	2,542,530	644,187
Proprietary funds:		
Utility Fund	1,094,187	-
Parks and Recreation Fund	3,140,946	-
Non-major funds - debt service funds	<u>1,402,524</u>	<u>-</u>
Total	<u>\$ 8,930,187</u>	<u>\$ 8,930,187</u>

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(22) Subsequent Events

Management has evaluated events occurring as of December 20, 2023, the date at which the financial report was available to be issued. As a result, it was noted that the City purchased a new complex that will house the police department, the fire department, and the public works department in the amount of \$5,300,000. The City utilized funds from one investment to purchase the complex in full.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

CITY OF BROUSSARD, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes	\$ 8,498,950	\$ 9,897,078	\$ 9,902,384	\$ 5,306
Licenses and permits	1,875,200	1,824,166	1,904,294	80,128
Intergovernmental	4,521,570	5,302,978	5,400,664	97,686
Fines and forfeits and seizures	533,000	357,864	360,831	2,967
Miscellaneous	204,350	636,221	676,825	40,604
<b>Total revenues</b>	<u>15,633,070</u>	<u>18,018,307</u>	<u>18,244,998</u>	<u>226,691</u>
<b>Expenditures:</b>				
Current -				
General government	2,533,323	2,542,264	2,622,630	(80,366)
Economic development	353,307	344,068	329,548	14,520
Public safety:				
Police	4,289,466	4,377,898	4,261,798	116,100
Fire	1,781,699	1,956,865	1,952,015	4,850
Streets and drainage	3,598,083	3,923,529	3,963,978	(40,449)
Debt service	417,310	542,535	542,535	-
Capital outlay	1,074,247	930,565	924,828	5,737
<b>Total expenditures</b>	<u>14,047,435</u>	<u>14,617,724</u>	<u>14,597,332</u>	<u>20,392</u>
Deficiency of revenue over expenditures	<u>1,585,635</u>	<u>3,400,583</u>	<u>3,647,666</u>	<u>247,083</u>
<b>Other financing sources (uses):</b>				
Proceeds from capital leases	266,622	475,244	548,865	73,621
Transfer from 1992 Sales Tax Fund	1,200,000	781,874	750,000	(31,874)
Transfer to Capital Projects Fund	-	150,000	(213,034)	(363,034)
<b>Total other financing sources (use)</b>	<u>1,466,622</u>	<u>1,407,118</u>	<u>1,085,831</u>	<u>(321,287)</u>
Net change in fund balance	3,052,257	4,807,701	4,733,497	(74,204)
Fund balance, beginning, as restated	<u>7,721,695</u>	<u>7,721,695</u>	<u>7,721,695</u>	<u>-</u>
Fund balance, ending	<u>\$ 10,773,952</u>	<u>\$ 12,529,396</u>	<u>\$ 12,455,192</u>	<u>\$ (74,204)</u>

CITY OF BROUSSARD, LOUISIANA  
1992 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes -				
Sales taxes - 1%	\$ 7,250,000	\$ 8,303,284	\$ 8,319,547	\$ 16,263
Miscellaneous -				
Interest	<u>14,780</u>	<u>61,898</u>	<u>79,640</u>	<u>17,742</u>
Total revenues	<u>7,264,780</u>	<u>8,365,182</u>	<u>8,399,187</u>	<u>34,005</u>
<b>Expenditures:</b>				
Current -				
General government:				
Collection fees	44,600	55,054	54,996	58
Professional fees	<u>14,100</u>	<u>16,310</u>	<u>17,235</u>	<u>(925)</u>
Total expenditures	<u>58,700</u>	<u>71,364</u>	<u>72,231</u>	<u>(867)</u>
Excess of revenues over expenditures	<u>7,206,080</u>	<u>8,293,818</u>	<u>8,326,956</u>	<u>33,138</u>
<b>Other financing uses:</b>				
Transfer to General Fund	(1,200,000)	(1,200,000)	(750,000)	450,000
Transfer to Utility Fund	(400,000)	(450,000)	(450,000)	-
Transfer to debt service funds	(1,487,523)	(1,403,124)	(1,402,523)	601
Transfer to Street Capital Projects Fund	<u>(3,970,000)</u>	<u>(1,453,300)</u>	<u>(1,246,300)</u>	<u>207,000</u>
Total other financing uses	<u>(7,057,523)</u>	<u>(4,506,424)</u>	<u>(3,848,823)</u>	<u>657,601</u>
Net change in fund balance	148,557	3,787,394	4,478,133	690,739
Fund balance, beginning	<u>4,325,283</u>	<u>4,325,283</u>	<u>4,325,283</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,473,840</u>	<u>\$ 8,112,677</u>	<u>\$ 8,803,416</u>	<u>\$ 690,739</u>

CITY OF BROUSSARD, LOUISIANA  
TIF Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes -				
Sales taxes	\$ 182,878	\$ 132,323	\$ 132,323	\$ -
Miscellaneous -				
Interest	<u>1,260</u>	<u>506</u>	<u>521</u>	<u>15</u>
Total revenues	<u>184,138</u>	<u>132,829</u>	<u>132,844</u>	<u>15</u>
<b>Expenditures:</b>				
Current -				
General government:				
Collection fees	1,000	2,106	2,106	-
Professional fees	<u>2,500</u>	<u>6,345</u>	<u>6,589</u>	<u>(244)</u>
Total general government	<u>3,500</u>	<u>8,451</u>	<u>8,695</u>	<u>(244)</u>
Excess of revenues over expenditures	180,638	124,378	124,149	(229)
<b>Other financing use:</b>				
Transfer to Street Capital Projects Fund	<u>(108,075)</u>	<u>(822,058)</u>	<u>(821,829)</u>	<u>229</u>
Net change in fund balance	72,563	(697,680)	(697,680)	-
Fund balance, beginning	<u>697,680</u>	<u>697,680</u>	<u>697,680</u>	<u>-</u>
Fund balance, ending	<u>\$ 770,243</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Budgetary Comparison Schedule  
For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Taxes -				
Sales taxes - 1/2%	\$ 3,625,000	\$ 4,151,697	\$ 4,159,318	\$ 7,621
Miscellaneous -				
Interest	<u>6,215</u>	<u>28,238</u>	<u>34,791</u>	<u>6,553</u>
Total revenues	<u>3,631,215</u>	<u>4,179,935</u>	<u>4,194,109</u>	<u>14,174</u>
<b>Expenditures:</b>				
General government:				
Collection fees	22,300	28,054	27,527	527
Professional fees	<u>6,000</u>	<u>7,230</u>	<u>6,590</u>	<u>640</u>
Total general government	<u>28,300</u>	<u>35,284</u>	<u>34,117</u>	<u>1,167</u>
Culture and recreation:				
Ida Crouchet Park -				
Repairs and maintenance	7,500	7,728	5,754	1,974
Utilities	9,000	11,002	10,645	357
Supplies	<u>3,000</u>	<u>1,895</u>	<u>711</u>	<u>1,184</u>
Total culture and recreation	<u>19,500</u>	<u>20,625</u>	<u>17,110</u>	<u>3,515</u>
Capital outlay:				
Ida Crouchet Park improvements	<u>20,000</u>	<u>4,297</u>	<u>4,297</u>	<u>-</u>
Total expenditures	<u>67,800</u>	<u>60,206</u>	<u>55,524</u>	<u>4,682</u>
Excess of revenues over expenditures	<u>3,563,415</u>	<u>4,119,729</u>	<u>4,138,585</u>	<u>18,856</u>
<b>Other financing use:</b>				
Transfer from General Fund	(1,250,000)	(245,545)	(251,311)	(5,766)
Transfer to Parks and Recreation Fund	<u>(1,615,947)</u>	<u>(3,140,947)</u>	<u>(3,140,947)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,865,947)</u>	<u>(3,386,492)</u>	<u>(3,392,258)</u>	<u>(5,766)</u>
Net change in fund balance	697,468	733,237	746,327	13,090
Fund balance, beginning	<u>2,744,527</u>	<u>2,744,527</u>	<u>2,744,527</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,441,995</u>	<u>\$ 3,477,764</u>	<u>\$ 3,490,854</u>	<u>\$ 13,090</u>

CITY OF BROUSSARD, LOUISIANA

Municipal Police Employees' Retirement System  
 Schedule of Employer's Share of Net Pension Liability  
 For the Year Ended June 30, 2023\*

<u>Year Ended June 30,</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2023	0.229373%	\$ 2,344,599	\$ 708,105	331.1%	70.79%
2022	0.160195%	853,927	486,372	175.6%	84.09%
2021	0.172072%	1,590,346	531,495	299.2%	70.94%
2020	0.042158%	382,865	131,656	290.8%	71.01%

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

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

CITY OF BROUSSARD, LOUISIANA

Municipal Police Employees' Retirement System  
 Schedule of Employer Contributions  
 For the Year Ended June 30, 2023

<u>Year Ended June 30,</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>
2023	\$ 295,913	\$ 295,913	-	\$ 946,922	31.25%
2022	210,661	210,661	-	708,105	29.75%
2021	164,151	164,151	-	486,372	33.75%
2020	172,736	172,736	-	531,495	32.50%

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

CITY OF BROUSSARD, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

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

1. The City Clerk submits no later than 15 days prior to the beginning of each fiscal year, a proposed budget to the Mayor and Board of Aldermen.
2. A summary of the proposed budget is published, and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving an increase in a fund's appropriations require the approval of the Board of Aldermen. The Mayor may transfer budget amounts between departments within any fund. The level of budgetary control is by total appropriations (by fund); however, for report purposes, the budgetary information has been expanded.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen.

(2) Pension Plan

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

(continued)

CITY OF BROUSSARD, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(3) Excess of Expenditures Over Appropriations

For the year ended June 30, 2023, the City had actual expenditures over appropriations at the functional level, as follows:

<u>Fund/Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
General government	\$ 2,542,264	\$ 2,622,630	\$ (80,366)
Streets and drainage	3,923,529	3,963,978	(40,449)

**OTHER SUPPLEMENTARY INFORMATION**

CITY OF BROUSSARD, LOUISIANA

Statement of Net Position

June 30, 2023

With Comparative Totals as of June 30, 2022

	2023			2022 Totals
	Governmental Activities	Business- Type Activities	Total	
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$ 2,648,940	\$ 324,599	\$ 2,973,539	\$ 15,045,408
Investments	18,394,850	-	18,394,850	-
Receivables, net	1,955,889	777,279	2,733,168	2,656,139
Internal balances	(35,804)	35,804	-	-
Due from other governmental agencies	684,098	247,598	931,696	888,036
Other receivables	230,764	-	230,764	-
Prepaid items	403,067	123,584	526,651	426,337
Total current assets	<u>24,281,804</u>	<u>1,508,864</u>	<u>25,790,668</u>	<u>19,015,920</u>
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	4,861,621	1,978,438	6,840,059	6,308,301
Capital assets -				
Land and construction in progress	8,776,701	5,694,739	14,471,440	17,372,518
Capital assets, net	28,338,143	56,229,655	84,567,798	81,623,552
Right-to-use assets, net	807,471	160,023	967,494	579,534
Total noncurrent assets	<u>42,783,936</u>	<u>64,062,855</u>	<u>106,846,791</u>	<u>105,883,905</u>
Total assets	<u>67,065,740</u>	<u>65,571,719</u>	<u>132,637,459</u>	<u>124,899,825</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred loss on bond refunding	384,112	-	384,112	413,659
Deferred outflows related to pensions	<u>1,466,142</u>	<u>-</u>	<u>1,466,142</u>	<u>923,834</u>
Total deferred outflows of resources	<u>1,850,254</u>	<u>-</u>	<u>1,850,254</u>	<u>1,337,493</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts, salaries and other payables	1,118,522	481,512	1,600,034	1,622,359
Deferred revenue	500,000	-	500,000	2,352,389
Due to other governmental agencies	850,000	-	850,000	850,000
Right-of-use lease liability	218,416	35,047	253,463	178,991
Loan payable	171,951	47,000	218,951	213,646
Bonds payable	855,000	870,000	1,725,000	1,680,000
Accrued interest payable	85,004	123,962	208,966	217,904
Customers' deposits payable	-	535,843	535,843	493,818
Total current liabilities	<u>3,798,893</u>	<u>2,093,364</u>	<u>5,892,257</u>	<u>7,609,107</u>
Noncurrent liabilities:				
Compensated absences payable	594,572	152,917	747,489	731,317
Net pension liability	2,344,599	-	2,344,599	853,927
Right-of-use lease liability	454,976	48,389	503,365	335,106
Loan payable	176,366	940,903	1,117,269	1,336,220
Bonds payable	14,655,504	22,367,727	37,023,231	38,807,533
Total noncurrent liabilities	<u>18,226,017</u>	<u>23,509,936</u>	<u>41,735,953</u>	<u>42,064,103</u>
Total liabilities	<u>22,024,910</u>	<u>25,603,300</u>	<u>47,628,210</u>	<u>49,673,210</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pensions	87,060	-	87,060	525,143
<b>NET POSITION</b>				
Net investment in capital assets	28,472,531	38,568,764	67,041,295	65,139,533
Restricted for sales tax dedications	12,294,270	-	12,294,270	7,767,490
Restricted for debt service	1,786,263	418,595	2,204,858	1,895,883
Restricted for external legal constraint	2,990,359	-	2,990,359	2,845,830
Unrestricted (deficit)	<u>1,260,601</u>	<u>981,060</u>	<u>2,241,661</u>	<u>(1,609,771)</u>
Total net position	<u>\$46,804,024</u>	<u>\$39,968,419</u>	<u>\$ 86,772,443</u>	<u>\$ 76,038,965</u>

CITY OF BROUSSARD, LOUISIANA  
General Fund

Schedule of Revenues  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2023  
With Comparative Actual Amounts for the Year Ended June 30, 2022

	2023		Variance - Positive (Negative)	2022 Actual
	Budget	Actual		
<b>Revenues:</b>				
<b>Taxes -</b>				
Franchise taxes	1,593,794	\$ 1,582,837	\$ (10,957)	\$ 1,311,618
Sales taxes - 1%	8,303,284	8,319,547	16,263	6,733,824
Total taxes	<u>9,897,078</u>	<u>9,902,384</u>	<u>5,306</u>	<u>8,045,442</u>
<b>Licenses and permits -</b>				
Occupational licenses	955,140	966,814	11,674	918,491
Insurance licenses	426,023	472,992	46,969	441,430
Permits	443,003	464,488	21,485	582,711
Total licenses and permits	<u>1,824,166</u>	<u>1,904,294</u>	<u>80,128</u>	<u>1,942,632</u>
<b>Intergovernmental -</b>				
<b>Federal sources -</b>				
Bulletproof vest partnership grant	3,885	-	(3,885)	2,927
ARPA	4,704,776	4,704,776	-	-
FEMA reimbursement	33,736	107,654	73,918	46,111
<b>State sources -</b>				
Video poker	86,443	115,071	28,628	98,776
On-behalf payments	244,260	243,460	(800)	200,183
Beer taxes	14,095	13,920	(175)	22,438
Highway maintenance	14,010	14,010	-	14,010
<b>Local sources -</b>				
LCVC	7,500	7,500	-	-
Lafayette Parish School Board	165,139	165,139	-	161,901
Lafayette Consolidated Government	29,134	29,134	-	33,409
Total intergovernmental	<u>5,302,978</u>	<u>5,400,664</u>	<u>97,686</u>	<u>579,755</u>
Fines and forfeits and seizures	<u>357,864</u>	<u>360,831</u>	<u>2,967</u>	<u>522,695</u>
<b>Miscellaneous -</b>				
Interest	133,846	173,761	39,915	20,747
Planning/review fees	25,505	27,995	2,490	46,050
Sale of assets	137,841	139,055	1,214	53,402
Other	339,029	336,014	(3,015)	246,034
Total miscellaneous	<u>636,221</u>	<u>676,825</u>	<u>40,604</u>	<u>366,233</u>
Total revenues	<u>18,018,307</u>	<u>\$ 18,244,998</u>	<u>\$ 226,691</u>	<u>\$ 11,456,757</u>

CITY OF BROUSSARD, LOUISIANA  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2023  
With Comparative Actual Amounts for the Year Ended June 30, 2022

	2023		Variance - Positive (Negative)	2022 Actual
	Budget	Actual		
Current -				
General government:				
Salaries	\$ 777,619	\$ 791,626	(14,007)	\$ 710,545
Payroll taxes	61,109	59,762	1,347	55,349
Group insurance	163,140	163,454	(314)	155,830
Retirement	50,301	50,062	239	49,590
Auto allowance	12,600	12,600	-	10,350
Insurance	67,881	68,173	(292)	53,188
Office	74,237	77,449	(3,212)	63,558
Utilities	33,089	31,705	1,384	30,620
Telephone	15,049	13,644	1,405	11,486
Advertising	19,054	17,281	1,773	15,799
Dues and subscriptions	21,652	32,433	(10,781)	29,629
Sales tax collection fees	55,054	54,996	58	39,361
Supplies	10,985	8,939	2,046	18,595
Legal	89,956	93,787	(3,831)	99,961
Accounting	27,865	26,335	1,530	23,615
Engineering	254,218	290,792	(36,574)	211,928
Professional fees	345,550	351,938	(6,388)	286,919
Training and travel	14,974	13,177	1,797	8,622
Building inspection fees	321,083	343,524	(22,441)	434,175
Miscellaneous	16,636	20,831	(4,195)	27,409
Magistrate court	50,146	49,952	194	55,537
Repairs and maintenance	52,215	44,170	8,045	64,694
Civil service salaries	7,851	6,000	1,851	6,000
Total general government	<u>2,542,264</u>	<u>2,622,630</u>	<u>(80,366)</u>	<u>2,462,760</u>
Economic development				
Salaries	55,331	54,891	440	109,186
Payroll taxes	4,760	4,426	334	8,185
Group insurance	9,349	9,350	(1)	18,981
Retirement	4,034	4,031	3	4,848
BEDC appropriation	200,000	200,000	-	223,000
Advertising	214	64	150	1,559
Dues and subscriptions	12,702	12,059	643	6,953
Supplies	13,066	10,026	3,040	1,209
Office expense	4,917	2,346	2,571	3,042
Miscellaneous	500	350	150	775
Professional fees	20,296	21,260	(964)	37,628
Repairs and maintenance	16,783	9,010	7,773	250
Training and travel	2,116	1,735	381	1,220
Total economic development	<u>344,068</u>	<u>329,548</u>	<u>14,520</u>	<u>416,836</u>

(continued)

CITY OF BROUSSARD, LOUISIANA  
General Fund

Schedule of Expenditures  
Budget (GAAP Basis) and Actual (Continued)  
For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2022

	2023		Variance - Positive (Negative)	2022 Actual
	Budget	Actual		
<b>Public safety:</b>				
Police department -				
Salaries	2,133,210	2,077,490	55,720	1,922,145
On-behalf payments - salaries	239,120	238,320	800	200,183
Payroll taxes	178,096	171,799	6,297	154,163
Retirement	396,460	396,119	341	311,638
Group insurance	446,631	443,021	3,610	403,628
Insurance	232,124	232,124	-	203,135
Auto	199,783	204,889	(5,106)	189,152
Auto allowance	18,000	18,000	-	18,000
Uniforms and supplies	71,786	63,218	8,568	61,622
Legal	3,136	2,138	998	8,730
Professional fees	24,217	20,812	3,405	27,372
Miscellaneous	15,895	15,460	435	9,462
K-9 expenses	-	-	-	193
Repairs and maintenance	23,310	25,738	(2,428)	45,476
Training	24,429	24,929	(500)	15,432
Dues and subscriptions	290,842	257,320	33,522	147,848
Utilities and communication	80,859	70,421	10,438	69,982
Total police department	<u>4,377,898</u>	<u>4,261,798</u>	<u>116,100</u>	<u>3,788,161</u>
Fire department -				
Appropriation to Broussard Fire Department:				
Operations	1,838,098	1,833,248	4,850	1,515,907
Capital	118,767	118,767	-	17,212
Total fire department	<u>1,956,865</u>	<u>1,952,015</u>	<u>4,850</u>	<u>1,533,119</u>
Total public safety	<u>6,334,763</u>	<u>6,213,813</u>	<u>120,950</u>	<u>5,321,280</u>
<b>Streets and drainage:</b>				
Salaries	1,597,987	1,584,480	13,507	1,559,945
Payroll taxes	124,180	118,325	5,855	115,735
Retirement	140,567	135,612	4,955	138,041
Group insurance	332,512	312,070	20,442	299,840
Insurance	243,930	243,930	-	216,315
Auto	113,419	113,346	73	127,857
Equipment rent	14,960	6,138	8,822	26,306
Equipment operating costs	138,474	156,522	(18,048)	126,575
Street and drainage maintenance	504,811	637,371	(132,560)	323,488
Drainage studies - engineering	112,421	67,285	45,136	72,016
Professional	28,504	31,433	(2,929)	19,616
Office	4,802	5,821	(1,019)	7,042
Engineering	72,103	116,879	(44,776)	91,471
Utilities and communication	174,185	166,825	7,360	147,870
Uniforms and supplies	176,398	168,762	7,636	144,224
Casual labor	76,784	84,032	(7,248)	27,520
Miscellaneous	67,492	15,147	52,345	15,061
Total streets and drainage	<u>3,923,529</u>	<u>3,963,978</u>	<u>(40,449)</u>	<u>3,458,922</u>

(continued)

CITY OF BROUSSARD, LOUISIANA

General Fund

Schedule of Expenditures

Budget (GAAP Basis) and Actual (Continued)

For the Year Ended June 30, 2023

With Comparative Actual Amounts for the Year Ended June 30, 2022

	2023		Variance - Positive (Negative)	2022 Actual
	Budget	Actual		
Capital outlay:				
General government -				
Valsin Broussard house	5,123	5,123	-	15,946
City Hall improvements	20,500	20,420	80	-
Equipment	14,423	14,423	-	10,063
Software and websites	-	-	-	16,088
Municipal complex	18,250	18,250	-	4,120
East Madison Street parking lot	-	-	-	41,952
Police -				
Vehicles and equipment	180,804	174,664	6,140	191,188
Right-of-use assets	268,126	268,126	-	431,734
Streets and drainage -				
Christmas decorations	43,249	43,249	-	66,924
Right-of-use assets	207,119	207,119	-	76,009
Drainage improvements	44,586	46,144	(1,558)	50,890
Vehicles and equipment	128,385	127,310	1,075	250,009
Total capital outlay	<u>930,565</u>	<u>924,828</u>	<u>5,737</u>	<u>1,154,923</u>
Debt service:				
Principal	167,644	167,644	-	325,217
Principal - vehicle lease	320,729	320,729	-	-
Interest	13,251	13,251	-	-
Interest - vehicle lease	40,911	40,911	-	23,882
Total debt service	<u>542,535</u>	<u>542,535</u>	<u>-</u>	<u>349,099</u>
Total expenditures	<u>\$ 14,617,724</u>	<u>\$ 14,597,332</u>	<u>\$ 20,392</u>	<u>\$ 13,163,820</u>

CITY OF BROUSSARD, LOUISIANA  
1992 Sales Tax Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2023  
With Comparative Actual Amounts for the Year Ended June 30, 2022

	2023		Variance with Final Budget Positive (Negative)	2022 Actual
	Budget	Actual		
<b>Revenues:</b>				
Taxes -				
Sales taxes - 1%	\$ 8,303,284	\$ 8,319,547	\$ 16,263	\$ 6,733,824
Miscellaneous -				
Interest	61,898	79,640	17,742	14,990
Total revenues	<u>8,365,182</u>	<u>8,399,187</u>	<u>34,005</u>	<u>6,748,814</u>
<b>Expenditures:</b>				
Current -				
General government:				
Collection fees	55,054	54,996	58	39,361
Professional fees	16,310	17,235	(925)	14,555
Total expenditures	<u>71,364</u>	<u>72,231</u>	<u>(867)</u>	<u>53,916</u>
Excess of revenues over expenditures	<u>8,293,818</u>	<u>8,326,956</u>	<u>33,138</u>	<u>6,694,898</u>
<b>Other financing uses:</b>				
Transfer to General Fund	(1,200,000)	(750,000)	450,000	(1,300,000)
Transfer to Utility Fund	(450,000)	(450,000)	-	(400,000)
Transfer to debt service funds	(1,403,124)	(1,402,523)	601	(1,469,449)
Transfer to Streets Capital Project Fund	(1,453,300)	(1,246,300)	207,000	(4,187,000)
Total other financing uses	<u>(4,506,424)</u>	<u>(3,848,823)</u>	<u>657,601</u>	<u>(7,356,449)</u>
Net change in fund balance	3,787,394	4,478,133	690,739	(661,551)
Fund balance, beginning	<u>4,325,283</u>	<u>4,325,283</u>	-	<u>4,986,834</u>
Fund balance, ending	<u>\$ 8,112,677</u>	<u>\$ 8,803,416</u>	<u>\$ 690,739</u>	<u>\$ 4,325,283</u>

CITY OF BROUSSARD, LOUISIANA  
TIF Sales Tax Special Revenue Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2023  
With Comparative Actual Amounts for the Year Ended June 30, 2022

	2023		Variance with Final Budget Positive (Negative)	2022 Actual
	Budget	Actual		
Revenues:				
Taxes -				
Sales taxes	\$ 132,323	\$ 132,323	\$ -	\$ 892,119
Miscellaneous -				
Interest	506	521	15	1,200
Total revenues	<u>132,829</u>	<u>132,844</u>	<u>15</u>	<u>893,319</u>
Expenditures:				
Current -				
General government:				
Collection fees	2,106	2,106	-	8,951
Professional fees	6,345	6,589	(244)	6,224
Total general government	<u>8,451</u>	<u>8,695</u>	<u>(244)</u>	<u>15,175</u>
Total expenditures	<u>8,451</u>	<u>8,695</u>	<u>(244)</u>	<u>15,175</u>
Excess of revenues over expenditures	124,378	124,149	(229)	878,144
Other financing uses:				
Transfer to Street Capital Projects Fund	<u>(822,058)</u>	<u>(821,829)</u>	<u>229</u>	<u>(1,933,291)</u>
Net change in fund balance	(697,680)	(697,680)	-	(1,055,147)
Fund balance, beginning	<u>697,680</u>	<u>697,680</u>	<u>-</u>	<u>1,752,827</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 697,680</u>

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

Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (GAAP Basis) and Actual  
For the Year Ended June 30, 2023  
With Comparative Actual Amounts for the Year Ended June 30, 2022

	2023		Variance with Final Budget Positive (Negative)	2022 Actual
	Budget	Actual		
Revenues:				
Taxes -				
Sales taxes - 1/2%	\$ 4,151,697	\$ 4,159,318	\$ 7,621	\$ 3,366,598
Miscellaneous -				
Interest	28,238	34,791	6,553	6,525
Total revenues	<u>4,179,935</u>	<u>4,194,109</u>	<u>14,174</u>	<u>3,373,123</u>
Expenditures:				
General government:				
Collection fees	28,054	27,527	527	19,693
Professional fees	7,230	6,590	640	5,716
Total general government	<u>35,284</u>	<u>34,117</u>	<u>1,167</u>	<u>25,409</u>
Culture and recreation:				
Ida Crouchet Park -				
Repairs and maintenance	7,728	5,754	1,974	5,570
Utilitites	11,002	10,645	357	8,652
Supplies	1,895	711	1,184	3,796
Total culture and recreation	<u>20,625</u>	<u>17,110</u>	<u>3,515</u>	<u>18,018</u>
Capital outlay:				
Ida Crochet Park improvements	4,297	4,297	-	8,249
Total expenditures	<u>60,206</u>	<u>55,524</u>	<u>4,682</u>	<u>51,676</u>
Excess of revenues over expenditures	4,119,729	4,138,585	18,856	3,321,447
Other financing uses:				
Transfer to Capital Projects	(245,545)	(251,311)	(5,766)	-
Transfer to Parks and Recreation Fund	<u>(3,140,947)</u>	<u>(3,140,947)</u>	<u>-</u>	<u>(2,655,625)</u>
Net change in fund balance	733,237	746,327	13,090	665,822
Fund balance, beginning	<u>2,744,527</u>	<u>2,744,527</u>	<u>-</u>	<u>2,078,705</u>
Fund balance, ending	<u>\$ 3,477,764</u>	<u>\$ 3,490,854</u>	<u>\$ 13,090</u>	<u>\$ 2,744,527</u>

CITY OF BROUSSARD, LOUISIANA  
LCDBG/Streets Capital Projects Fund

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

With Comparative Actual Amounts for the Year Ended June 30, 2022

	2023		Variance with Final Budget Positive (Negative)	2022
	Budget	Actual		
<b>Revenues:</b>				
Intergovernmental revenue -				
State grants	\$ 321,861	\$ 404,960	\$ 83,099	\$ 350,143
LCDBG federal grant	-	-	-	227,982
Total intergovernmental revenue	<u>321,861</u>	<u>404,960</u>	<u>83,099</u>	<u>578,125</u>
Other - developer contributions	-	-	-	230,764
Total revenues	<u>321,861</u>	<u>404,960</u>	<u>83,099</u>	<u>808,889</u>
<b>Expenditures:</b>				
Current -				
General government:				
Professional fees	2,720	2,826	(106)	2,600
Capital outlay -				
Streets and drainage:				
La Neuville Road reconstruction	655,818	420,295	235,523	31,124
South Bernard Road Phase II	15,209	15,209	-	1,435,300
South Bernard Road Phase III	149,657	167,125	(17,468)	162,670
West Fairfield Drive extension	28,890	41,795	(12,905)	-
Fairfield/Larriviere intersection improvements	9,778	9,778	-	-
South Bernard / Fairfield multi-use path	50,000	55,766	(5,766)	-
Southwood / Cruise reconstruction	-	-	-	388,918
Garber Road outfall channel maintenance	61,000	-	61,000	19,704
South Bernard Phase II lighting	-	-	-	144,495
Highway 89 improvements	81,562	128,013	(46,451)	32,958
Street overlay	77,364	80,815	(3,451)	1,096,645
Main Street Phase I	467,181	367,725	99,456	1,676,693
Main Street Phase II	75,466	179,831	(104,365)	330,460
Main Street Phase III	254,022	324,972	(70,950)	170,691
Fairfield / Marteau intersection improvements	-	-	-	181,697
South Bernard Road J-turns	522,071	522,071	-	55,681
St. Nazaire Road improvements	235,000	115,250	119,750	6,132
Lake Talon Road drainage	-	-	-	24,695
Total capital outlay	<u>2,683,018</u>	<u>2,428,645</u>	<u>254,373</u>	<u>5,757,863</u>
Total expenditures	<u>2,685,738</u>	<u>2,431,471</u>	<u>254,267</u>	<u>5,760,463</u>
Deficiency of revenues over expenditures	<u>(2,363,877)</u>	<u>(2,026,511)</u>	<u>337,366</u>	<u>(4,951,574)</u>
Other financing sources (uses):				
Transfer from TIF Sales Tax Fund	822,058	821,829	(229)	1,933,291
Transfer from General Fund	-	213,034	213,034	629,356
Transfer from 1992 Sales Tax Fund	1,453,300	1,246,300	(207,000)	4,187,000
Transfer from Recreational Facility Sales Tax Fund	245,545	251,311	5,766	-
Transfer to Utility Fund	<u>(154,417)</u>	<u>(644,187)</u>	<u>(489,770)</u>	<u>(1,609,226)</u>
Total other financing sources (uses)	<u>2,366,486</u>	<u>1,888,287</u>	<u>(478,199)</u>	<u>5,140,421</u>
Net change in fund balance	2,609	(138,224)	(140,833)	188,847
Fund balance, beginning	192,398	192,398	-	3,551
Fund balance, ending	<u>\$ 195,007</u>	<u>\$ 54,174</u>	<u>\$ (140,833)</u>	<u>\$ 192,398</u>

CITY OF BROUSSARD, LOUISIANA

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended June 30, 2023

With Comparative Totals for Year Ended June 30, 2022

	2016	2015	2011	Totals	
	Sales Tax Bond	Sales Tax Bond	DEQ Bond	2023	2022
Revenues:					
Miscellaneous - interest earned	\$ 4,064	\$ 6,837	\$ 543	\$ 11,444	\$ 7,225
Expenditures:					
Debt service -					
Principal retirement	325,000	410,000	100,000	835,000	889,000
Interest and fiscal charges	246,951	297,823	16,908	561,682	592,177
Total expenditures	571,951	707,823	116,908	1,396,682	1,481,177
Deficiency of revenues over expenditures	(567,887)	(700,986)	(116,365)	(1,385,238)	(1,473,952)
Other financing sources:					
Transfers in	568,992	703,756	129,776	1,402,524	1,469,449
Net change in fund balances	1,105	2,770	13,411	17,286	(4,503)
Fund balances, beginning	1,119,331	392,845	341,805	1,853,981	1,858,484
Fund balances, ending	\$ 1,120,436	\$ 395,615	\$ 355,216	\$ 1,871,267	\$ 1,853,981

CITY OF BROUSSARD, LOUISIANA

Comparative Statement of Net Position

Enterprise Fund

Utility Fund

June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 251,560	\$ 254,071
Accounts receivable, net	735,654	669,183
Due from other funds	54,237	-
Due from other governmental agencies	247,598	226,687
Prepaid insurance	<u>79,390</u>	<u>70,672</u>
Total current assets	<u>1,368,439</u>	<u>1,220,613</u>
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits	535,843	493,818
Capital assets -		
Land and construction in progress	2,415,290	1,901,499
Capital assets, net	26,756,476	27,766,220
Right-of-use assets, net	<u>130,561</u>	<u>57,740</u>
Total noncurrent assets	<u>29,838,170</u>	<u>30,219,277</u>
Total assets	<u>31,206,609</u>	<u>31,439,890</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	383,764	262,647
Accrued expenses	26,459	20,046
Due to other funds	-	3,789
Right-of-use lease liability	25,679	32,783
Loan payable	47,000	46,000
Customers' deposits (payable from restricted assets)	<u>535,843</u>	<u>493,818</u>
Total current liabilities	<u>1,018,745</u>	<u>859,083</u>
Noncurrent liabilities:		
Compensated absences payable	94,818	100,480
Right-of-use lease liability	27,719	15,544
Loan payable	<u>940,903</u>	<u>987,903</u>
Total noncurrent liabilities	<u>1,063,440</u>	<u>1,103,927</u>
Total liabilities	<u>2,082,185</u>	<u>1,963,010</u>
<b>NET POSITION</b>		
Net investment in capital assets	28,183,863	28,633,816
Unrestricted	<u>940,561</u>	<u>835,584</u>
Total net position	<u>\$ 29,124,424</u>	<u>\$ 29,469,400</u>

CITY OF BROUSSARD, LOUISIANA

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

For the Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating revenues:		
Charges for services	\$ 5,665,968	\$ 4,605,630
Miscellaneous	<u>518,555</u>	<u>638,234</u>
Total operating revenues	<u>6,184,523</u>	<u>5,243,864</u>
Operating expenses:		
Water	3,516,435	3,133,538
Sewer	2,696,916	2,382,094
Garbage	<u>1,545,674</u>	<u>1,395,079</u>
Total operating expenses	<u>7,759,025</u>	<u>6,910,711</u>
Loss from operations	<u>(1,574,502)</u>	<u>(1,666,847)</u>
Nonoperating revenues (expenses):		
Interest income	6,527	1,120
Interest expense	(28,269)	(28,632)
Gain on sale of capital assets	<u>73,101</u>	<u>28,300</u>
Total nonoperating revenue (expenses)	<u>51,359</u>	<u>788</u>
Loss before capital contributions and transfers	<u>(1,523,143)</u>	<u>(1,666,059)</u>
Capital contributions	<u>83,980</u>	<u>182,113</u>
Transfers:		
Transfer from 1992 Sales Tax Fund	450,000	400,000
Transfer from Capital Projects Fund	<u>644,187</u>	<u>1,609,226</u>
Total transfers	<u>1,094,187</u>	<u>2,009,226</u>
Change in net position	(344,976)	525,280
Net position, beginning	<u>29,469,400</u>	<u>28,944,120</u>
Net position, ending	<u>\$ 29,124,424</u>	<u>\$ 29,469,400</u>

CITY OF BROUSSARD, LOUISIANA

Enterprise Fund

Utility Fund

Comparative Departmental Statement of Revenues and Expenses

For the Years Ended June 30, 2023 and 2022

	Totals		Water		Sewer		Garbage	
	2023	2022	2023	2022	2023	2022	2023	2022
Operating revenues:								
Charges for services	\$ 5,665,968	\$ 4,605,630	\$ 2,787,605	\$ 2,112,374	\$ 1,388,030	\$ 1,113,969	\$1,490,333	\$ 1,379,287
Connections, penalties, impact fees, and other	<u>518,555</u>	<u>638,234</u>	<u>353,855</u>	<u>458,799</u>	<u>123,819</u>	<u>143,676</u>	<u>40,881</u>	<u>35,759</u>
Total operating revenues	<u>6,184,523</u>	<u>5,243,864</u>	<u>3,141,460</u>	<u>2,571,173</u>	<u>1,511,849</u>	<u>1,257,645</u>	<u>1,531,214</u>	<u>1,415,046</u>
Operating expenses:								
Salaries	675,723	657,339	399,017	376,573	276,706	280,766	-	-
Payroll taxes and retirement	110,893	109,142	66,844	64,219	44,049	44,923	-	-
Bad debt	35,617	77	16,384	34	8,548	16	10,685	27
Group insurance	146,407	141,283	76,412	75,359	69,995	65,924	-	-
Professional fees	117,213	48,935	38,439	25,263	78,774	23,672	-	-
Engineering fees	170,086	294,487	123,040	252,739	47,046	41,748	-	-
Repairs and maintenance	853,681	544,514	267,095	143,953	586,586	400,561	-	-
Vehicle	39,476	38,857	25,982	21,746	13,494	17,111	-	-
Utilities	209,034	160,779	43,762	35,602	165,272	125,177	-	-
Materials and supplies	920,463	782,054	607,201	477,000	313,262	305,054	-	-
Depreciation	1,407,710	1,395,237	465,028	440,782	942,682	954,455	-	-
Depreciation right-to-use assets	50,263	-	29,184	28,227	21,079	18,271	-	-
Insurance	185,713	151,777	93,515	75,414	92,198	76,363	-	-
Office	74,508	64,453	28,304	25,139	25,960	19,883	20,244	19,431
Training and travel	3,996	3,647	2,128	1,360	1,868	2,287	-	-
Water purchases	1,162,888	1,028,781	1,162,888	1,028,781	-	-	-	-
Garbage collection expense	1,514,745	1,375,621	-	-	-	-	1,514,745	1,375,621
Miscellaneous	<u>80,609</u>	<u>67,230</u>	<u>71,212</u>	<u>61,347</u>	<u>9,397</u>	<u>5,883</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>7,759,025</u>	<u>6,910,711</u>	<u>3,516,435</u>	<u>3,133,538</u>	<u>2,696,916</u>	<u>2,382,094</u>	<u>1,545,674</u>	<u>1,395,079</u>
Operating income (loss)	<u>\$ (1,574,502)</u>	<u>\$ (1,666,847)</u>	<u>\$ (374,975)</u>	<u>\$ (562,365)</u>	<u>\$ (1,185,067)</u>	<u>\$ (1,124,449)</u>	<u>\$ (14,460)</u>	<u>\$ 19,967</u>

CITY OF BROUSSARD, LOUISIANA

Statement of Net Position  
Enterprise Fund  
Parks and Recreation Fund  
June 30, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 73,039	\$ 127,002
Accounts receivable	41,625	30,750
Due from other governmental agencies	-	4,561
Prepaid insurance	44,194	37,207
Total current assets	158,858	199,520
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits	1,442,595	1,421,268
Capital assets -		
Land and construction in progress	3,279,449	3,279,449
Capital assets, net	29,473,179	30,052,376
Right-of-use asset, net	29,462	9,655
Total noncurrent assets	34,224,685	34,762,748
Total assets	34,383,543	34,962,268
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	70,391	44,022
Accrued expenses	898	300
Due to other funds	18,433	33,026
Right-of-use lease liability	9,368	5,298
Payable from restricted assets:		
Bonds payable	870,000	845,000
Accrued interest payable	123,962	128,564
Total current liabilities	1,093,052	1,056,210
Noncurrent liabilities:		
Compensated absences payable	58,099	45,683
Right-of-use lease liability	20,670	4,573
Bonds payable, net of discount on bond issuance	22,367,727	23,213,519
Total noncurrent liabilities	22,446,496	23,263,775
Total liabilities	23,539,548	24,319,985
<b>NET POSITION</b>		
Net investment in capital assets	10,384,901	10,118,306
Restricted for debt service	418,595	437,833
Unrestricted	40,499	86,144
Total net position	\$ 10,843,995	\$ 10,642,283

CITY OF BROUSSARD, LOUISIANA  
Statement of Revenues, Expenses and Changes in Fund Net Position -  
Enterprise Fund  
Parks and Recreation Fund  
For the Years Ended June 30, 2023 and 2022

	2023	2022
Operating revenues	<u>\$ 626,755</u>	<u>\$ 713,133</u>
Operating expenses:		
St. Julien Sports Complex -		
Salaries	639,197	577,649
Contract labor - services	87,645	90,611
Payroll taxes and retirement	88,551	80,034
Group insurance	118,000	105,791
Professional fees	85,662	91,579
Repairs and maintenance	154,870	139,568
Vehicle	24,529	17,871
Utilities and communication	200,772	165,070
Materials and supplies	154,642	130,705
Insurance	104,783	80,895
Office	32,971	26,274
Uniforms	11,712	11,249
Miscellaneous	6,360	8,750
Advertising	1,370	3,134
Award expenses	1,019	1,814
Sponsorship fees	35,410	27,813
Conference and travel	1,423	626
Security fees	70,375	60,660
Depreciation	948,215	956,735
Depreciation right-to-use assets	7,546	5,266
League and tournament expense	<u>5,322</u>	<u>2,565</u>
Total St. Julien Sports Complex	<u>2,780,374</u>	<u>2,584,659</u>
Arceneaux Park -		
Utilities and communication	11,827	11,334
Materials and supplies	5,293	6,614
Depreciation	2,359	506
Repairs and maintenance	<u>13,745</u>	<u>19,717</u>
Total Arceneaux Park	<u>33,224</u>	<u>38,171</u>
Loss from operations	<u>(2,186,843)</u>	<u>(1,909,697)</u>
Nonoperating revenues (expenses):		
Interest income	21,764	17,110
Interest and fiscal agency fees	(776,950)	(702,065)
Amortization of premium on bond	(24,206)	(22,841)
Debt issuance cost	<u>-</u>	<u>(349,078)</u>
Total nonoperating revenues (expenses)	<u>(779,392)</u>	<u>(1,056,874)</u>
Loss before capital contributions and transfers	<u>(2,966,235)</u>	<u>(2,966,571)</u>
Capital contribution	<u>27,000</u>	<u>31,114</u>
Transfers:		
Transfer from 2011 Recreation Sales Tax Fund	<u>3,140,947</u>	<u>2,655,625</u>
Total transfers	<u>3,140,947</u>	<u>2,655,625</u>
Change in net position	201,712	(279,832)
Net position, beginning	<u>10,642,283</u>	<u>10,922,115</u>
Net position, ending	<u>\$ 10,843,995</u>	<u>\$ 10,642,283</u>

CITY OF BROUSSARD, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
June 30, 2023 and 2022

Records maintained by the City indicated the following number of customers were being serviced during the month of June, 2023 and 2022:

<u>Department</u>	<u>2023</u>	<u>2022</u>
Water	6,096	5,889
Sewer	4,791	4,620
Garbage	5,143	4,997

CITY OF BROUSSARD, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity  
For the Year Ended June 30, 2023

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 6/30/2023
Beginning Balance of Amounts Collected	\$ 15,699	\$ 10,786
Add: Collections -		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	134,063	134,872
Criminal Fines - Contempt	9,872	11,982
Criminal Fines - Other	135,253	136,309
Restitution	581	3,004
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	15,709	16,568
Interest Earnings on Collected Balances	-	-
Other	-	-
Subtotal Collections	<u>295,478</u>	<u>302,735</u>
Less: Disbursements to Governments and Nonprofits -		
Louisiana Commission on Law Enforcement - Criminal Fines	3,844	3,800
Louisiana State Treasurer CMIS - Criminal Fines	3,755	3,817
Acadiana Criminalistics Lab	35,979	35,576
Lafayette Crime Stoppers	3,128	3,185
LA Association of Chiefs of Police	1,251	1,274
15th JDC Indigent Defender Fund	43,805	44,572
Louisiana Traumatic Head and Spinal Cord Injury Trust Fund	3,420	2,985
Louisiana Judicial College Collections	626	637
Department of Treasury, Handicap Parking Fees	-	-
LA Dept of Health & Hospitals THI/SCI - Criminal Fines	-	-
Louisiana Supreme Court - Criminal Fines	-	-
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	188,093	179,668
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Restitution Payments to Individuals	785	2,724
Payments to 3rd Party Collection/Processing Agencies	<u>15,705</u>	<u>16,567</u>
Subtotal Disbursements/Retainage	<u>300,391</u>	<u>294,805</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 10,786</u>	<u>\$ 18,716</u>

**INTERNAL CONTROL, COMPLIANCE  
AND  
OTHER MATTERS**

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Ray Bourque, Mayor  
and Members of the Board of Aldermen  
City of Broussard, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Broussard, Louisiana (the City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 27, 2023.

### Internal Control Over Financial Reporting

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

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

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

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

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

## **Purpose of this Report**

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

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

Lafayette, Louisiana  
December 20, 2023

# KOLDER, SLAVEN & COMPANY, LLC

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

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The Honorable Ray Bourque, Mayor  
and Members of the Board of Aldermen  
City of Broussard, Louisiana

### ***Opinion on Each Major Federal Program***

We have audited the City of Broussard, Louisiana's (City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

**Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose; however, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

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

Lafayette, Louisiana  
December 20, 2023

CITY OF BROUSSARD, LOUISIANA

Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2023

Federal Grantor / Pass-Through Grantor / Program Name	Assistance Listing Number	Pass- Through Grantor's Number	Expenditures
<u>U.S. Department of Treasury</u>			
Direct Program:			
Coronavirus State and Local Fiscal Recovery Funds			
COVID-19 - Coronavirus State and Local Recovery Funds *	21.027	N/A	<u>\$ 4,704,777</u>
Total Expenditures of Federal Awards			<u>\$ 4,704,777</u>

\* Indicates major program

CITY OF BROUSSARD, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2023

Basis of Presentation

(1) General

The accompanying schedule of expenditures of federal awards (schedule) includes the federal award activity of the City of Broussard (City) under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City.

(2) Basis of Accounting

The accompanying schedule of expenditures of federal awards is reported in accordance with accounting principles generally accepted in the United States of America as applied to governmental units, which is described in Note 1 to the City's basic financial statements for the year ended June 30, 2023. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

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

CITY OF BROUSSARD, LOUISIANA

Schedule of Findings and Questioned Cost  
Year Ended June 30, 2023

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City were prepared in accordance with GAAP.
2. Three deficiencies in internal control were disclosed during the audit of the financial statements. These deficiencies were determined to be material weaknesses.
3. No instances of noncompliance that were required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No material weaknesses in internal control over the major federal programs were disclosed during the audit.
5. The auditor's report on compliance for the major federal award program for the City expresses an unmodified opinion on the major federal programs.
6. There are no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The following programs are considered major programs: COVID-19 – Coronavirus State and Local Recovery Funds, Assistance Listing #21.027 and Capitalization Grants Clean Water State Revolving Funds (Clean Water State Revolving Fund Cluster), Assistance Listing #66.458.
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The City did not qualify as a low-risk auditee.

Part II. Findings which are required to be reported in accordance with Generally Accepted Governmental Auditing Standards:

A. Internal Control Findings –

There are no findings to report under this section.

B. Compliance Findings –

There are no findings to report under this section.

Part III. Prior Year Findings

A. Internal Control Findings –

There are no findings to report under this section

B. Compliance Findings –

**CITY OF BROUSSARD**  
Broussard, Louisiana

**Agreed-Upon Procedures Report**

Year Ended June 30, 2023

# KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable Ray Bourque, Mayor  
and Members of the Board of Aldermen  
City of Broussard, Louisiana  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The City of Broussard's (The City) management is responsible for those C/C areas identified in the SAUPs.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

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

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

***Board or Finance Committee***

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

### ***Bank Reconciliations***

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

### ***Collections (excluding electronic fund transfers)***

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

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

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

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

11. Using the City's main operating account and the month selected in "Bank Reconciliations" procedure #3, we randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was:
  - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy.
  - b) Approved by the required number of authorized signers per the entity's policy.

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

---

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

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

---

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

- d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

---

- 16. We obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* We obtained management's representation that the listing is complete. We randomly selected 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - a) We observed that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) We observed that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g., change order), we observed that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
  - d) We randomly selected one payment from the fiscal period for each of the 5 contracts, we obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract.

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

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

### ***Ethics***

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21. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
  - a) We observed that the documentation demonstrates each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
  - b) We observed whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
22. We inquired and/or observed whether the agency has appointed an ethics designee as required by R.S. 42:1170.

### ***Debt Service***

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23. We obtained a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. We selected all debt instruments on the listing, obtained supporting documentation, and observed State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. We obtained a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. We randomly selected one bond/note, inspected debt covenants, obtained supporting documentation for the reserve balance and payments, and agreed actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

### ***Fraud Notice***

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

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

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

### ***Information Technology Disaster Recovery/Business Continuity***

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27. We performed the following procedures, **verbally discussed the results with management, and reported "We performed the procedure and discussed the results with management."**
  - a) We obtained and inspected the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observed evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - b) We obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observed evidence that the test/verification was successfully performed within the past 3 months.

- c) We obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. We randomly selected 5 computers and observed while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
28. We randomly selected 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 and observed evidence that the selected terminated employees have been removed or disabled from the network.

***Prevention of Sexual Harassment***

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29. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, we obtained sexual harassment training documentation from management, and observed the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
30. We observed 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).
31. We obtained the entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements;
  - b) Number of sexual harassment complaints received by the agency;
  - c) Number of complaints which resulted in a finding that sexual harassment occurred;
  - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
  - e) Amount of time it took to resolve each complaint.

**Exceptions:**

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

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

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

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

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

Lafayette, Louisiana  
December 20, 2023