

DOWNTOWN DEVELOPMENT AUTHORITY

Lafayette, Louisiana

Financial Report

Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

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Board of Directors
Downtown Development Authority
Lafayette, Louisiana

Opinions

We have audited the accompanying financial statements of the governmental activities and major fund of Downtown Development Authority, (the Authority) a component unit of Lafayette City-Parish Consolidated Government, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major fund of Downtown Development Authority, as of December 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of a Matter

As discussed in Note 15 to the financial statements, the Authority had a prior year restatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of employer's share of net pension liability (asset), and schedule of employer contributions be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The prior year comparative information on the required supplementary information has been derived from the Authority's 2023 financial statements, which was subjected to certain limited procedures in accordance with auditing standards generally accepted in the United States of America, and we did not express an opinion or provide any assurance on the information because the limited procedures did not provide us with sufficient evidence to express an opinion or provide any assurance.

Management 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 Authority's basic financial statements. The comparative balance sheet and the comparative statement of revenues, expenditures, and changes in fund balance of governmental fund are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the comparative balance sheet and the comparative statement of revenues, expenditures, and changes in fund balance of governmental fund are fairly stated in all material respects in relation to the basic financial statements as a whole. The prior year comparative information on the comparative balance sheet and the comparative statement of revenues, expenditures, and changes in fund balance of governmental fund has been derived from the Authority's 2023 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 25, 2025

BASIC FINANCIAL STATEMENTS

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Statement of Net Position
December 31, 2024

	<u>Governmental Activities</u>
 ASSETS	
Cash and investments held by Lafayette Consolidated Government	\$ 729,998
Taxes receivable	116,642
Due from other governmental agencies	523,142
Capital assets:	
Depreciable, net	<u>62,197</u>
Total assets	<u>\$ 1,431,979</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	<u>134,411</u>
 LIABILITIES	
Current liabilities	
Accounts payable	\$ 39,831
Accrued liabilities	<u>6,602</u>
Total current liabilities	46,433
Long-term liabilities:	
Long-term liabilities due or payable within one year	29,055
Net pension liability	<u>117,999</u>
Total liabilities	<u>193,487</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	<u>45,736</u>
 NET POSITION	
Net investment in capital assets	62,197
Unrestricted	<u>1,264,970</u>
Total net position	<u>\$ 1,327,167</u>

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Statement of Activities
For the Year Ended December 31, 2024

Activities	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position
			Governmental Activities
Governmental activities:			
Economic development	\$ 700,958	\$ -	\$ (700,958)
General revenues:			
Property taxes			615,614
Non employer pension contributions			6,197
Interest and investment earnings			42,630
Miscellaneous income			<u>23,625</u>
Total general revenues			<u>688,066</u>
Change in net position			(12,892)
Net position - January 1, 2024 as restated			<u>1,340,059</u>
Net position - December 31, 2024			<u>\$ 1,327,167</u>

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

FUND FINANCIAL STATEMENTS (FFS)

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Balance Sheet - Governmental Fund
December 31, 2024

	<u>General Fund</u>
ASSETS	
Cash and investments held by Lafayette Consolidated Government	\$ 729,998
Taxes receivable	116,642
Due from other governmental agencies	<u>523,142</u>
 Total assets	 <u>\$ 1,369,782</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	
Liabilities	
Accounts payable	\$ 39,831
Accrued liabilities	<u>6,602</u>
Total liabilities	46,433
 Deferred inflows of resources:	
Property taxes	639,784
 Fund balances:	
Unassigned	<u>683,565</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 1,369,782</u>

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Reconciliation of the Governmental Fund Balance Sheet
to the Statement of Net Position
December 31, 2024

Total fund balance for the governmental fund at December 31, 2024	\$ 683,565
Total net position reported for the 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:	
Building improvements, equipment, furniture, and fixtures, net of \$83,006 accumulated depreciation.	62,197
The deferred outflows of expenditures for the pension plan are not a use of current resources, and therefore, are not reported in the funds.	134,411
All of the Authority's taxes will be collected after year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the fund.	639,784
Long-term liabilities applicable to the Authority's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.	
Long-term liabilities at December 31, 2024 consist of:	
Compensated absences	\$ (29,055)
Net pension liability	<u>(117,999)</u> (147,054)
The deferred inflows of contributions for the pension plan are not available resources, and therefore, are not reported in the funds.	<u>(45,736)</u>
Total net position of governmental activities at December 31, 2024	<u>\$ 1,327,167</u>

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
Year Ended December 31, 2024

	<u>General Fund</u>
Revenues:	
Ad valorem taxes	\$ 615,740
Interest income	40,339
Investment pool earnings	2,291
Miscellaneous income - Downtown Lafayette Unlimited	<u>23,625</u>
Total revenues	<u>681,995</u>
Expenditures:	
Economic development	<u>608,007</u>
Net change in fund balance	73,988
Fund balance, beginning	<u>609,577</u>
Fund balance, ending	<u><u>\$ 683,565</u></u>

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of Governmental Fund
to the Statement of Activities
For the Year Ended December 31, 2024

Total net change in fund balance for the year ended December 31, 2024 per statement of revenues, expenditures and changes in fund balance			\$ 73,988
The change in net position reported for governmental activities in the statement of activities is different because:			
The governmental fund reports 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.			
Depreciation expense for the year ended December 31, 2024		(22,270)	
Some revenues are not considered measurable at year end; therefore, they are not considered "available" revenues in the governmental fund.			
Property taxes		(126)	
Non employer pension contributions		<u>6,197</u>	6,071
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental fund.			
Excess of compensated absences used over absences earned		(2,750)	
Pension expense		<u>(67,931)</u>	<u>(70,681)</u>
Total change in net position for the year ended December 31, 2024 per statement of activities			<u>\$ (12,892)</u>

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of Downtown Development Authority (Authority) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

Downtown Development Authority is a component unit of Lafayette City-Parish Consolidated Government (Government). The Authority was created by the Louisiana Legislature to implement various plans to aid and encourage both private and public development of the Lafayette Centre Development District. Intergovernmental funding is provided by the Government as per an ordinance adopted on May 5, 1987 which dedicated a portion of the loan repayment proceeds pertaining to an Urban Development Action Grant collected by the Government to the Authority. The Authority also receives ad valorem taxes originally approved by the voters of the District in 1993 and renewed for a period of 15 years in 2022.

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 the fund of the reporting entity, which is considered to be a governmental activity.

The statement of activities presents both the gross and net cost of each for each function of the Authority's governmental activities. The functions are also supported by general government revenues (property taxes, certain intergovernmental revenues, etc.). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants while those included in the capital grants column would reflect capital-specific grants.

Fund Financial Statements (FFS)

The accounts of the Authority 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.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The fund of the Authority is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. The Authority has only one fund, its General Fund. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

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

The major fund of the Authority is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781 is the principal fund of the Authority and is used to account for the operations of the Authority. General operating expenditures are paid from this fund.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net position and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net position. In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Basis of Accounting

In the government-wide statement of net position and statement of activities, the governmental 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. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. Nonexchange transactions, in which the Authority gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants and donations. On a modified accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. The Authority considers property taxes as “available” in the year following the assessment when the majority of the taxes are collected. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Authority reports deferred inflows of resources on its governmental fund balance sheet. For governmental fund financial statements, deferred inflows arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred inflows also arise when resources are received before the Authority has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Authority has a legal claim to the resources, the deferred inflow is removed from the balance sheet and revenue is recognized.

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

Cash and investments held by Lafayette Consolidated Government

For purposes of the statement of net position, cash includes all demand deposits and on hand.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Under State law, the Authority 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 Louisiana Asset Management Pool (LAMP). In accordance with professional standards, investments meeting the criteria specified in the standards are stated at fair value, which is either a quoted market price or the best estimate available. Investments which do not meet the requirements are stated at cost. These investments include overnight repurchase agreements and amounts invested in LAMP. The Authority participates in Lafayette Consolidated Government's internal investment pool. Note 2 identifies the underlying investments in the pool.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not received.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Authority maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation 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:

Building improvements	5 years
Equipment, furniture and fixtures	5-10 years

Employee Benefit Policy

Employees of the Authority earn vacation pay in varying amounts ranging from 8 hours per month to 16 hours per month, depending upon length of service. At the end of each year, annual leave may be carried forward provided the amount carried forward does not exceed an employee's annual earning rate at the time. Unused annual leave (in excess of what can be carried forward) is credited to the employee's sick leave balance. Subject to the above limitation, unused vacation is paid to an employee upon retirement or resignation at hourly rates being earned at separation.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Sick leave is accumulated at the rate of 12 days per year, and any unused sick leave may be carried forward without limitation. No sick leave is paid upon resignation. Employees separated due to retirement or deaths are paid for all accumulated sick leave at the hourly rates being earned by that employee at separation.

In the government-wide financial statements, the Authority accrues accumulated unpaid vacation and sick leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. Compensated absences is liquidated by the General Fund.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. As of December 31, 2024, the Authority's deferred outflows of resources and inflows of resources are attributable to property taxes assessed in the current period, but not available until the following year, 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 – This component consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Authority's debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position – This component consists of all other net position that does not meet the definition of the above two components and is available for general use by the Authority.

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

In the fund financial statements, governmental fund equity is classified as fund balance. As such, fund balance of the governmental fund is 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 Board, which is the highest level of decision-making authority for the Authority. Commitments may be established, modified, or rescinded only through resolutions approved by the Board.
- 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. Under the Authority’s adopted policy, only the Board may assign amounts for specific purposes.
- e. Unassigned – all other spendable amounts.

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

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources 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 Investments held by Lafayette Consolidated Government

The Authority’s cash and investments are included in Lafayette City-Parish Consolidated Government’s (the Government’s) Cash Management Fund, which is pooled with the Government’s other investments. Interest earned from the pooled cash management fund is apportioned to each fund based on its average daily cash balance. As of December 31, 2024, all of the Authority’s cash and investments were being held in this pool. The pooled cash management fund of \$729,998 consists of cash in the amount of \$150,182 and investments of \$579,816. For the year ended December 31, 2024, the Authority’s portion of unrealized gains in the investment pool was \$2,292.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

A listing of the Authority's investments as of December 31, 2024 follows:

Investment pool managed by Lafayette Consolidated Government (maturity of less than one year)	<u>\$ 729,998</u>
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The Lafayette Consolidated Government participates in 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 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 following provides information that is relevant to LAMP:

Credit risk: LAMP is rated AAA by Standard & Poor's.

Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.

Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosures 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 or 762 days for U.S. Government variable rate investments. The WAM for LAMP's total investments is 68 days as of December 31, 2024.

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

As a component unit of Lafayette City-Parish Consolidated Government (the Government), the Authority follows the Cash Management Rules and Guidelines of the Government. Following are the risks associated with the rules and guidelines:

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Interest Rate Risk: The state law does not address specific policies for managing interest rate risk. The investment policy limits the investment portfolio to "money market instruments, which are defined as very creditworthy, highly liquid investments with maturities of one year or less. Although there may be certain circumstances in which longer-term securities are utilized, the general use of long-term securities shall be avoided. The following provides information about interest rate risk associated with the underlying investments within the investment pool:

Investment Type	% of Portfolio	Maturities of Underlying Investments		
		Fair Value	Less Than One Year	One - Five Years
U.S. Treasuries	73%	\$ 423,266	\$ 279,028	\$ 144,238
U.S. Instrumentalities	26%	150,752	104,775	45,977
State Investment Pool - (LAMP)	1%	5,798	5,798	-
Total	100%	\$ 579,816	\$ 389,601	\$ 190,215

Credit Rate Risk: The risks are managed by restricting investments to those authorized by R.S. 33:5162. The investment policy limits investments to fully insured and/or fully-collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies. The Government's investments in U.S. Treasuries and U.S. Instrumentalities were rated AA+ by Standard.

Concentration of credit risk: R.S. 33:2955 provides that all fixed income investments be appropriately diversified by maturity, security, sector, and credit quality. As of December 31, 2024, no more than 5 percent of the pool's investments were invested in any single issue.

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied and billed to the taxpayers by the Lafayette Consolidated Government in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Lafayette Parish Tax Assessor and are collected by the Lafayette Parish Sheriff.

For the year ended December 31, 2024, taxes were levied at the rate of 15.17 mills on property with assessed valuations totaling \$66,753,413.

Total taxes levied, exclusive of homestead exemptions, were \$639,784 for 2024. Taxes receivable at December 31, 2024 were \$116,642.

(4) Due from Other Governmental Agencies

The balance in due from other governmental agencies consisted of \$523,142 due from Lafayette Parish Sheriff as of December 31, 2024.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(5) Capital Assets

Capital asset balances and activity for the year ended December 31, 2024 are as follows:

	Balance <u>1/1/2024</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>12/31/2024</u>
Land and building improvements	\$ 14,425	\$ -	\$ -	\$ 14,425
Equipment, furniture and fixtures	<u>133,758</u>	<u>-</u>	<u>2,980</u>	<u>130,778</u>
Total	148,183	-	2,980	145,203
Less: Accumulated depreciation	<u>63,716</u>	<u>22,270</u>	<u>2,980</u>	<u>83,006</u>
Net capital assets	<u>\$ 84,467</u>	<u>\$ (22,270)</u>	<u>\$ -</u>	<u>\$ 62,197</u>

Depreciation expense in the amount of \$22,270 was charged to economic development.

(6) Long-term Liabilities

During the year ended December 31, 2024, the following changes occurred in the amount reported as long-term liabilities.

	Balance <u>1/1/2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance <u>12/31/2024</u>	Due Within <u>One Year</u>
Compensated absences *	<u>\$ 26,305</u>	<u>\$ 21,610</u>	<u>\$ 18,860</u>	<u>\$ 29,055</u>	<u>\$ 29,055</u>

* restated

(7) Short-Term Lease

The Authority rents office space from the Lafayette City-Parish Consolidated Government on a month-to month basis. Short-term lease payments of \$4,305 are included in outflows of resources on the statement of activities for the year ended December 31, 2024.

(8) Employee Retirement System

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Plan Descriptions:

Parochial Employees' Retirement System (PERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1901 and 11:1941. The Authority participates in Plan A.

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

The systems' financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned. Ad valorem taxes and revenue sharing monies are recognized in the year collected by the tax collector.

A brief summary of eligibility and benefits of the plan is provided in the following table:

	<u>PERS</u>	<u>MERS</u>
Final average salary	Final average compensation	Highest 60 months
Years of service required and/or age eligible for benefits	30 years of any age 25 years age 55 ¹ 10 years age 60 ¹ 7 years age 65 ¹	25 years of any age 10 years age 60 ² 20 years any age ²
Benefit percent per years of service	3.00%	3.00%

¹ Employees hired after January 1, 2007: 30 years age 55, 10 years age 62, 7 years age 67

² With actuarial reduced benefits

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In addition, PERS and MERS receive a percentage of ad valorem taxes collected by parishes. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Contributions of employees, employers, and non-employer contributing entities effective for the year ended December 31, 2024 for the defined benefit pension plans in which the primary government is a participating employer were as follows:

<u>Plan</u>	<u>Active Member Contribution Percentage</u>	<u>Employer Contribution Percentage</u>	<u>Amount from Nonemployer Contributing Entities</u>	<u>Amount of Government Contributions</u>
PERS	9.50%	11.50%	\$ 3,841	\$ 32,920
MERS	10.00%	28.00%	2,356	-
Total			<u>\$ 6,197</u>	<u>\$ 32,920</u>

Net Pension Liability

The Authority's net pension liability at December 31, 2024 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the Authority is a participating employer. The Authority's net pension liability for each plan was measured as of the plan's measurement date (December 31, 2023 for PERS and June 30, 2024 for MERS) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportionate share of the net pension liability for each of the plans in which it participates was based on the Authority's required contributions in proportion to total required contributions for all employers.

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

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
PERS	\$ 36,985	0.042816%	0.002716%
MERS	<u>81,014</u>	0.028790%	0.028790%
Total	<u>\$ 117,999</u>		

Since the measurement date of the net pension liability was December 31, 2023 (June 30, 2024 for MERS), the net pension liability is based upon fiduciary net position for each plan as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the Authority's net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

PERS - <http://www.persla.org/>
MERS - <http://www.mersla.com/>

Actuarial Assumptions

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

	PERS	MERS
Date of experience study on which significant assumptions are based	1/1/2018 - 12/31/2022	7/1/2018 - 6/30/2023
Expected remaining service lives	4	3
Inflation Rate	2.30%	2.50%
Projected salary increases	4.75%	4.4% - 9.0%
Projected benefit changes including COLAs	None	None
Source of mortality assumptions	(1)	(2), (3), (4)

(1) Pub-2010 Public Retirement Plans Mortality Table for Healthy and General Disabled Retiree and General Employees

(2) PubG-2010 (B) Healthy Retiree Table

(3) PubG-2010 (B) Employee Table

(4) PubNS-2010 (B) Disabled Retiree Table

Cost of Living Adjustments

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

Discount Rate

The discount rates used to measure the Authority's total pension liability for each plan and the significant assumptions used in the determination of the discount rate for each plan are as follows:

	PERS	MERS
Discount rate	6.40%	6.85%
Change in discount rate from prior valuation	0.00%	0.00%
Plan cash flow assumptions	(1)	(1)
Rates incorporated in the		
Discount Rate:		
Long-term Rate of Return	6.40%	6.85%
Periods applied	All	All
Municipal Bond Rate	N/A	N/A

Plan Cash Flow Assumptions:

- 1) Plan member contributions will be made at the current contributions rates and sponsor contributions will be made at the actuarially determined rates.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

The discount rate used to measure the Authority's total pension liability for the pension plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. For PERS, the rate was determined using a triangulation method which integrated the Capital Asset Pricing Model (CAPM), a treasury yield curve approach and an equity building block model. For MERS, 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.

Risk return and correlation are projected on a forward looking basis in equilibrium, in which best-estimates of expected future real rates of return are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

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

Asset Class	PERS		MERS	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	33%	1.12%	29%	1.26%
Equities	51%	3.20%	56%	2.44%
Alternative Investments	14%	0.67%	15%	0.65%
Real Assets	2%	0.11%	-	-
Total	100%	5.10%	100%	4.35%
Inflation		2.40%		2.50%
Expected Return		7.50%		6.85%

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 December 31, 2024, the Authority recognized the following in pension expense related to all defined benefit plans in which it participates. The pension expense is summarized by plan in the following table:

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

<u>Plan</u>	<u>Pension Expense</u>
PERS	\$ 13,441
MERS	<u>110,690</u>
Total	<u>\$ 124,131</u>

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

	<u>Deferred Outflows of Resources</u>		
	<u>PERS</u>	<u>MERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 59,607	\$ 1,091	\$ 60,698
Net difference between projected and actual earnings on pension plan investments	17,514	-	17,514
Employer contributions subsequent to the measurement date	<u>17,837</u>	<u>38,362</u>	<u>56,199</u>
Total	<u>\$ 94,958</u>	<u>\$ 39,453</u>	<u>\$ 134,411</u>

	<u>Deferred Inflows of Resources</u>		
	<u>PERS</u>	<u>MERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 9,928	\$ 2,682	\$ 12,610
Changes in assumptions	6,444	478	6,922
Change in proportion and differences between employer contributions and proportionate share of contributions	<u>953</u>	<u>25,251</u>	<u>26,204</u>
Total	<u>\$ 17,325</u>	<u>\$ 28,411</u>	<u>\$ 45,736</u>

Deferred outflows of resources of \$56,199 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the subsequent year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

Year Ended December 31	PERS	MERS	Total
2025	\$ 4,372	\$ (14,868)	\$ (10,496)
2026	29,356	(3,309)	26,047
2027	50,296	(7,132)	43,164
2028	(24,228)	(2,011)	(26,239)
	<u>\$ 59,796</u>	<u>\$ (27,320)</u>	<u>\$ 32,476</u>

Sensitivity of the Authority's Proportional Share of the Net Pension Liability to Changes in the Discount Rate:

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

Plan	Current Discount Rate	1% Decrease	Current Discount Rate	1% Increase
PERS	6.40%	\$ 263,895	\$ 36,985	\$ (153,483)
MERS	6.85%	121,995	81,014	46,419
Total		<u>\$ 263,895</u>	<u>\$117,999</u>	<u>\$ (107,064)</u>

Payables to Pension Plan

At December 31, 2024, the Authority had no outstanding payables to PERS and MERS.

(9) Related Party Transactions

The Authority received \$23,625 from Downtown Lafayette Unlimited (DLU) for bookkeeping services. Miscellaneous income from DLU is included general revenues on the statement of activities for the year ended December 31, 2024. The Authority's agency head also serves as Chief Executive Officer of DLU through a cooperative endeavor agreement between the two parties.

(10) Risk Management

The Authority is exposed to risks of loss in the areas of auto and property liability and surety bonds. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

(11) Compensation, Benefits, and Other Payments to Agency Head and Board Members

A schedule of compensation, benefits, and other payments to agency head, Anita Begnaud, for the period January 1, 2024 through January 23, 2024 and Kevin Blanchard for the period February 1, 2024 through December 31, 2024 follows:

	Anita Begnaud	Kevin Blanchard
Salary	\$ 11,113	\$ 140,283
Benefits - insurance, retirement, Medicare, etc.	4,384	48,017
Vehicle subsidy leases	503	6,428
Transportation	90	-
Per diem	138	310
Dues and licenses	500	725
Travel, includes hotel, airfare, parking, rentals and mileage	464	1,468
Registration fees	325	1,468
Telecommunications	-	375
Special meals	102	2,090
	<u>\$ 17,619</u>	<u>\$ 201,164</u>

No compensation was paid to Authority board members during the year ended 2024.

(12) Litigation

As of December 31, 2024, the Authority is not involved in any litigation.

(13) Fair Value Measurements

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

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Basic Financial Statements (Continued)

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

- a. The carrying amount reported in the statement of net position for the following approximates fair value due to the short maturities of these instruments: cash on hand, taxes receivable, due from other governmental agencies, and accounts payable.
- b. The fair value for the investment pool is based on the underlying investments' quoted market prices at the reporting date multiplied by the quantity held. The carrying value equals fair value.

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2024:

Description	Total	Level 1	Level 2	Level 3
Investment pool managed by Lafayette Consolidated Government	\$ 729,998	\$ -	\$ 729,998	\$ -

(14) Tax Abatement

The Authority is subject to tax abatements granted by the Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate an existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment date. As a result of these agreements, the Authority's ad valorem revenues were reduced by the historic preservation tax abatement program by \$6,425.

(15) Accounting Changes/ Prior Year Restatement

The Authority implemented Governmental Accounting Standards Board (GASB) Statement No.101, *Compensated Absences*. GASB Statement No. 101 requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means.

The implementation of GASB statement No. 101 resulted in a statement of previously reported net position as follows:

	<u>Governmental Activities</u>
January 1, 2024 net position, as previously reported	\$ 1,352,159
Net effect of accounting changes/ prior year restatement	(12,100)
January 1, 2024 net position, as restated	<u>\$ 1,340,059</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Budgetary Comparison Schedule
General Fund
Year Ended December 31, 2024
With Comparative Actual Amounts for Year Ended December 31, 2023

	2024				
	Budget			Variance -	2023
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Ad valorem taxes	\$ 639,910	\$ 639,910	\$ 615,740	\$ (24,170)	\$484,224
Interest income	12,000	12,000	40,339	28,339	26,763
Investment pool earnings (losses)	-	-	2,291	2,291	4,290
Miscellaneous income-					
Downtown Lafayette Unlimited	27,000	27,000	23,625	(3,375)	46,086
Other	11,000	11,000	-	(11,000)	-
Total revenues	<u>689,910</u>	<u>689,910</u>	<u>681,995</u>	<u>(7,915)</u>	<u>561,363</u>
Expenditures:					
Economic development-					
Operations-					
Personnel costs	389,905	389,905	387,669	2,236	352,983
Supplies and materials	2,400	2,400	896	1,504	3,795
Travel and meetings	37,500	37,500	27,966	9,534	25,046
Telecommunication	5,280	5,280	3,329	1,951	3,912
Printing and publications	1,100	1,100	-	1,100	190
Duplication equipment expense	2,000	2,000	747	1,253	1,183
Other insurance premiums	11,000	11,000	-	11,000	4,881
Rent	4,305	4,305	4,305	-	4,305
Supplemental services	215,000	215,000	111,010	103,990	54,707
Contractual services	25,000	25,000	38,313	(13,313)	9,100
Other	2,630	2,630	9,262	(6,632)	5,619
Total operations	<u>696,120</u>	<u>696,120</u>	<u>583,497</u>	<u>112,623</u>	<u>465,721</u>
Capital project development	216,667	216,667	24,510	192,157	42,400
Restricted operating capital	103,814	103,814	-	103,814	-
Total economic development	<u>1,016,601</u>	<u>1,016,601</u>	<u>608,007</u>	<u>408,594</u>	<u>508,121</u>
Total expenditures	<u>1,016,601</u>	<u>1,016,601</u>	<u>608,007</u>	<u>408,594</u>	<u>508,121</u>
Excess (deficiency) of revenues over expenditures	(326,691)	(326,691)	73,988	400,679	53,242
Fund balance, beginning	<u>609,577</u>	<u>609,577</u>	<u>609,577</u>	<u>-</u>	<u>556,335</u>
Fund balance, ending	<u>\$ 282,886</u>	<u>\$ 282,886</u>	<u>\$ 683,565</u>	<u>\$ 400,679</u>	<u>\$609,577</u>

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Schedule of Employer's Share of Net Pension Liability (Asset)
For the Year Ended December 31, 2024

Plan/ Fiscal Year	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
PERS					
12/31/2023	0.042816%	\$ 36,985	\$ 289,950	12.8%	98.03%
12/31/2022	0.040100%	154,335	263,992	58.5%	91.74%
12/31/2021	0.042816%	(189,543)	283,127	-66.9%	110.46%
12/31/2020	0.043089%	(75,553)	283,325	-26.7%	104.00%
12/31/2019	0.033602%	1,582	214,788	0.7%	99.89%
12/31/2018	0.031022%	137,689	191,912	71.7%	88.86%
12/31/2017	0.026970%	(20,018)	180,371	-11.1%	101.98%
12/31/2016	0.042816%	88,182	241,166	36.6%	94.15%
12/31/2015	0.042439%	111,713	243,006	46.0%	92.23%
12/31/2014	0.041701%	11,401	240,694	4.7%	99.15%
MERS					
6/30/2024	0.028790%	\$ 81,014	\$ 58,850	137.7%	79.05%

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Schedule of Employer Contributions
For the Year Ended December 31, 2024

<u>Plan</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
PERS					
2024	\$ 17,838	\$ 17,838	\$ -	\$ 155,113	11.50%
2023	33,344	33,344	-	289,950	11.50%
2022	30,359	30,359	-	263,992	11.50%
2021	34,683	34,683	-	283,127	12.25%
2020	34,707	34,707	-	283,325	12.25%
2019	24,701	24,701	-	214,788	11.50%
2018	22,070	22,070	-	191,912	11.50%
2017	22,546	22,546	-	180,371	12.50%
2016	31,352	31,352	-	241,166	13.00%
2015	35,236	35,236	-	243,006	14.50%
MERS					
2024	\$ 38,390	\$ 38,390	\$ -	\$ 133,855	28.68%

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

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

The Downtown Development Authority follows these procedures in establishing the budgetary data reflected in the financial statements:

1. An annual budget, prepared on a basis consistent with generally accepted accounting principles as applied to governmental units, is adopted for the General Fund. The budget is proposed by the Executive Director and adopted by the Board. It is then sent to Lafayette City-Parish Consolidated Government Council for approval.
2. Any amendments must be approved by the Board and Lafayette City-Parish Consolidated Government Council. All appropriations lapse at the end of the fiscal year unless carried by Board action.

All budgeted amounts presented reflect the original budget and the final amended budget (which has been adjusted for legally authorized revisions during the year).

(2) Pension Plan

Changes of Assumptions – 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 are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rate of retirement, rate of termination, rate of disability, and various other factors that have an impact on the cost of the plan.

SUPPLEMENTARY INFORMATION

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Comparative Balance Sheet - Governmental Fund
December 31, 2024 and 2023

	General Fund	
	2024	2023
ASSETS		
Cash and investments held by Lafayette Consolidated Government	\$ 729,998	\$ 609,577
Taxes receivable	116,642	115,475
Due from other governmental agencies	<u>523,142</u>	<u>524,435</u>
Total assets	<u>\$ 1,369,782</u>	<u>\$ 1,249,487</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 39,831	\$ -
Accrued salaries and benefits	<u>6,602</u>	<u>-</u>
Total liabilities	<u>46,433</u>	<u>-</u>
Deferred inflows of resources:		
Property taxes	<u>639,784</u>	<u>639,910</u>
Fund balances:		
Committed for subsequent year's expenditures	-	326,691
Unassigned	<u>683,565</u>	<u>282,886</u>
Total fund balances	<u>683,565</u>	<u>609,577</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,369,782</u>	<u>\$ 1,249,487</u>

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Fund
Years Ended December 31, 2024 and 2023

	General Fund	
	2024	2023
Revenues:		
Ad valorem taxes	\$ 615,740	\$ 484,224
Interest income	40,339	26,763
Investment pool earnings (losses)	2,291	4,290
Miscellaneous income- Downtown Lafayette Unlimited	<u>23,625</u>	<u>46,086</u>
Total revenues	<u>681,995</u>	<u>561,363</u>
Expenditures:		
Economic development-		
Operations	583,497	465,721
Capital project development	<u>24,510</u>	<u>42,400</u>
Total economic development	<u>608,007</u>	<u>508,121</u>
Excess of revenues over expenditures	73,988	53,242
Fund balance, beginning	<u>609,577</u>	<u>556,335</u>
Fund balance, ending	<u><u>\$ 683,565</u></u>	<u><u>\$ 609,577</u></u>

**INTERNAL CONTROL
AND
COMPLIANCE**

KOLDER, SLAVEN & COMPANY, LLC

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

To the Downtown Development Authority
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Downtown Development Authority (the Authority), a component unit of the Lafayette City-Parish Consolidated Government, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated June 25, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 25, 2025

DOWNTOWN DEVELOPMENT AUTHORITY
Lafayette, Louisiana

Summary Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan

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

A. Compliance Findings-

There are no findings reported under this section.

B. Internal Control Findings-

There are no findings reported under this section.

Part II. Prior Year Findings

A. Compliance Findings-

There are no findings reported under this section.

B. Internal Control Findings-

There are no findings reported under this section.