

CITY OF CARENCRO, LOUISIANA

Financial Report

Year Ended November 30, 2019

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KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

183 S. Beadle Rd. 11929 Bricksome Ave.
Lafayette, LA 70508 Baton Rouge, LA 70816
Phone (337) 232-4141 Phone (225) 293-8300

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

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

434 E. Main St. 332 W. Sixth Ave.
Ville Platte, LA 70586 Oberlin, LA 70655
Phone (337) 363-2792 Phone (337) 639-4737

INDEPENDENT AUDITOR'S REPORT

* A Professional Accounting Corporation

WWW.KSRCPAS.COM

The Honorable Glenn Brasseaux, Mayor,
and Members of the Board of Aldermen
City of Carencro, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carencro, Louisiana, as of and for the year ended November 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City's primary government as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Discretely Presented Component Unit

The financial statements referred to above do not include financial data for the City's legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for component units to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City 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 position, revenues, and expenses of the discretely presented component unit would have been reported as \$5,822,922, \$12,793, \$5,810,130, \$1,817,332, and \$1,868,671, respectively.

Adverse Opinion on Discretely Presented Component Unit

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Discretely Presented Component Unit" paragraph, the financial statements referred to above do not present fairly the financial position of the discretely presented component unit of the City of Carencro, Louisiana, as of November 30, 2019, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carencro, Louisiana, as of November 30, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of net pension liability, and schedule of employer contributions on pages 51 through 58 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 the 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 Carencro 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Carencro, Louisiana's basic financial statements. The other supplementary information on pages 60 through 90 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for the 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.

The combining and comparative statements, comparative department analysis of revenues and expenses for the Utility Fund, and the schedule of expenditures of federal awards 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. 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 and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and comparative statements, comparative department analysis of revenues and expenses for the Utility Fund, and the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the primary government basic financial statements as a whole. The prior year comparative amounts on this information was derived from the City of Carencro's 2018 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, were fairly presented in all material respects in relation to the basic financial statements from which they were derived.

The various other informational schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2020, on our consideration of the City of Carencro'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 of Carencro's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 17, 2020

BASIC FINANCIAL STATEMENTS

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

CITY OF CARENCRO, LOUISIANA

Statement of Net Position
November 30, 2019

ASSETS	Governmental Activities	Business-Type Activities	Total
Current assets:			
Cash and interest-bearing deposits	\$ 12,750,154	\$ 329,574	\$ 13,079,728
Investments	193,721	511,533	705,254
Receivables, net	866,709	647,435	1,514,144
Internal balances	(1,772)	1,772	-
Due from other governmental agencies	1,086,678	-	1,086,678
Prepaid items	35,931	17,341	53,272
Total current assets	<u>14,931,421</u>	<u>1,507,655</u>	<u>16,439,076</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	-	915,077	915,077
Investments	-	46,668	46,668
Capital assets -			
Land and construction in progress	6,326,017	11,233,715	17,559,732
Other capital assets, net	14,822,083	13,856,653	28,678,736
Total noncurrent assets	<u>21,148,100</u>	<u>26,052,113</u>	<u>47,200,213</u>
Total assets	<u>36,079,521</u>	<u>27,559,768</u>	<u>63,639,289</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	<u>1,430,112</u>	<u>172,910</u>	<u>1,603,022</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	1,083,936	551,943	1,635,879
Due to other governmental agencies	186,881	-	186,881
Customers deposits payable	-	463,525	463,525
Capital lease payable	83,426	45,531	128,957
Bonds and certificates of indebtedness payable	1,275,000	259,000	1,534,000
Accrued interest	101,687	40,642	142,329
Total current liabilities	<u>2,730,930</u>	<u>1,360,641</u>	<u>4,091,571</u>
Noncurrent liabilities:			
Compensated absences payable	177,699	62,885	240,584
Net pension liability	3,867,019	763,854	4,630,873
Capital lease payable	87,437	211,584	299,021
DHH water loan payable	-	3,812,205	3,812,205
Bonds and certificates of indebtedness payable	11,085,000	2,049,000	13,134,000
Total noncurrent liabilities	<u>15,217,155</u>	<u>6,899,528</u>	<u>22,116,683</u>
Total liabilities	<u>17,948,085</u>	<u>8,260,169</u>	<u>26,208,254</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	<u>242,070</u>	<u>41,990</u>	<u>284,060</u>
NET POSITION			
Net investment in capital assets	8,617,237	18,713,048	27,330,285
Restricted for debt service	1,132,140	457,578	1,589,718
Restricted for sales tax dedications	6,298,390	-	6,298,390
Unrestricted	3,271,711	259,893	3,531,604
Total net position	<u>\$ 19,319,478</u>	<u>\$ 19,430,519</u>	<u>\$ 38,749,997</u>

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

CITY OF CARENCRO, LOUISIANA

Statement of Activities
For the Year Ended November 30, 2019

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		Total
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental activities:							
General government	\$ 1,506,665	\$ 626,426	\$ -	\$ -	\$ (880,239)	\$ -	\$ (880,239)
Public safety -							
Police	3,273,768	441,184	383,680	115,773	(2,333,131)	-	(2,333,131)
Fire	1,065,566	-	127,341	-	(938,225)	-	(938,225)
City Court	194,950	-	-	-	(194,950)	-	(194,950)
Streets	1,236,274	-	20,715	2,601,180	1,385,621	-	1,385,621
Culture and recreation	1,047,291	37,220	345,100	2,050	(662,921)	-	(662,921)
Interest on long-term debt	303,287	-	-	-	(303,287)	-	(303,287)
Total governmental activities	<u>8,627,801</u>	<u>1,104,830</u>	<u>876,836</u>	<u>2,719,003</u>	<u>(3,927,132)</u>	<u>-</u>	<u>(3,927,132)</u>
Business-type activities:							
Gas	670,521	674,145	-	-	-	3,624	3,624
Water	1,512,956	1,504,522	-	34,712	-	26,278	26,278
Sewer	1,235,287	1,375,421	-	-	-	140,134	140,134
Sanitation	666,228	654,257	-	-	-	(11,971)	(11,971)
Total business-type activities	<u>4,084,992</u>	<u>4,208,345</u>	<u>-</u>	<u>34,712</u>	<u>-</u>	<u>158,065</u>	<u>158,065</u>
Total	<u>\$12,712,793</u>	<u>\$ 5,313,175</u>	<u>\$ 876,836</u>	<u>\$2,753,715</u>	<u>(3,927,132)</u>	<u>158,065</u>	<u>(3,769,067)</u>
General revenues:							
Taxes -							
Property taxes, levied for general purposes					314,135	-	314,135
Sales and use taxes, levied for general purposes					10,061,710	-	10,061,710
Franchise taxes					485,338	-	485,338
Grants and contributions not restricted to specific programs -							
State sources					17,258	-	17,258
Non-employer contributions					103,161	23,021	126,182
Interest and investment earnings					197,321	43,224	240,545
Miscellaneous					8,904	-	8,904
Net transfers					(2,252,654)	2,252,654	-
Total general revenues and transfers					<u>8,935,173</u>	<u>2,318,899</u>	<u>11,254,072</u>
Change in net position					5,008,041	2,476,964	7,485,005
Net position - December 1, 2018					<u>14,311,437</u>	<u>16,953,555</u>	<u>31,264,992</u>
Net position - November 30, 2019					<u>\$ 19,319,478</u>	<u>\$ 19,430,519</u>	<u>\$38,749,997</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

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

Special Revenue Funds

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

1967 Sales Tax Fund -

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

1993 Sales Tax Fund -

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

Taxing Increment Financing (TIF) District Sales Tax Fund -

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

2016 Sales Tax Fund

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

Capital Projects Fund

Capital Projects Fund -

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

Enterprise Fund

Utility Fund -

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

CITY OF CARENCRO, LOUISIANA

Balance Sheet
Governmental Funds
November 30, 2019

	General	1967 Sales Tax Special Revenue	1993 Sales Tax Special Revenue	TIF District Sales Tax Special Revenue	2016 Sales Tax Special Revenue	Capital Projects Fund	Other Governmental Funds	Total
ASSETS								
Cash	\$ 116,684	\$135,872	\$ -	\$ -	\$ -	\$ 402,879	\$ 23,976	\$ 679,411
Interest-bearing deposits	376,752	20,978	69,989	1,439,045	4,037,239	4,883,125	1,243,615	12,070,743
Investments	-	193,694	-	-	-	-	27	193,721
Receivables:								
Taxes	14,275	231,856	231,856	156,020	230,887	-	506	865,400
Due from other funds	200,000	-	-	3,169	-	5,870	8,600	217,639
Due from government agencies	192,606	-	-	-	-	546,711	347,361	1,086,678
Accrued interest	-	1,309	-	-	-	-	-	1,309
Other	-	-	-	-	-	-	-	-
Prepaid items	35,931	-	-	-	-	-	-	35,931
Total assets	<u>\$ 936,248</u>	<u>\$583,709</u>	<u>\$301,845</u>	<u>\$1,598,234</u>	<u>\$4,268,126</u>	<u>\$ 5,838,585</u>	<u>\$1,624,085</u>	<u>\$15,150,832</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 109,941	\$ 640	\$ 640	\$ 873	\$ 640	\$ -	\$ 1,223	\$ 113,957
Contracts payable	-	-	-	44,354	-	280,341	346,174	670,869
Retainage payable	-	-	-	28,601	-	233,404	33,705	295,710
Customer rental deposits	3,400	-	-	-	-	-	-	3,400
Due to other governmental agencies	-	27,295	27,295	132,291	-	-	-	186,881
Due to other funds	19,411	200,000	-	-	-	-	-	219,411
Total liabilities	<u>132,752</u>	<u>227,935</u>	<u>27,935</u>	<u>206,119</u>	<u>640</u>	<u>513,745</u>	<u>381,102</u>	<u>1,490,228</u>
Fund balances:								
Nonspendable - prepaid items	35,931	-	-	-	-	-	-	35,931
Restricted - sales tax dedications	-	355,774	273,910	1,392,115	4,267,486	-	9,105	6,298,390
Restricted - debt service	-	-	-	-	-	-	1,233,827	1,233,827
Assigned - capital projects	-	-	-	-	-	5,324,840	51	5,324,891
Unassigned	767,565	-	-	-	-	-	-	767,565
Total fund balances	<u>803,496</u>	<u>355,774</u>	<u>273,910</u>	<u>1,392,115</u>	<u>4,267,486</u>	<u>5,324,840</u>	<u>1,242,983</u>	<u>13,660,604</u>
Total liabilities and fund balances	<u>\$ 936,248</u>	<u>\$583,709</u>	<u>\$301,845</u>	<u>\$1,598,234</u>	<u>\$4,268,126</u>	<u>\$ 5,838,585</u>	<u>\$1,624,085</u>	<u>\$15,150,832</u>

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

CITY OF CARENCRO, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
November 30, 2019

Total fund balances for governmental funds at November 30, 2019		\$ 13,660,604
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	\$ 1,233,553	
Construction in progress	5,092,464	
Land improvements, net of \$30,753 accumulated depreciation	112,688	
Buildings, net of \$2,440,926 accumulated depreciation	3,414,711	
Infrastructure, net of \$3,983,801 accumulated depreciation	10,338,099	
Equipment, furniture, and fixtures net of \$1,223,086 accumulated depreciation	568,023	
Vehicles, net of \$2,293,907 accumulated depreciation	<u>388,562</u>	21,148,100
The deferred outflows of expenditures for the various pensions are not a use of current resources, and therefore, are not reported in the funds		
		1,430,112
Long-term liabilities, including bonds and certificates of indebtedness payable, are not due and payable in the current period and, therefore, not reported in the governmental funds.		
Long-term liabilities at November 30, 2019:		
Bonds and certificates of indebtedness payable	(12,360,000)	
Capital lease payable	(170,863)	
Net pension liability	(3,867,019)	
Compensated absences payable	(177,699)	
Accrued interest payable	<u>(101,687)</u>	(16,677,268)
The deferred inflows of contributions for the various pensions are not available resources, and therefore, are not reported in in the funds		
		<u>(242,070)</u>
Total net position of governmental activities at November 30, 2019		<u>\$ 19,319,478</u>

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

CITY OF CARENCRO, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Year Ended November 30, 2019

	General	1967 Sales Tax Special Revenue	1993 Sales Tax Special Revenue	TIF District Sales Tax Special Revenue	2016 Sales Tax Special Revenue	Capital Projects Fund	Other Governmental Funds	Total
Revenues:								
Taxes	\$ 799,473	\$ 2,734,906	\$ 2,734,906	\$ 1,857,621	\$ 2,727,721	\$ -	\$ 6,556	\$ 10,861,183
Licenses and permits	626,426	-	-	-	-	-	-	626,426
Intergovernmental	664,767	-	-	-	-	2,244,395	701,885	3,611,047
Fines and forfeits	441,184	-	-	-	-	-	-	441,184
Miscellaneous	49,013	17,435	8,376	29,665	88,687	23,520	28,799	245,495
Total revenues	<u>2,580,863</u>	<u>2,752,341</u>	<u>2,743,282</u>	<u>1,887,286</u>	<u>2,816,408</u>	<u>2,267,915</u>	<u>737,240</u>	<u>15,785,335</u>
Expenditures:								
Current -								
General government:								
Administrative	1,016,131	36,980	36,982	23,715	33,462	-	-	1,147,270
Code department	236,888	-	-	-	-	-	-	236,888
Public safety:								
Police	2,743,721	-	-	-	-	-	-	2,743,721
Fire	838,096	-	-	-	-	-	-	838,096
City Court	194,950	-	-	-	-	-	-	194,950
Highways and streets	589,227	-	-	-	-	-	-	589,227
Culture and tourism	70,573	-	890,044	-	-	-	18,967	979,584
Capital outlay	138,151	-	-	177,354	-	3,228,642	-	3,544,147
Debt service -								
Principal retirement	80,008	-	-	-	-	-	1,090,000	1,170,008
Interest and fiscal charges	10,699	-	-	-	-	-	198,891	209,590
Bond issue costs	-	-	-	-	-	65,738	-	65,738
Total expenditures	<u>5,918,444</u>	<u>36,980</u>	<u>927,026</u>	<u>201,069</u>	<u>33,462</u>	<u>3,294,380</u>	<u>1,307,858</u>	<u>11,719,219</u>
Excess (deficiency) of revenues over expenditures	<u>(3,337,581)</u>	<u>2,715,361</u>	<u>1,816,256</u>	<u>1,686,217</u>	<u>2,782,946</u>	<u>(1,026,465)</u>	<u>(570,618)</u>	<u>4,066,116</u>
Other financing sources (uses):								
Bond proceeds	-	-	-	-	-	5,000,000	-	5,000,000
Transfers in	3,573,000	-	-	-	-	2,030,480	1,137,040	6,740,520
Transfers out	-	(2,830,996)	(1,798,000)	(1,090,271)	(1,855,000)	(908,384)	(510,523)	(8,993,174)
Total other financing sources (uses)	<u>3,573,000</u>	<u>(2,830,996)</u>	<u>(1,798,000)</u>	<u>(1,090,271)</u>	<u>(1,855,000)</u>	<u>6,122,096</u>	<u>626,517</u>	<u>2,747,346</u>
Net changes in fund balances	235,419	(115,635)	18,256	595,946	927,946	5,095,631	55,899	6,813,462
Fund balances, beginning	<u>568,077</u>	<u>471,409</u>	<u>255,654</u>	<u>796,169</u>	<u>3,339,540</u>	<u>229,209</u>	<u>1,187,084</u>	<u>6,847,142</u>
Fund balances, ending	<u>\$ 803,496</u>	<u>\$ 355,774</u>	<u>\$ 273,910</u>	<u>\$ 1,392,115</u>	<u>\$ 4,267,486</u>	<u>\$ 5,324,840</u>	<u>\$ 1,242,983</u>	<u>\$ 13,660,604</u>

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

CITY OF CARENCRO, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended November 30, 2019

Total changes in fund balances at November 30, 2019 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$6,813,462
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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 on Statement of Revenues, Expenditures and Changes in Fund Balances	\$3,479,038	
Depreciation expense for the year ended November 30, 2019	(1,071,404)	
Loss on disposal of asset	<u>(380)</u>	2,407,254

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

Non-employer pension contributions	103,161
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Proceeds from bonds and capital leases are financing sources in the
governmental funds and thus contribute to the change in fund balance.

In the statement of net position, issuing debt increases long-term liabilities
and does not affect the statement of activities. Similarly, principal is
recorded as expenditures in the repayment of governmental funds
but reduce the liability in the statement of net position.

Bond proceeds	(5,000,000)	
Principal payments	<u>1,170,008</u>	(3,829,992)

Some expenses reported in the statement of activities do not require the
use of current financial resources and, therefore, are not reported as
expenditures in the governmental funds.

Compensated absences	(45,486)	
Pension expense	(412,399)	
Interest expense	<u>(27,959)</u>	<u>(485,844)</u>

Total changes in net position at November 30, 2019 per Statement of Activities	<u>\$5,008,041</u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF CARENCRO, LOUISIANA

Statement of Net Position
 Proprietary Fund
 November 30, 2019

ASSETS

Current assets:		
Cash		\$ 223,664
Interest-bearing deposits		105,910
Investments		511,533
Receivables:		
Accounts		468,791
Unbilled utility receivables		175,060
Due from other funds		10,372
Accrued interest		3,584
Prepaid items		<u>17,341</u>
Total current assets		<u>1,516,255</u>
Noncurrent assets:		
Restricted assets -		
Interest-bearing deposits		915,077
Investments		46,668
Capital assets -		
Land and construction in progress		11,233,715
Other capital assets, net of accumulated depreciation		<u>13,856,653</u>
Total noncurrent assets		<u>26,052,113</u>
Total assets		<u>27,568,368</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions	<u>172,910</u>
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LIABILITIES

Current liabilities:		
Accounts payable		162,724
Contracts payable		148,343
Retainage payable		223,934
Accrued liabilities		16,942
Due to other funds		8,600
Customers deposits payable		463,525
Capital lease payable		45,531
Certificates of indebtedness payable		259,000
Accrued interest		<u>40,642</u>
Total current liabilities		<u>1,369,241</u>
Noncurrent liabilities:		
Compensated absences payable		62,885
Net pension liability		763,854
Capital lease payable		211,584
DHH water loan payable		3,812,205
Certificates of indebtedness payable		<u>2,049,000</u>
Total noncurrent liabilities		<u>6,899,528</u>
Total liabilities		<u>8,268,769</u>

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	<u>41,990</u>
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NET POSITION

Net investment in capital assets	18,713,048
Restricted for debt service	457,578
Unrestricted	<u>259,893</u>
Total net position	<u>\$ 19,430,519</u>

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

CITY OF CARENCRO, LOUISIANA

Statement of Revenues, Expenses, and Change in Fund Net Position -
 Proprietary Fund
 For the Year Ended November 30, 2019

Operating revenues:	
Charges for services -	
Gas charges	\$ 669,041
Water service charges	1,354,030
Sewer service charges	1,329,431
Garbage collection	654,257
Penalties, permits and connection fees	182,119
Miscellaneous	19,467
Total operating revenues	<u>4,208,345</u>
Operating expenses:	
Salaries	753,499
Payroll taxes	53,368
Group insurance	84,797
Retirement contribution	155,988
Gas purchased	168,081
Maintenance and supplies	393,440
Chemicals	280,034
Cathodic protection survey	4,197
Garbage collection fees	632,305
Depreciation expense	939,187
Utilities	159,772
Telephone	16,926
Truck operation	39,679
Office supplies and postage	37,435
Bad debts	8,588
Insurance	92,351
Miscellaneous	1,372
Professional fees	26,540
Uniforms	18,659
Engineering fees	43,479
Travel	4,853
Contractual services	21,817
Meter reader expense	10,858
Total operating expenses	<u>3,947,225</u>
Operating income	<u>261,120</u>

(continued)

CITY OF CARENCRO, LOUISIANA

Statement of Revenues, Expenses, and Change in Fund Net Position
Proprietary Fund (Continued)
For the Year Ended November 30, 2019

Nonoperating revenues (expenses):	
Interest income	43,224
Interest expense and fiscal charges	(137,767)
Non-employer contributions	<u>23,021</u>
Total nonoperating revenues (expenses)	<u>(71,522)</u>
Income before contributions and transfers	<u>189,598</u>
Capital contributions	<u>34,712</u>
Transfers in (out):	
Transfers in	2,908,616
Transfers out	<u>(655,962)</u>
Total transfers in (out)	<u>2,252,654</u>
Change in net position	2,476,964
Net position, beginning	<u>16,953,555</u>
Net position, ending	<u>\$19,430,519</u>

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

CITY OF CARENCRO, LOUISIANA

Statement of Cash Flows
 Proprietary Fund
 For the Year Ended November 30, 2019

Cash flows from operating activities:	
Receipts from customers	\$ 4,183,247
Payments to suppliers	(1,832,765)
Payments to employees	<u>(1,047,652)</u>
Net cash provided by operating activities	<u>1,302,830</u>
Cash flows from noncapital financing activities:	
Transfers in	2,908,616
Transfers out	(655,962)
Cash paid to other funds	(1,341)
Net proceeds from meter deposits applied to bills or refunded	<u>20,020</u>
Net cash provided by noncapital financing activities	<u>2,271,333</u>
Cash flows from capital and related financing activities:	
Proceeds from capital lease payable	257,115
Principal paid on certificates of indebtedness	(251,000)
Interest paid on certificates of indebtedness and capital lease	(120,114)
Proceeds from loan payable	1,890,651
Capital contributions	34,712
Acquisition of property, plant and equipment	<u>(5,189,570)</u>
Net cash used by capital and related financing activities	<u>(3,378,206)</u>
Cash flows from investing activities:	
Proceeds of investments and interest-bearing deposits with maturity in excess of ninety days	574,570
Purchase of investments and interest-bearing deposits with maturity in excess of ninety days	(558,201)
Interest on investments	<u>41,884</u>
Net cash provided by investing activities	<u>58,253</u>
Net increase in cash and cash equivalents	254,210
Cash and cash equivalents, beginning of period	<u>990,441</u>
Cash and cash equivalents, end of period	<u>\$ 1,244,651</u>

(continued)

CITY OF CARENCRO, LOUISIANA

Statement of Cash Flows
 Proprietary Fund (Continued)
 For the Year Ended November 30, 2019

Reconciliation of operating income to net cash provided by
 operating activities:

Operating income	\$ 261,120
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	939,187
Pension expense	59,902
Changes in current assets and liabilities:	
Increase in accounts receivable	(25,098)
Increase in unbilled utility receivables	61,931
Increase in prepaid items	11,030
Increase in accounts payable	(8,363)
Increase in accrued liabilities	2,342
Decrease in compensated absences payable	779
Net cash provided by operating activities	<u>\$ 1,302,830</u>

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

Cash and cash equivalents, beginning of period -	
Cash - unrestricted	\$ 132,705
Interest-bearing deposits - unrestricted	130,029
Interest-bearing deposits - restricted	<u>727,707</u>
Total cash and cash equivalents	<u>990,441</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	\$ 223,664
Interest-bearing deposits - unrestricted	105,910
Interest-bearing deposits - restricted	<u>915,077</u>
Total cash and cash equivalents	<u>1,244,651</u>
Net increase	<u>\$ 254,210</u>

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

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

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

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

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

Parks and Recreation Commission of Carencro, Inc.

The Parks and Recreation Commission of Carencro, Inc. was determined to be a component unit but is not presented in the accompanying financial statements. The Parks and Recreation Commission of Carencro, Inc., (Commission) is a non-profit corporation established in 1993 for the purpose of maintaining and operating recreational facilities for the general purpose of the City. The members of the governing board of the Commission consist of seven (7) trustees. Of the seven (7) trustees, four (4) must be appointed by the City Council, one (1) must be appointed by the Mayor of the City and two (2) may be appointed by the Commission with the authority reverting to the City Council in the event the Commission appoints no one. The Commission's operational and capital budgets are subject to the approval of the City. Bonded debt issued by the Parks and Recreation Commission must be approved by the City Council.

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

These primary government financial statements of the City of Carencro do not include the financial data of the component unit 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.

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Fund Financial Statements

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

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

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

The major funds of the City are described below:

Governmental Funds:

General Fund

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

Special Revenue Funds -

1967 Sales Tax Fund

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

1993 Sales Tax Fund

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Taxing Increment Financing (TIF) District Sales Tax Fund

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

2016 Sales Tax Fund

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

Capital Projects Fund

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

Proprietary Fund:

Enterprise Fund

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

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

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

Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. 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 fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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

Cash and interest-bearing deposits

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

Investments

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

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

Interfund receivables and payables

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

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

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes. Business-type activities report customer’s utility service receivables as their major receivables. Uncollectible utility service receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with generally accepted accounting principles (GAAP), no allowance for uncollectible accounts receivable was made due to immateriality at November 30, 2019. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Prepaid items

Prepaid items consist of various payments that the City has made in advance for goods or services to be received in the future. Prepaid expenditures at November 30, 2019 consist of insurance premiums requiring up-front payments.

Capital Assets

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

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

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

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

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

Restricted Assets

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

Long-term debt

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

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

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Compensated Absences

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

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

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

At November 30, 2019, employees of the City have accumulated and vested \$240,584 of compensated absence benefits. The estimated liabilities include required salary-related payments. Compensated absences have typically been liquidated by the General Fund and Utility Fund.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires an entity to delay recognition of decreases in net position as expenditures until a future period. In other instances, entities are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At November 30, 2019, the City's deferred outflows of resources and deferred inflows of resources are attributable to pension plans.

Equity Classifications

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

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

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

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

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

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

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

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.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Expenditures/Expenses

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

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

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

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

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 11
Gas, water and sewer revenue	Debt service and utility operations

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

G. Capitalization of Interest Expense

It is the policy of the City of Carencro to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets in the Proprietary Fund. As of November 30, 2019, there were no projects paid with borrowings for which interest was capitalized

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.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(2) Cash, Interest-Bearing Deposits and Investments

A. Cash and Interest-bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At November 30, 2019, the City had cash and interest-bearing deposits (book balances) totaling as follows:

Demand deposits	\$ 903,075
Money market accounts	<u>13,091,730</u>
Total	<u>\$ 13,994,805</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the City or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at November 30, 2019, are secured as follows:

Bank balances	<u>\$ 14,485,212</u>
Federal deposit insurance	\$ 340,521
Pledged securities	<u>14,144,691</u>
Total	<u>\$ 14,485,212</u>

Deposits in the amount of \$14,144,691 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

B. Investments

At November 30, 2019, the City had the following investments and maturities:

Investment Type	% of Portfolio	Fair Value	Investment Maturities		
			Less Than 1 Year	1 - 5 Years	6 - 10 Years
U.S. treasury securities	33%	\$ 251,136	\$ 10,191	\$ 167,045	\$ 73,900
U.S. agency securities	53%	397,239	95,817	157,418	144,004
LAMP	13%	103,547	-	-	-
Total	<u>100%</u>	<u>\$ 751,922</u>	<u>\$ 106,008</u>	<u>\$ 324,463</u>	<u>\$ 217,904</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Custodial Credit Risk – In the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's requires all investments to be kept in the City's name and all ownership to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the City. Accordingly, the City had no custodial credit risk related to its investments at November 30, 2019.

Credit Rate Risk – The risks are managed by restricting investments to those authorized by R.S. 33:5162. The City's investment policy limits investments to fully insured and/or fully collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies. At November 30, 2019, the Government's investment in U.S. treasury notes and U.S. agency securities were rated AA+ by Standards & Poor's.

Concentration of Credit Risk – The risk relates to the amount of investments in any one entity. At November 30, 2019, no more than 5 percent of the City's total investments were invested in any single issue.

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

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

- **Credit risk** – LAMP has a fund rating of AAAM issued by Standard & Poor's.
- **Custodial credit risk** – LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- **Concentration of credit risk** – LAMP's pooled investments are excluded from the 5 percent disclosure requirements.
- **Interest rate risk** – LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 96 days as of November 30, 2019.

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(3) Receivables

Receivables at November 30, 2019 consist of the following:

	Governmental Activities	Business-type Activities	Total
Accounts (net)	\$ -	\$ 468,791	\$ 468,791
Unbilled utility	-	175,060	175,060
Franchise tax	14,275	-	14,275
Sales tax	851,125	-	851,125
Interest	1,309	3,584	4,893
Total	\$ 866,709	\$ 647,435	\$ 1,514,144

(4) Due From Other Governmental Agencies

Amounts due from other governmental agencies at November 30, 2019 consist of the following:

Federal grants	\$ 789,676
State grants	217,263
Local sources	79,739
Total	\$ 1,086,678

(5) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended November 30, 2019, taxes were levied by the City in September 2018 and were billed to the taxpayers by the Assessor in November 2018. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values and determined by the Tax Assessor of Lafayette Parish and are collected by the Sheriff. City property tax revenues are budgeted in the year billed.

For the year ended November 30, 2019, taxes of 4.60 mills were levied on property with assessed valuations totaling \$70,298,223 and were dedicated to general corporate purposes. Total taxes levied were \$323,372. There was no ad valorem taxes receivable at November 30, 2019.

(6) Restricted Assets - Proprietary Fund Type

Restricted assets consisted of the following at November 30, 2019:

Customers' deposits	\$ 463,525
2012 Revenue bond sinking fund	218,833
2016 Revenue bond sinking fund	279,387
Total	\$ 961,745

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(7) Capital Assets

Capital asset activity for the year ended November 30, 2019 was as follows:

	Balance 12/01/18	Additions	Deletions	Balance 11/30/19
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,190,693	\$ 42,860	\$ -	\$ 1,233,553
Construction in progress	2,306,143	3,341,647	555,326	5,092,464
Other capital assets:				
Land improvements	143,441	-	-	143,441
Buildings	5,855,637	-	-	5,855,637
Infrastructure	13,810,194	511,706	-	14,321,900
Equipment, furniture and fixtures	1,778,273	88,582	75,746	1,791,109
Vehicles	2,632,900	49,569	-	2,682,469
Totals	<u>27,717,281</u>	<u>4,034,364</u>	<u>631,072</u>	<u>31,120,573</u>
Less accumulated depreciation				
Land improvements	22,731	8,022	-	30,753
Buildings	2,269,082	171,844	-	2,440,926
Infrastructure	3,449,475	534,326	-	3,983,801
Equipment, furniture and fixtures	1,166,256	132,196	75,366	1,223,086
Vehicles	2,068,891	225,016	-	2,293,907
Total accumulated depreciation	<u>8,976,435</u>	<u>1,071,404</u>	<u>75,366</u>	<u>9,972,473</u>
Governmental activities, capital assets, net	<u>\$ 18,740,846</u>	<u>\$ 2,962,960</u>	<u>\$ 555,706</u>	<u>\$ 21,148,100</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 2,121,093	\$ 14,500	\$ -	\$ 2,135,593
Construction in progress	5,534,715	4,638,104	1,074,697	9,098,122
Other capital assets:				
Gas system	1,221,495	-	-	1,221,495
Water system	11,964,242	25,365	-	11,989,607
Sewer system	14,487,817	1,209,009	-	15,696,826
Machinery and equipment	1,809,652	399,729	-	2,209,381
Totals	<u>37,139,014</u>	<u>6,286,707</u>	<u>1,074,697</u>	<u>42,351,024</u>
Less accumulated depreciation				
Gas system	1,109,105	8,190	-	1,117,295
Water system	6,413,367	352,588	-	6,765,955
Sewer system	7,545,531	453,103	-	7,998,634
Machinery and equipment	1,253,466	125,306	-	1,378,772
Total accumulated depreciation	<u>16,321,469</u>	<u>939,187</u>	<u>-</u>	<u>17,260,656</u>
Business-type activities, capital assets, net	<u>\$ 20,817,545</u>	<u>\$ 5,347,520</u>	<u>\$ 1,074,697</u>	<u>\$ 25,090,368</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 96,276
Police	250,423
Fire	90,197
Highways and streets	566,801
Culture and recreation	<u>67,707</u>
Total depreciation expense	<u>\$ 1,071,404</u>

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

Gas	\$ 33,251
Water	390,180
Sewer	509,491
Sanitation	<u>6,265</u>
Total depreciation expense	<u>\$ 939,187</u>

(8) Accounts and Other Payables

The accounts and other payables consisted of the following at November 30, 2019:

	Governmental Activities	Business-type Activities	Total
Accounts	\$ 113,957	\$ 162,724	\$ 276,681
Contracts	670,869	148,343	819,212
Retainage	295,710	223,934	519,644
Customer rental deposits	3,400	-	3,400
Accrued liabilities	-	16,942	16,942
Totals	<u>\$ 1,083,936</u>	<u>\$ 551,943</u>	<u>\$ 1,635,879</u>

(9) Due to Other Governmental Agencies

Due to other governmental agencies in the amount of \$186,881 for governmental activities consists of the amount due to Lafayette Parish School System for sales tax revenues overpaid to the City as of November 30, 2019.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(10) Long-Term Liabilities

Long-term liabilities payable at November 30, 2019 is comprised of the following:

Governmental activities:

General obligation bonds –

		<u>Current Portion</u>
\$1,000,000 Public Improvement Sales Tax Bonds, Series 2011, due in annual installments of \$65,000 to \$100,000 through December 1, 2023; interest at 2.68%; payable from TIF sales tax	\$ 475,000	\$ 90,000
\$1,500,000 Sales Tax Bonds, Series 2013, due in annual installments of \$70,000 to \$1,800,000 through December 1, 2022; interest at 1.99%; payable from TIF sales tax revenues	680,000	165,000
\$5,800,000 Sales Tax Bonds, Series 2014, due in annual installments of \$480,000 to \$640,000 through July 1, 2024; interest at 2.15%; payable from 1967 sales tax revenues	3,080,000	590,000
\$3,750,000 Sales Tax Bonds, Series 2014A, due in annual installments of \$70,000 to \$500,000 through April 1, 2029; interest at 2.79%; payable from 1993 sales tax revenues	3,125,000	275,000
\$5,000,000 Sales Tax Bonds, Series 2019, due in annual installments of \$155,000 to \$900,000 through July 1, 2029; interest at 2.68%; payable from 1967 sales tax revenues	<u>5,000,000</u>	<u>155,000</u>
Total bonds and certificates of indebtedness payable	<u>\$12,360,000</u>	<u>\$1,275,000</u>

Capital lease -

\$341,131 lease-purchase agreement dated December 6, 2017, due in four annual installments of \$90,707 including interest of 4.27% through December 6, 2020; secured by vehicles with a book value of \$204,678 (net of \$136,452 of accumulated depreciation), which is included in the vehicles capital asset class.	<u>\$ 170,863</u>	<u>\$ 83,426</u>
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CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Business-Type activities:

		Current Portion
Certificates of indebtedness –		
\$4,225,000 Refunding Certificates of Indebtedness, Series 2012, due in annual installments of \$94,000 to \$386,000 through April 1, 2029; interest at 2.80%; payable from City's excess annual revenues	\$ 2,308,000	\$ 259,000
DHH water loan payable -		
\$3,812,205 loan from the Louisiana Department of Health and Hospitals; interest at 1.95%; payable from utility system revenues. The balance through November 30, 2019 is net of a 20% debt forgiveness.	\$ 3,812,205	\$ -
Capital lease -		
\$265,240 lease-purchase agreement dated October 10, 2019, due in monthly installments of \$4,819 including interest at 3.45% percent through October 10, 2024; secured by equipment with a book value of \$260,819 (net of \$4,421 of accumulated depreciation), which is included in the equipment capital asset class.	\$ 257,115	\$ 45,531

During the fiscal year ended November 30, 2019, the City borrowed \$1,890,651 (net of \$19,612 which was forgiven) from the Louisiana Department of Health and Hospitals, resulting in a loan balance of \$3,812,205 at November 30, 2019. The loan is an interim loan to finance the costs of drinking water infrastructure improvements. Upon completion of the project, the City will issue taxable water revenue bonds for permanent financing of the project.

The following is a summary of the changes for the year ended November 30, 2019:

	Balance 12/1/2018	Additions	Reductions	Balance 11/30/2019
Governmental Activities:				
Sales tax revenue bonds	\$ 8,450,000	\$ 5,000,000	\$ 1,090,000	\$ 12,360,000
Capital lease	250,871	-	80,008	170,863
Compensated absences	132,213	48,903	3,417	177,699
Total governmental activities	\$ 8,833,084	\$ 5,048,903	\$ 1,173,425	\$ 12,708,562
Business-type Activities:				
Series 2012 refunding bond	\$ 2,559,000	\$ -	\$ 251,000	\$ 2,308,000
DHH loan payable	1,921,554	1,890,651	-	3,812,205
Capital lease	-	265,240	8,125	257,115
Compensated absences	62,106	7,178	6,399	62,885
Total business-type activities	\$ 4,542,660	\$ 2,163,069	\$ 265,524	\$ 6,440,205

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

The debt as of November 30, 2019 is due as follows:

Governmental Activities:

<u>November 30,</u>	<u>Bonds</u>		<u>Capital Lease</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 1,275,000	\$ 285,769	\$ 83,426	\$ 7,280
2021	1,280,000	276,641	87,437	3,716
2022	1,315,000	246,181	-	-
2023	1,355,000	214,746	-	-
2024	1,195,000	184,404	-	-
2025-2029	<u>5,940,000</u>	<u>468,333</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 12,360,000</u>	<u>\$ 1,676,074</u>	<u>\$ 170,863</u>	<u>\$ 10,996</u>

Business-Type Activities:

<u>November 30,</u>	<u>Bonds</u>		<u>Capital Lease</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 259,000	\$ 60,998	\$ 45,531	\$ 7,481
2021	271,000	53,578	51,338	6,493
2022	278,000	45,892	53,137	4,693
2023	289,000	37,954	55,000	2,831
2024	299,000	29,722	52,109	903
2025-2029	<u>912,000</u>	<u>45,612</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 2,308,000</u>	<u>\$ 273,756</u>	<u>\$ 257,115</u>	<u>\$ 22,401</u>

(11) Sales and Use Tax

Proceeds of the 1967 1% sales and use tax levied by the City of Carencro were \$2,734,906 during the year ended November 30, 2019 and are dedicated to the following purposes:

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Proceeds of the 1993 1% sales and use tax were \$2,734,906 during the year ended November 30, 2019 and are dedicated to the following purposes:

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

Proceeds of the TIF District 1% sales and use tax were \$1,857,621 during the year ended November 30, 2018 and are dedicated for financing economic development projects in the I-49 Corridor Economic Development District.

Proceeds of the 2016 1% sales and use tax were \$2,727,721 during the year ended November 30, 2019 and are dedicated to and used for the purpose of constructing, operating, and improving and maintaining the City's sewerage system and providing facilities for and operational support of police and fire protection in the City.

Proceeds of the hotel/motel 4% sales and use tax were \$6,556 during the year ended November 30, 2019 and are dedicated and used to fund the construction and maintenance of water and sewer infrastructure, economic development and tourism within the City.

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

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

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

The City was in compliance with all covenants of the contract at November 30, 2019.

(13) Employee Retirement Systems

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Plan Descriptions:

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

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

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

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

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

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

¹ Membership commencing prior to January 1, 2013

² Membership commencing January 1, 2013

³ With actuarially reduced benefits

⁴ Under hazardous duty sub plan commencing January 1, 2013

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

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

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. Contributions of employees, employers, and non-employer contributing entities effective for the year ended November 30, 2019 for the defined benefit pension plans in which the City is a participating employer were as follows:

<u>Plan</u>	<u>Active Member Contribution Percentage</u>	<u>Employer Contribution Percentage</u>	<u>Amount from Nonemployer Contributing Entities</u>	<u>Amount of City Contributions</u>
MERS	5.00%	14.00%	\$ 33,855	\$ 142,246
MPERS	10.00%	32.25%	65,090	356,702
FRS	10.00%	26.50%	27,237	65,783

Net Pension Liability

The City's net pension liability at November 30, 2019 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City's net pension liability for each plan was measured as of the plan's measurement date (June 30, 2019 for all plans) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability for each of the plans in which it participates was based on the City's required contributions in proportion to total required contributions for all employers.

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

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
MERS	\$ 1,123,315	1.284063%	-0.022958%
MPERS	2,871,335	0.316168%	0.060740%
FRS	636,223	0.101602%	0.022527%
Total	<u>\$ 4,630,873</u>		

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Since the measurement date of the net pension liability was June 30, 2019, the net pension liability is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

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

Actuarial Assumptions

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

	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2009 - 6/30/2014	7/1/2009 - 6/30/2014
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Expected remaining service lives	3	4	7
Investment rate of return (net of investment expense)	7.000%	7.125%	7.150%
Inflation Rate	2.50%	2.50%	2.50%
Projected salary increases	4.9% - 7.4%	4.25% - 9.75%	4.5% - 14.75%
Projected benefit changes including COLAs	None	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)	(5), (7)

- (1) PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
- (2) PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
- (3) PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.
- (4) RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries.
- (5) RP-2000 Disabled Lives Mortality Table set back 5 years for males and set back 3 years for females for disabled annuitants.
- (6) RP-2000 Employee Table set back 4 years for males and 3 years for females for active members.
- (7) RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2031 by Scale AA for employees, annuitants, and beneficiaries.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Cost of Living Adjustments

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

Long-term Rate of Return

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

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

Asset Class	MERS*		MPERS*	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	35%	1.51%	33.5%	0.80%
Equities	50%	2.15%	48.5%	3.28%
Alternative Investments	15%	0.64%	18%	1.06%
Other	-	-	0%	0.00%
Total	<u>100%</u>	<u>4.30%</u>	<u>100%</u>	<u>5.14%</u>
Inflation		<u>2.70%</u>		<u>2.75%</u>
Expected Return		<u>7.00%</u>		<u>7.89%</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

Asset Class	FRS*	
	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	31%	2.17%
Domestic Equity	21.5%	5.98%
International Equity	17.5%	7.52%
Global Equity	10%	6.59%
Global Tactical Asset Allocation	5%	4.37%
Risk Parity	5%	4.67%
Private Equity	4%	10.52%
Real Estate	6%	4.14%
Total	<u>100%</u>	<u>5.75%</u>
Inflation/Rebalancing		<u>2.50%</u>
Expected Return		<u>8.25%</u>

*Arithmetic real rates of return

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net positions was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for MERS, MPERS, and FRS was 7.00%, 7.125%, and 7.15% respectively, for the year ended June 30, 2019.

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended November 30, 2019, the City recognized \$243,042, \$594,492, and \$199,497 in pension expense for MERS, MPERS, and FRS, respectively.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

At November 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			
	MERS	MPERS	FRS	Total
Differences between expected and actual experience	\$ -	\$ 6,025	\$ -	\$ 6,025
Changes in assumptions	68,477	160,904	57,881	287,262
Net difference between projected and actual earnings on pension plan investments	118,313	186,546	42,784	347,643
Changes in proportion and differences between actual contributions and proportionate share of contributions	5,976	365,789	339,339	711,104
Employer contributions to the pension plans subsequent to the measurement date of the net pension liability	<u>61,513</u>	<u>161,676</u>	<u>27,799</u>	<u>250,988</u>
Total	<u>\$ 254,279</u>	<u>\$ 880,940</u>	<u>\$ 467,803</u>	<u>\$ 1,603,022</u>

	Deferred Inflows of Resources			
	MERS	MPERS	FRS	Total
Differences between expected and actual experience	\$ 49,824	\$ 88,338	\$ 45,893	\$ 184,055
Changes in assumptions	-	-	46	46
Changes in proportion and differences between actual contributions and proportionate share of contributions	<u>11,926</u>	<u>88,033</u>	<u>-</u>	<u>99,959</u>
Total	<u>\$ 61,750</u>	<u>\$ 176,371</u>	<u>\$ 45,939</u>	<u>\$ 284,060</u>

Deferred outflows of resources of \$250,988 resulting from the employer contributions subsequent to the measurement date will be recognized as pension expense during the year ending November 30, 2020.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

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

Year Ended November 30	MERS	MPERS	FRS	TOTAL
2020	\$ 72,757	\$ 190,873	\$ 99,303	\$ 362,933
2021	32,227	115,603	72,919	220,749
2022	15,754	189,842	82,341	287,937
2023	10,278	46,575	69,256	126,109
2024	-	-	50,649	50,649
Thereafter	-	-	19,597	19,597
	<u>\$ 131,016</u>	<u>\$ 542,893</u>	<u>\$ 394,065</u>	<u>\$ 1,067,974</u>

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

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

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	7.00%	\$ 1,497,090	\$ 1,123,315	\$ 807,203
MPERS	7.125%	4,000,716	2,871,335	1,923,897
FRS	7.15%	<u>921,293</u>	<u>636,223</u>	<u>396,956</u>
Total		<u>\$ 6,419,099</u>	<u>\$ 4,630,873</u>	<u>\$ 3,128,056</u>

Payables to the Pension Plans

At November 30, 2019, the City had no outstanding payables to MERS, MPERS, or FRS.

(14) Federal Social Security System

All employees of the City of Carencro are members of the Federal Social Security System. The City and its employees contribute a percentage of each employee’s salary to the System (7.65% contributed by the City; 7.65% by the employee). The City’s contribution during the years ended November 30, 2019 and 2018 amounted to \$222,301 and \$197,409, respectively.

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(15) On-behalf Payments for Salaries

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

Supplemental salary payments are made by the State of Louisiana directly to certain groups of employees. The City is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure payments is the actual contribution made by the State. For the fiscal year ended November 30, 2019, the State paid supplemental salaries in the amount of \$186,679 to fire and law enforcement employees. The payments are recorded as intergovernmental revenue and public safety expenses/expenditures in the GAAP basis government-wide and General Fund financial statements.

(16) Compensation of City Officials

A detail of compensation paid to the City Council for the year ended November 30, 2019 follows:

Alfred Sinegal (12/1/18 - 11/30/19)	\$ 12,000
Antoine Babineaux, Jr. (12/1/18 - 11/30/19)	12,050
Kim Guidry (12/1/18 - 11/30/19)	12,000
Jordan Arceneaux (1/1/19 - 11/30/19)	11,077
Danielle Capritto (1/1/19 - 11/30/19)	11,077
L.J. Boudreaux (12/18)	923
J.L. Richard (12/18)	1,000
	<u>\$ 60,127</u>

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

The schedule of compensation, benefits, and other payments to Glenn Brasseaux, Mayor, for the year ended November 30, 2019 follows:

Salary	\$ 77,196
Benefits - insurance	5,039
Benefits - retirement	10,807
Vehicle allowance	6,000
Registration fees	1,282
Housing	1,903
	<u>\$ 102,227</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(18) Litigation and Claims

At November 30, 2019, the City is involved in several lawsuits claiming damages. In the opinion of the City's legal counsel, the only exposure to the City would be any costs in defense of the lawsuits with no liability to the City in excess of insurance coverage.

(19) Natural Gas Contract

Under contract dated May 1, 1989, the City of Carencro is required to purchase its natural gas from Louisiana Municipal Natural Gas Purchasing and Distribution Authority for an initial term of three (3) years and shall continue thereafter from year to year unless written notice to the contrary is given by either party to the other at least six (6) months prior to the expiration of the initial term or any renewal thereof. During the fiscal year ended November 30, 2019, the City's natural gas purchases amounted to \$168,081, of which \$16,260 was owed for purchases for the month of November 2019.

(20) Risk Management

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

(21) Departmental Information for the Enterprise Fund

The City of Carencro maintains one enterprise fund with four departments, which provide gas, water, sewerage, and sanitation services. Departmental information for the income statement for the year ended November 30, 2019, was as follows:

	<u>Gas</u> <u>Department</u>	<u>Water</u> <u>Department</u>	<u>Sewerage</u> <u>Department</u>	<u>Sanitation</u> <u>Department</u>	<u>Total</u> <u>Enterprise</u> <u>Fund</u>
Operating revenues	<u>\$ 674,145</u>	<u>\$ 1,504,522</u>	<u>\$ 1,375,421</u>	<u>\$ 654,257</u>	<u>\$ 4,208,345</u>
Operating expenses:					
Depreciation	33,251	390,180	509,491	6,265	939,187
Other	<u>637,270</u>	<u>985,009</u>	<u>725,797</u>	<u>659,963</u>	<u>3,008,038</u>
Total operating expenses	<u>670,521</u>	<u>1,375,189</u>	<u>1,235,287</u>	<u>666,228</u>	<u>3,947,225</u>
Operating income (loss)	<u>\$ 3,624</u>	<u>\$ 129,334</u>	<u>\$ 140,134</u>	<u>\$ (11,971)</u>	<u>\$ 261,120</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(22) Fair Value Measurements

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

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

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

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

The following table presents assets that are measured at fair value on a recurring basis at November 30, 2019:

Governmental Funds:

Description	Total	(Level 1)	(Level 2)	(Level 3)
U.S. Treasuries	\$ 75,854	\$ 75,854	\$ -	\$ -
U.S. Agency Securities	117,840	117,840	-	-
	\$ 193,694	\$ 193,694	\$ -	\$ -

Proprietary Fund:

Description	Total	(Level 1)	(Level 2)	(Level 3)
U.S. Treasuries	\$ 175,282	\$ 175,282	\$ -	\$ -
U.S. Agency Securities	279,399	279,399	-	-
	\$ 454,681	\$ 454,681	\$ -	\$ -

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

(23) Interfund Transactions

A. Interfund receivables and payables consisted of the following at November 30, 2019:

	<u>Receivable</u>	<u>Payable</u>
Governmental funds:		
Major governmental funds -		
General Fund	\$ 200,000	\$ 19,411
1967 Sales Tax Special Revenue Fund	-	200,000
TIF District Sales Tax Special Revenue Fund	3,169	-
Capital Projects Fund	5,870	-
LCDBG 2009 Sewer Improvements	8,600	-
Total governmental funds	<u>217,639</u>	<u>219,411</u>
Proprietary fund:		
Utility Fund	<u>10,372</u>	<u>8,600</u>
Total	<u>\$ 228,011</u>	<u>\$ 228,011</u>

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

Transfers consisted of the following for the year ended November 30, 2019:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental funds:		
Major governmental funds -		
General Fund	\$ 3,573,000	\$ -
1967 Sales Tax Special Revenue Fund	-	2,830,996
1993 Sales Tax Special Revenue Fund	-	1,798,000
TIF District Sales Tax Special Revenue Fund	-	1,090,271
2016 Sales Tax Special Revenue Fund	-	1,855,000
Capital Projects Fund	2,030,480	908,384
Non-major governmental funds -		
2011 Sales Tax Bond Fund	102,730	-
2013 Sales Tax Bond Fund	178,532	-
2014 Sales Tax Bond Fund	737,996	-
Sidewalk Construction Fund	-	19,300
LCDBG 2009 Sewer Improvements Fund	117,782	491,223
Proprietary fund:		
Utility Fund	<u>2,908,616</u>	<u>655,962</u>
Total	<u>\$ 9,649,136</u>	<u>\$ 9,649,136</u>

CITY OF CARENCRO, LOUISIANA

Notes to Financial Statements (Continued)

B. External transactions consisted of the following for the year ended November 30, 2019:

1993 Sales Tax Special Revenue Fund	
Payments to PARC, Inc. to fund culture and recreation activities	\$ (890,044)
2014 Sales Tax Bond Fund	
Revenues from PARC, Inc. to fund a portion of debt service requirements	<u>345,100</u>
	<u>\$ (544,944)</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, (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (c) to account for external transactions between the primary government and its discretely presented component unit which are classified as external transactions in the government-wide statement of activities.

(24) Tax Abatement

The City is subject to tax abatements granted by the Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment due. The City's ad valorem taxes were reduced by \$1,121.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Taxes	\$ 690,600	\$ 796,866	\$ 799,473	\$ 2,607
Licenses and permits	690,000	625,779	626,426	647
Intergovernmental	689,311	655,387	664,767	9,380
Fines and forfeits	515,000	422,669	441,184	18,515
Miscellaneous	33,000	43,673	49,013	5,340
Total revenues	<u>2,617,911</u>	<u>2,544,374</u>	<u>2,580,863</u>	<u>36,489</u>
Expenditures:				
Current -				
General government:				
Administrative	851,006	1,004,677	1,016,131	(11,454)
Code department	225,868	238,386	236,888	1,498
Public safety:				
Police	2,836,530	2,667,709	2,743,721	(76,012)
Fire	848,492	813,529	838,096	(24,567)
City court	252,708	188,979	194,950	(5,971)
Highways and streets	639,149	524,006	589,227	(65,221)
Culture and tourism	74,660	64,814	70,573	(5,759)
Capital outlay	182,848	134,514	138,151	(3,637)
Debt service-				
Principal retirement	80,008	80,008	80,008	-
Interest and fiscal charges	10,699	10,699	10,699	-
Total expenditures	<u>6,001,968</u>	<u>5,727,321</u>	<u>5,918,444</u>	<u>(191,123)</u>
Deficiency of revenues over expenditures	(3,384,057)	(3,182,947)	(3,337,581)	(154,634)
Other financing sources:				
Transfers in	<u>3,520,000</u>	<u>3,573,000</u>	<u>3,573,000</u>	<u>-</u>
Net change in fund balance	135,943	390,053	235,419	(154,634)
Fund balance, beginning	<u>568,077</u>	<u>568,077</u>	<u>568,077</u>	<u>-</u>
Fund balance, ending	<u>\$ 704,020</u>	<u>\$ 958,130</u>	<u>\$ 803,496</u>	<u>\$ (154,634)</u>

CITY OF CARENCRO, LOUISIANA
1967 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,600,000	\$ 2,719,688	\$ 2,734,906	\$ 15,218
Miscellaneous	5,000	8,550	17,435	8,885
Total revenues	2,605,000	2,728,238	2,752,341	24,103
Expenditures:				
Current -				
General government	38,500	40,185	36,980	3,205
Excess of revenues over expenditures	2,566,500	2,688,053	2,715,361	27,308
Other financing uses:				
Transfers out	(2,552,661)	(2,830,996)	(2,830,996)	-
Net change in fund balance	13,839	(142,943)	(115,635)	27,308
Fund balance, beginning	471,409	471,409	471,409	-
Fund balance, ending	<u>\$ 485,248</u>	<u>\$ 328,466</u>	<u>\$ 355,774</u>	<u>\$ 27,308</u>

CITY OF CARENCRO, LOUISIANA
1993 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,600,000	\$ 2,719,688	\$ 2,734,906	\$ 15,218
Miscellaneous	5,000	8,119	8,376	257
Total revenues	<u>2,605,000</u>	<u>2,727,807</u>	<u>2,743,282</u>	<u>15,475</u>
Expenditures:				
Current:				
General government	38,500	40,185	36,982	3,203
Culture and recreation	<u>868,000</u>	<u>894,922</u>	<u>890,044</u>	<u>4,878</u>
Total expenditures	<u>906,500</u>	<u>935,107</u>	<u>927,026</u>	<u>8,081</u>
Excess of revenues over expenditures	1,698,500	1,792,700	1,816,256	23,556
Other financing uses:				
Transfers out	<u>(1,700,000)</u>	<u>(1,798,000)</u>	<u>(1,798,000)</u>	<u>-</u>
Net change in fund balance	(1,500)	(5,300)	18,256	23,556
Fund balance, beginning	<u>255,654</u>	<u>255,654</u>	<u>255,654</u>	<u>-</u>
Fund balance, ending	<u>\$ 254,154</u>	<u>\$ 250,354</u>	<u>\$ 273,910</u>	<u>\$ 23,556</u>

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

Budgetary Comparison Schedule
For the Year Ended November 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,800,000	\$ 1,848,196	\$ 1,857,621	\$ 9,425
Miscellaneous	19,500	31,337	29,665	(1,672)
Total revenues	<u>1,819,500</u>	<u>1,879,533</u>	<u>1,887,286</u>	<u>7,753</u>
Expenditures:				
Current:				
General government	29,000	27,360	23,715	3,645
Capital outlay	<u>305,000</u>	<u>168,138</u>	<u>177,354</u>	<u>(9,216)</u>
Total expenditures	<u>334,000</u>	<u>195,498</u>	<u>201,069</u>	<u>(5,571)</u>
Excess of revenues over expenditures	1,485,500	1,684,035	1,686,217	2,182
Other financing uses:				
Transfers out	<u>(281,262)</u>	<u>(1,090,271)</u>	<u>(1,090,271)</u>	<u>-</u>
Net change in fund balance	1,204,238	593,764	595,946	2,182
Fund balance, beginning	<u>796,169</u>	<u>796,169</u>	<u>796,169</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,000,407</u>	<u>\$ 1,389,933</u>	<u>\$ 1,392,115</u>	<u>\$ 2,182</u>

CITY OF CARENCRO, LOUISIANA
2016 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,490,000	\$ 2,708,121	\$ 2,727,721	\$ 19,600
Miscellaneous	35,000	93,078	88,687	(4,391)
Total revenues	2,525,000	2,801,199	2,816,408	15,209
Expenditures:				
Current:				
General government	33,100	40,185	33,462	6,723
Excess of revenues over expenditures	2,491,900	2,761,014	2,782,946	21,932
Other financing uses:				
Transfers out	(750,000)	(1,855,000)	(1,855,000)	-
Net change in fund balance	1,741,900	906,014	927,946	21,932
Fund balance, beginning	3,339,540	3,339,540	3,339,540	-
Fund balance, ending	<u>\$ 5,081,440</u>	<u>\$ 4,245,554</u>	<u>\$ 4,267,486</u>	<u>\$ 21,932</u>

CITY OF CARENCRO, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
For the Year Ended November 30, 2019

<u>Plan/ Fiscal Year</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
Municipal Employees' Retirement System					
6/30/2019	1.284063%	\$ 1,123,315	\$ 981,621	114.4%	66.14%
6/30/2018	1.307021%	1,105,520	968,604	114.1%	65.60%
6/30/2017	1.279821%	1,107,343	949,500	116.6%	63.49%
6/30/2016	1.286743%	1,066,591	927,589	115.0%	63.34%
6/30/2015	1.280409%	870,226	845,432	102.9%	68.71%
Municipal Police Employees' Retirement System					
6/30/2019	0.316168%	2,871,335	987,333	290.8%	71.89%
6/30/2018	0.255428%	2,159,404	753,802	286.5%	71.89%
6/30/2017	0.253787%	2,215,668	757,792	292.4%	70.08%
6/30/2016	0.299971%	2,811,573	757,451	371.2%	66.04%
6/30/2015	0.265326%	2,078,552	709,359	293.0%	70.73%
Firefighters' Retirement System					
6/30/2019	0.101602%	636,223	245,558	259.1%	73.96%
6/30/2018	0.079075%	454,846	187,438	242.7%	74.76%
6/30/2017	0.038542%	220,917	89,172	247.7%	73.55%
6/30/2016	0.289980%	189,763	40,455	469.1%	68.16%
6/30/2015	0.013216%	71,328	37,689	189.3%	72.45%

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

CITY OF CARENCRO, LOUISIANA

Schedule of Employer Contributions
For the Year Ended November 30, 2019

<u>Year Ended November 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
Municipal Employees' Retirement System					
2019	\$142,246	\$142,246	\$ -	\$ 1,570,044	9.06%
2018	131,833	131,833	-	1,070,942	12.31%
2017	113,456	113,456	-	1,093,025	10.38%
2016	96,328	96,328	-	950,918	10.13%
2015	82,951	82,951	-	873,168	9.50%
Municipal Police Employees' Retirement System					
2019	356,702	356,702	-	1,142,909	31.21%
2018	257,272	257,272	-	825,383	31.17%
2017	238,705	238,705	-	761,906	31.33%
2016	247,445	247,445	-	812,894	30.44%
2015	239,594	239,594	-	781,200	30.67%
Firefighters Retirement System					
2019	65,783	65,783	-	229,449	28.67%
2018	59,993	59,993	-	230,920	25.98%
2017	31,665	31,665	-	122,875	25.77%
2016	18,708	18,708	-	70,810	26.42%
2015	20,223	20,223	-	71,158	28.42%

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

CITY OF CARENCRO, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

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

- a. Prior to November 15, the City Clerk submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing the following December 1.
- b. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- e. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
- f. All budgetary appropriations lapse at the end of each fiscal year.
- g. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen. Such amendments were not material in relation to the original appropriations.

(2) Pension Plans

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

(3) Excess of Expenditures Over Appropriations

For the year ended November 30, 2019, the General Fund had actual expenditures over appropriations, at the functional level, as follows:

<u>Fund/Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
General government - administration	\$1,004,677	\$ 1,016,131	\$ (11,454)
Public safety	3,670,217	3,776,767	(106,550)
Highways and streets	524,006	589,227	(65,221)
Culture and tourism	64,814	70,573	(5,759)
TIF District Sales Tax Special Revenue Fund:	134,514	138,151	(3,637)
Capital Outlay	168,138	177,354	(9,216)

OTHER SUPPLEMENTARY INFORMATION

CITY OF CARENCRO, LOUISIANA

Statement of Net Position
November 30, 2019
With Comparative Totals as of November 30, 2018

	2019			2018 Totals
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 12,750,154	\$ 329,574	\$13,079,728	\$ 6,488,741
Investments	193,721	511,533	705,254	732,848
Receivables, net	866,709	647,435	1,514,144	1,399,396
Internal balances	(1,772)	1,772	-	-
Due from other governmental agencies	1,086,678	-	1,086,678	660,655
Prepaid items	35,931	17,341	53,272	73,793
Total current assets	14,931,421	1,507,655	16,439,076	9,355,433
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	-	915,077	915,077	727,707
Investments	-	46,668	46,668	45,608
Capital assets -				
Land and construction in progress	6,326,017	11,233,715	17,559,732	11,152,644
Other capital assets, net	14,822,083	13,856,653	28,678,736	28,405,747
Total noncurrent assets	21,148,100	26,052,113	47,200,213	40,331,706
Total assets	36,079,521	27,559,768	63,639,289	49,687,139
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	1,430,112	172,910	1,603,022	1,126,918
LIABILITIES				
Current liabilities:				
Accounts and other payables	1,083,936	551,943	1,635,879	1,265,471
Due to other governmental agencies	186,881	-	186,881	274,918
Customers deposits payable	-	463,525	463,525	443,505
Capital lease payable	83,426	45,531	128,957	80,008
Bonds and certificates of indebtedness payable	1,275,000	259,000	1,534,000	1,341,000
Accrued interest	101,687	40,642	142,329	96,717
Total current liabilities	2,730,930	1,360,641	4,091,571	3,501,619
Noncurrent liabilities:				
Compensated absences payable	177,699	62,885	240,584	194,319
Net pension liability	3,867,019	763,854	4,630,873	3,719,770
Capital lease payable	87,437	211,584	299,021	-
DHH water loan payable	-	3,812,205	3,812,205	2,092,417
Bonds and certificates of indebtedness payable	11,085,000	2,049,000	13,134,000	9,668,000
Total noncurrent liabilities	15,217,155	6,899,528	22,116,683	15,674,506
Total liabilities	17,948,085	8,260,169	26,208,254	19,176,125
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	242,070	41,990	284,060	372,940
NET POSITION				
Net investment in capital assets	8,617,237	18,713,048	27,330,285	26,075,632
Restricted for debt service	1,132,140	457,578	1,589,718	1,369,222
Restricted for sales tax dedications	6,298,390	-	6,298,390	4,878,019
Unrestricted (deficit)	3,271,711	259,893	3,531,604	(1,057,881)
Total net position	\$ 19,319,478	\$ 19,430,519	\$38,749,997	\$ 31,264,992

CITY OF CARENCRO, LOUISIANA

Balance Sheet
General and Special Revenue Funds
November 30, 2019

With Comparative Totals as of November 30, 2018

	General		1967 Sales Tax Special Revenue		1993 Sales Tax Special Revenue		TIF District Sales Tax Special Revenue		2016 Sales Tax Special Revenue	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	ASSETS									
Cash	\$ 116,684	\$ 317,123	\$ 135,872	\$ 106,176	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest-bearing deposits	376,752	401,626	20,978	20,928	69,989	97,247	1,439,045	901,919	4,037,239	3,145,338
Investments	-	-	193,694	184,858	-	-	-	-	-	-
Receivables:										
Taxes	14,275	13,225	231,856	190,641	231,856	190,641	156,020	125,220	230,887	194,462
Due from other governmental agencies	192,606	-	-	-	-	-	-	-	-	-
Due from other funds	200,000	-	-	-	-	-	3,169	-	-	-
Accrued interest	-	-	1,309	1,040	-	-	-	-	-	-
Other	-	754	-	-	-	-	-	-	-	-
Prepaid items	35,931	45,422	-	-	-	-	-	-	-	-
Total assets	<u>\$ 936,248</u>	<u>\$ 778,150</u>	<u>\$ 583,709</u>	<u>\$ 503,643</u>	<u>\$ 301,845</u>	<u>\$ 287,888</u>	<u>\$ 1,598,234</u>	<u>\$ 1,027,139</u>	<u>\$ 4,268,126</u>	<u>\$ 3,339,800</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$ 109,941	\$ 112,517	\$ 640	\$ 260	\$ 640	\$ 260	\$ 873	\$ 1,253	\$ 640	\$ 260
Contracts payable	-	85,186	-	-	-	-	44,354	-	-	-
Retainage payable	-	9,039	-	-	-	-	28,601	32,744	-	-
Customer rental deposits	3,400	2,900	-	-	-	-	-	-	-	-
Due to other governmental agencies	-	-	27,295	31,974	27,295	31,974	132,291	154,970	-	-
Due to other funds	19,411	431	200,000	-	-	-	-	42,003	-	-
Total liabilities	<u>132,752</u>	<u>210,073</u>	<u>227,935</u>	<u>32,234</u>	<u>27,935</u>	<u>32,234</u>	<u>206,119</u>	<u>230,970</u>	<u>640</u>	<u>260</u>
Fund balances -										
Nonspendable - prepaid items	35,931	45,422	-	-	-	-	-	-	-	-
Restricted - sales tax dedications	-	-	355,774	471,409	273,910	255,654	1,392,115	796,169	4,267,486	3,339,540
Unassigned	767,565	522,655	-	-	-	-	-	-	-	-
Total fund balances	<u>803,496</u>	<u>568,077</u>	<u>355,774</u>	<u>471,409</u>	<u>273,910</u>	<u>255,654</u>	<u>1,392,115</u>	<u>796,169</u>	<u>4,267,486</u>	<u>3,339,540</u>
Total liabilities and fund balances	<u>\$ 936,248</u>	<u>\$ 778,150</u>	<u>\$ 583,709</u>	<u>\$ 503,643</u>	<u>\$ 301,845</u>	<u>\$ 287,888</u>	<u>\$ 1,598,234</u>	<u>\$ 1,027,139</u>	<u>\$ 4,268,126</u>	<u>\$ 3,339,800</u>

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
Taxes:					
Ad valorem	\$ 285,000	\$ 314,588	\$ 314,135	\$ (453)	\$ 269,502
Franchise -					
Electric	355,000	430,404	433,007	2,603	434,748
Cable TV and gas	50,600	51,874	52,331	457	49,915
Total taxes	<u>690,600</u>	<u>796,866</u>	<u>799,473</u>	<u>2,607</u>	<u>754,165</u>
Licenses and permits:					
Occupational licenses	390,000	382,713	390,499	7,786	377,934
Code department permits	300,000	243,066	235,927	(7,139)	297,575
Total licenses and permits	<u>690,000</u>	<u>625,779</u>	<u>626,426</u>	<u>647</u>	<u>675,509</u>
Intergovernmental:					
Federal grants	120,698	114,592	115,773	1,181	120,326
State of Louisiana -					
Department of Transportation and Development	20,715	20,715	20,715	-	20,715
Beer taxes	16,000	15,730	17,258	1,528	16,088
On-behalf payments	210,000	181,571	186,679	5,108	189,363
Lafayette Parish Government -					
Two percent fire insurance refund	84,272	85,153	85,153	-	84,272
Proceeds for fire department	42,188	42,188	42,188	-	56,250
Lafayette Parish School Board - resource officer	195,438	195,438	197,001	1,563	157,758
Total intergovernmental	<u>689,311</u>	<u>655,387</u>	<u>664,767</u>	<u>9,380</u>	<u>644,772</u>
Fines and forfeits:					
Fines and court costs	125,000	174,323	192,595	18,272	113,071
Police special detail and accident reports	390,000	248,346	248,589	243	348,065
Total fines, forfeits, etc.	<u>515,000</u>	<u>422,669</u>	<u>441,184</u>	<u>18,515</u>	<u>461,136</u>
Miscellaneous:					
Interest	4,500	7,061	6,866	(195)	5,482
Community Center rentals	25,000	33,440	37,220	3,780	27,500
Donations	1,000	1,750	2,050	300	750
Other sources	2,500	1,422	2,877	1,455	3,023
Total miscellaneous	<u>33,000</u>	<u>43,673</u>	<u>49,013</u>	<u>5,340</u>	<u>36,755</u>
Total revenues	<u>\$ 2,617,911</u>	<u>\$ 2,544,374</u>	<u>\$ 2,580,863</u>	<u>\$ 36,489</u>	<u>\$ 2,572,337</u>

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Actual	Variance with Final Budget Positive (Negative)	2018 Actual
	Budget				
	Original	Final			
Current:					
General government -					
Administrative:					
Mayor and council salaries	\$ 143,346	\$ 143,273	\$ 143,323	\$ (50)	\$ 127,056
Other salaries and wages	77,079	77,079	77,079	-	74,835
Retirement	21,599	21,599	21,598	1	20,626
Group insurance	14,743	11,194	11,194	-	13,084
Payroll taxes	16,404	12,587	12,590	(3)	10,434
Insurance	30,750	45,382	44,124	1,258	32,400
Office	23,000	23,030	27,741	(4,711)	23,528
Advertisements and recordings	12,500	8,020	7,032	988	4,453
Dues	13,500	9,107	9,225	(118)	12,231
Legal fees	78,000	79,645	84,291	(4,646)	79,601
Professional fees	27,500	26,490	28,400	(1,910)	23,855
Engineering	290,000	433,713	430,637	3,076	286,470
Travel and conferences	12,000	12,067	13,888	(1,821)	11,756
Gas and repairs	4,000	3,274	4,611	(1,337)	3,670
Auto allowance	7,200	7,200	7,200	-	7,200
Utilities and telephone	13,550	20,898	21,739	(841)	17,229
Rent	6,000	6,000	6,000	-	6,050
Repairs and maintenance	45,160	45,506	46,666	(1,160)	36,223
Senior citizens' compensation	7,800	11,362	10,645	717	6,640
Uniforms	2,500	1,452	1,604	(152)	1,393
Miscellaneous	4,375	5,799	6,544	(745)	4,256
Total administrative	<u>851,006</u>	<u>1,004,677</u>	<u>1,016,131</u>	<u>(11,454)</u>	<u>802,990</u>
Code department:					
Salaries	46,453	50,353	50,353	-	31,390
Retirement	6,503	6,503	6,503	-	3,575
Group insurance	5,058	5,058	4,637	421	5,040
Payroll taxes	3,554	3,734	3,734	-	2,337
Insurance	1,500	1,802	1,751	51	1,489
Inspection fees	160,000	170,020	169,034	986	213,159
Miscellaneous	2,800	916	876	40	1,008
Total code department	<u>225,868</u>	<u>238,386</u>	<u>236,888</u>	<u>1,498</u>	<u>257,998</u>
Total general government	<u>1,076,874</u>	<u>1,243,063</u>	<u>1,253,019</u>	<u>(9,956)</u>	<u>1,060,988</u>

(continued)

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
Public safety:					
Police department -					
Salaries	1,815,442	1,738,525	1,762,360	(23,835)	1,492,264
Retirement	184,573	181,413	181,413	-	139,393
Group insurance	200,952	156,149	154,926	1,223	161,431
Payroll taxes	122,905	113,957	113,269	688	99,479
Insurance	202,500	210,616	204,611	6,005	194,522
Gas and repairs	120,000	97,588	111,688	(14,100)	110,910
Equipment expenditures	15,000	15,122	27,413	(12,291)	19,897
Maintenance	24,700	23,851	26,857	(3,006)	22,726
Utilities and telephone	22,180	24,658	25,622	(964)	21,420
Auto allowance	14,400	14,400	14,400	-	14,400
Legal fees	2,000	1,350	350	1,000	2,013
Miscellaneous	4,800	6,857	7,323	(466)	754
Supplies	27,500	21,458	43,208	(21,750)	26,751
Office supplies	16,350	14,035	11,371	2,664	13,988
Grant expenditures	8,000	1,388	3,248	(1,860)	6,796
Radio user fees	2,500	3,075	2,500	575	-
Uniforms	16,228	15,508	17,845	(2,337)	18,268
Training	31,500	20,885	29,507	(8,622)	26,836
Drug task force expenditures	3,000	4,956	3,682	1,274	1,729
Drug testing	2,000	1,918	1,844	74	800
Total police department	<u>2,836,530</u>	<u>2,667,709</u>	<u>2,743,721</u>	<u>(76,012)</u>	<u>2,374,377</u>
Fire department -					
Salaries	395,106	416,576	428,997	(12,421)	376,094
Retirement	65,810	65,839	65,783	56	59,993
Group insurance	39,227	39,813	37,465	2,348	39,085
Payroll taxes	28,849	24,112	29,583	(5,471)	23,431
Insurance	108,000	85,461	83,024	2,437	96,624
Maintenance and supplies	36,950	32,011	30,629	1,382	30,554
Auto	56,500	69,542	57,781	11,761	68,574
Utilities and telephone	19,550	20,368	21,738	(1,370)	17,742
Equipment expenditures	20,000	16,074	20,303	(4,229)	10,263
Miscellaneous	61,000	33,875	48,133	(14,258)	49,436
Consultant fees	-	-	-	-	2,276
Training	7,000	3,640	7,157	(3,517)	6,472
Radio user fees	4,000	2,708	3,297	(589)	2,565
Uniforms	6,500	3,510	4,206	(696)	7,204
Total fire department	<u>848,492</u>	<u>813,529</u>	<u>838,096</u>	<u>(24,567)</u>	<u>790,313</u>

(continued)

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019				
	Budget		Actual	Variance with	2018 Actual
	Original	Final		Final Budget Positive (Negative)	
City Court department -					
City magistrate	13,000	10,385	9,929	456	11,620
Other salaries	6,908	5,931	6,430	(499)	5,778
Supplies	2,000	164	64	100	-
Legal fees	6,800	9,475	8,000	1,475	7,063
Fine fees	160,000	129,828	137,168	(7,340)	144,191
Traffic detail expenditures	64,000	33,196	33,359	(163)	54,663
Total city court department	<u>252,708</u>	<u>188,979</u>	<u>194,950</u>	<u>(5,971)</u>	<u>223,315</u>
Total public safety	<u>3,937,730</u>	<u>3,670,217</u>	<u>3,776,767</u>	<u>(106,550)</u>	<u>3,388,005</u>
Highways and streets:					
Salaries	140,193	132,967	131,173	1,794	132,404
Retirement	19,375	18,374	18,074	300	17,540
Group insurance	27,794	19,576	23,370	(3,794)	25,171
Payroll taxes	10,587	9,557	9,409	148	9,479
Insurance	28,500	28,301	27,494	807	27,054
Maintenance and supplies	83,500	45,126	73,148	(28,022)	141,322
Engineering	97,000	59,088	80,195	(21,107)	120,898
Street equipment repairs and maintenance	30,000	30,001	35,702	(5,701)	49,689
Lighting	103,000	98,983	103,081	(4,098)	100,395
Dumping fees	-	-	2,310	(2,310)	565
Inmate labor	66,500	61,421	60,262	1,159	60,094
Auto	25,000	14,769	18,733	(3,964)	32,253
Training	500	-	-	-	399
Uniforms	7,200	5,843	6,276	(433)	7,020
Total highways and streets	<u>639,149</u>	<u>524,006</u>	<u>589,227</u>	<u>(65,221)</u>	<u>725,665</u>
Culture and tourism -					
Community Center:					
Salaries	3,400	4,160	4,424	(264)	4,136
Payroll taxes	260	323	347	(24)	325
Insurance	10,000	12,074	11,730	344	9,567
Equipment and supplies	21,500	14,727	19,410	(4,683)	22,391
Janitorial services	24,000	19,696	20,508	(812)	24,300
Utilities and telephone	15,500	13,834	14,154	(320)	16,870
Total community center	<u>74,660</u>	<u>64,814</u>	<u>70,573</u>	<u>(5,759)</u>	<u>77,589</u>
Total culture and tourism	<u>74,660</u>	<u>64,814</u>	<u>70,573</u>	<u>(5,759)</u>	<u>77,589</u>

(continued)

CITY OF CARENCRO, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
Capital outlay:					
General government	7,848	-	1,700	(1,700)	66,806
Public safety	175,000	134,514	136,451	(1,937)	468,151
Highways and street	-	-	-	-	52,051
Culture and tourism	-	-	-	-	94,224
Total capital outlay	<u>182,848</u>	<u>134,514</u>	<u>138,151</u>	<u>(3,637)</u>	<u>681,232</u>
Debt service:					
Principal retirement	80,008	80,008	80,008	-	103,306
Interest and fiscal charges	10,699	10,699	10,699	-	120
Total debt service	<u>90,707</u>	<u>90,707</u>	<u>90,707</u>	<u>-</u>	<u>103,426</u>
Total expenditures	<u>\$6,001,968</u>	<u>\$ 5,727,321</u>	<u>\$ 5,918,444</u>	<u>\$ (191,123)</u>	<u>\$ 6,036,905</u>

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

Budgetary Comparison Schedule
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Actual	Variance with Final Budget Positive (Negative)	2018 Actual
	Budget				
	Original	Final			
Revenues:					
Taxes	\$2,600,000	\$2,719,688	\$2,734,906	\$ 15,218	\$2,453,506
Interest	5,000	8,550	17,435	8,885	7,002
Total revenues	<u>2,605,000</u>	<u>2,728,238</u>	<u>2,752,341</u>	<u>24,103</u>	<u>2,460,508</u>
Expenditures:					
Current -					
General government:					
Collection fees	26,000	27,200	23,652	3,548	22,166
Professional fees	<u>12,500</u>	<u>12,985</u>	<u>13,328</u>	(343)	<u>10,080</u>
Total expenditures	<u>38,500</u>	<u>40,185</u>	<u>36,980</u>	<u>3,205</u>	<u>32,246</u>
Excess of revenues over expenditures	2,566,500	2,688,053	2,715,361	27,308	2,428,262
Other financing uses:					
Transfers out	<u>(2,552,661)</u>	<u>(2,830,996)</u>	<u>(2,830,996)</u>	-	<u>(2,299,131)</u>
Net change in fund balance	13,839	(142,943)	(115,635)	27,308	129,131
Fund balance, beginning	<u>471,409</u>	<u>471,409</u>	<u>471,409</u>	-	<u>342,278</u>
Fund balance, ending	<u>\$ 485,248</u>	<u>\$ 328,466</u>	<u>\$ 355,774</u>	<u>\$ 27,308</u>	<u>\$ 471,409</u>

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

Budgetary Comparison Schedule
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 2,600,000	\$2,719,688	\$2,734,906	\$ 15,218	\$2,453,506
Miscellaneous - interest	5,000	8,119	8,376	257	6,115
Total revenues	<u>2,605,000</u>	<u>2,727,807</u>	<u>2,743,282</u>	<u>15,475</u>	<u>2,459,621</u>
Expenditures:					
Current -					
General government:					
Collection fees	26,000	27,200	23,652	3,548	22,166
Professional fees	12,500	12,985	13,330	(345)	10,080
Total general government	38,500	40,185	36,982	3,203	32,246
Culture and recreation	<u>868,000</u>	<u>894,922</u>	<u>890,044</u>	<u>4,878</u>	<u>813,033</u>
Total expenditures	<u>906,500</u>	<u>935,107</u>	<u>927,026</u>	<u>8,081</u>	<u>845,279</u>
Excess of revenues over expenditures	1,698,500	1,792,700	1,816,256	23,556	1,614,342
Other financing uses -					
Transfers out	<u>(1,700,000)</u>	<u>(1,798,000)</u>	<u>(1,798,000)</u>	<u>-</u>	<u>(1,540,000)</u>
Net change in fund balance	(1,500)	(5,300)	18,256	23,556	74,342
Fund balance, beginning	<u>255,654</u>	<u>255,654</u>	<u>255,654</u>	<u>-</u>	<u>181,312</u>
Fund balance, ending	<u>\$ 254,154</u>	<u>\$ 250,354</u>	<u>\$ 273,910</u>	<u>\$ 23,556</u>	<u>\$ 255,654</u>

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

Budgetary Comparison Schedule
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$1,800,000	\$1,848,196	\$1,857,621	\$ 9,425	\$1,686,451
Intergovernmental - DOTD	-	-	-	-	2,315
Miscellaneous - interest	19,500	31,337	29,665	(1,672)	19,699
Total revenues	<u>1,819,500</u>	<u>1,879,533</u>	<u>1,887,286</u>	<u>7,753</u>	<u>1,708,465</u>
Expenditures:					
Current -					
General government:					
Collection fees	18,000	18,480	14,555	3,925	15,553
Engineering	3,000	-	-	-	1,880
Repairs and maintenance	-	-	-	-	1,194
Professional fees	8,000	8,880	9,160	(280)	7,140
Total general government	<u>29,000</u>	<u>27,360</u>	<u>23,715</u>	<u>3,645</u>	<u>25,767</u>
Capital outlay	<u>305,000</u>	<u>168,138</u>	<u>177,354</u>	<u>(9,216)</u>	<u>375,751</u>
Total expenditures	<u>334,000</u>	<u>195,498</u>	<u>201,069</u>	<u>(5,571)</u>	<u>401,518</u>
Excess of revenues over expenditures	1,485,500	1,684,035	1,686,217	2,182	1,306,947
Other financing uses:					
Transfers out	<u>(281,262)</u>	<u>(1,090,271)</u>	<u>(1,090,271)</u>	-	<u>(1,274,080)</u>
Net change in fund balance	1,204,238	593,764	595,946	2,182	32,867
Fund balance, beginning	<u>796,169</u>	<u>796,169</u>	<u>796,169</u>	-	<u>763,302</u>
Fund balance, ending	<u>\$2,000,407</u>	<u>\$1,389,933</u>	<u>\$1,392,115</u>	<u>\$ 2,182</u>	<u>\$ 796,169</u>

CITY OF CARENCRO, LOUISIANA
2016 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Actual	Variance with Final Budget Positive (Negative)	2018 Actual
	Budget				
	Original	Final			
Revenues:					
Taxes	\$ 2,490,000	\$ 2,708,121	\$ 2,727,721	\$ 19,600	\$ 2,442,940
Miscellaneous	35,000	93,078	88,687	(4,391)	45,820
Total revenues	<u>2,525,000</u>	<u>2,801,199</u>	<u>2,816,408</u>	<u>15,209</u>	<u>2,488,760</u>
Expenditures:					
Current:					
General government					
Collection fees	24,900	27,200	20,132	7,068	18,801
Professional fees	<u>8,200</u>	<u>12,985</u>	<u>13,330</u>	<u>(345)</u>	<u>7,135</u>
Total general government	<u>33,100</u>	<u>40,185</u>	<u>33,462</u>	<u>6,723</u>	<u>25,936</u>
Excess of revenues over expenditures	2,491,900	2,761,014	2,782,946	21,932	2,462,824
Other financing uses:					
Transfers out	<u>(750,000)</u>	<u>(1,855,000)</u>	<u>(1,855,000)</u>	<u>-</u>	<u>(425,000)</u>
Net change in fund balance	1,741,900	906,014	927,946	21,932	2,037,824
Fund balance, beginning	<u>3,339,540</u>	<u>3,339,540</u>	<u>3,339,540</u>	<u>-</u>	<u>1,301,716</u>
Fund balance, ending	<u>\$ 5,081,440</u>	<u>\$ 4,245,554</u>	<u>\$ 4,267,486</u>	<u>\$ 21,932</u>	<u>\$ 3,339,540</u>

CITY OF CARENCRO, LOUISIANA
Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019			Variance with Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
Revenue:					
Intergovernmental -					
Federal grants	\$ 716,662	\$ 1,339,283	\$ 1,346,869	\$ 7,586	\$ 1,333,636
State grants	937,009	850,763	897,526	46,763	228,058
Local grants	-	2,500	-	(2,500)	30,875
Miscellaneous	-	625	23,520	22,895	390
Total revenues	<u>1,653,671</u>	<u>2,193,171</u>	<u>2,267,915</u>	<u>74,744</u>	<u>1,592,959</u>
Expenditures:					
Capital outlay -	1,838,180	3,229,385	3,228,642	743	2,357,032
Debt service					
Bond issue costs	-	65,654	65,738	(84)	-
Total expenditures	<u>1,838,180</u>	<u>3,295,039</u>	<u>3,294,380</u>	<u>659</u>	<u>2,357,032</u>
Excess (deficiency) of revenues over expenditures	<u>(184,509)</u>	<u>(1,101,868)</u>	<u>(1,026,465)</u>	<u>75,403</u>	<u>(764,073)</u>
Other financing sources (uses):					
Proceeds from issuance of bonds	-	5,000,000	5,000,000	-	-
Transfers in	315,000	2,021,180	2,030,480	9,300	48,292
Transfers out	(937,009)	(908,384)	(908,384)	-	(258,270)
Total other financing sources (uses)	<u>(622,009)</u>	<u>6,112,796</u>	<u>6,122,096</u>	<u>9,300</u>	<u>(209,978)</u>
Net change in fund balance	(806,518)	5,010,928	5,095,631	84,703	(974,051)
Fund balance, beginning	<u>229,209</u>	<u>229,209</u>	<u>229,209</u>	<u>-</u>	<u>1,203,260</u>
Fund balance, ending	<u>\$ (577,309)</u>	<u>\$ 5,240,137</u>	<u>\$ 5,324,840</u>	<u>\$ 84,703</u>	<u>\$ 229,209</u>

CITY OF CARENCRO, LOUISIANA
Nonmajor Governmental Funds

Combining Balance Sheet
November 30, 2019
With Comparative Totals as of November 30, 2018

	Hotel/Motel Sales Tax Fund	2011 Sales Tax Bond Fund	2013 Sales Tax Bond Fund	2014 Sales Tax Bond Fund	Sidewalk Construction Fund	LCDBG 2009 Sewer Improvements Fund	Totals	
							2019	2018
ASSETS								
Cash	\$ 34	\$ -	\$ -	\$ -	\$ -	\$ 23,942	\$ 23,976	\$ 22,426
Interest-bearing deposits	9,788	99,253	279,897	854,677	-	-	1,243,615	1,150,982
Investments	-	-	-	-	27	-	27	19,028
Receivables:								
Taxes	506	-	-	-	-	-	506	485
Due from other funds	-	-	-	-	-	8,600	8,600	-
Due from other governmental agencies	-	-	-	-	-	347,361	347,361	240,293
TOTAL ASSETS	\$ 10,328	\$ 99,253	\$ 279,897	\$ 854,677	\$ 27	\$ 379,903	\$ 1,624,085	\$ 1,433,214
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 1,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,223	\$ 345
Contracts payable	-	-	-	-	-	346,174	346,174	231,341
Retainage payable	-	-	-	-	-	33,705	33,705	14,444
Total liabilities	1,223	-	-	-	-	379,879	381,102	246,130
Fund balances:								
Restricted - sales tax dedications	9,105	-	-	-	-	-	9,105	15,247
Restricted - debt service	-	99,253	279,897	854,677	-	-	1,233,827	1,136,129
Assigned - capital projects	-	-	-	-	27	24	51	35,708
Total fund balances	9,105	99,253	279,897	854,677	27	24	1,242,983	1,187,084
TOTAL LIABILITIES AND FUND BALANCES	\$ 10,328	\$ 99,253	\$ 279,897	\$ 854,677	\$ 27	\$ 379,903	\$ 1,624,085	\$ 1,433,214

CITY OF CARENCRO, LOUISIANA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Change in Fund Balances
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	Hotel/Motel Sales Tax Fund	2011 Sales Tax Bond Fund	2013 Sales Tax Bond Fund	2014 Sales Tax Bond Fund	Sidewalk Construction Fund	LCDBG 2009 Sewer Improvements Fund	Totals	
							2019	2018
Revenues:								
Taxes	\$ 6,556	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,556	\$ 7,789
Intergovernmental	-	-	-	345,100	-	356,785	701,885	291,300
Miscellaneous	6,269	1,036	4,054	17,141	299	-	28,799	27,311
Total revenues	<u>12,825</u>	<u>1,036</u>	<u>4,054</u>	<u>362,241</u>	<u>299</u>	<u>356,785</u>	<u>737,240</u>	<u>326,400</u>
Expenditures:								
Current -								
General government	-	-	-	-	-	-	-	11
Culture and tourism	18,967	-	-	-	-	-	18,967	10,212
Debt service -								
Principal retirement	-	85,000	160,000	845,000	-	-	1,090,000	1,964,000
Interest and fiscal charges	-	13,869	15,448	169,574	-	-	198,891	247,388
Total expenditures	<u>18,967</u>	<u>98,869</u>	<u>175,448</u>	<u>1,014,574</u>	<u>-</u>	<u>-</u>	<u>1,307,858</u>	<u>2,221,611</u>
Excess (deficiency) of revenues over expenditures	<u>(6,142)</u>	<u>(97,833)</u>	<u>(171,394)</u>	<u>(652,333)</u>	<u>299</u>	<u>356,785</u>	<u>(570,618)</u>	<u>(1,895,211)</u>
Other financing sources (uses) :								
Transfer in	-	102,730	178,532	737,996	-	117,782	1,137,040	1,368,677
Transfer out	-	-	-	-	(19,300)	(491,223)	(510,523)	(688,037)
Total other financing sources (uses)	<u>-</u>	<u>102,730</u>	<u>178,532</u>	<u>737,996</u>	<u>(19,300)</u>	<u>(373,441)</u>	<u>626,517</u>	<u>680,640</u>
Net change in fund balances	(6,142)	4,897	7,138	85,663	(19,001)	(16,656)	55,899	(1,214,571)
Fund balances, beginning	<u>15,247</u>	<u>94,356</u>	<u>272,759</u>	<u>769,014</u>	<u>19,028</u>	<u>16,680</u>	<u>1,187,084</u>	<u>1,994,431</u>
Fund balances, ending	<u>\$ 9,105</u>	<u>\$ 99,253</u>	<u>\$ 279,897</u>	<u>\$ 854,677</u>	<u>\$ 27</u>	<u>\$ 24</u>	<u>\$ 1,242,983</u>	<u>\$ 779,860</u>

NONMAJOR SPECIAL REVENUE FUND

Hotel/Motel Sales Tax Fund

To account for the receipt and use of proceeds of a 4% tax upon the rent or fee charged for the occupancy of hotel rooms within the City. These taxes are dedicated and used to fund the construction and maintenance of water and sewer infrastructure, economic development and tourism within the City.

CITY OF CARENCRO, LOUISIANA
 Nonmajor Special Revenue Fund
 Hotel/Motel Sales Tax Fund

Budgetary Comparison Schedule
 For the Year Ended November 30, 2019
 With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Variance with Final Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenues:				
Taxes	\$ 6,903	\$ 6,556	\$ (347)	\$ 7,789
Miscellaneous -				
Donations	6,000	6,000	-	6,000
Farmers market	-	27	27	540
Interest	261	242	(19)	224
Total revenues	<u>13,164</u>	<u>12,825</u>	<u>(339)</u>	<u>14,553</u>
Expenditures:				
Current -				
General government:				
Collection fees	-	-	-	11
Culture and tourism:				
Culture district	3,808	4,950	(1,142)	2,316
Culture and tourism	14,216	14,017	199	7,896
Total culture and tourism	<u>18,024</u>	<u>18,967</u>	<u>(943)</u>	<u>10,212</u>
Total expenditures	<u>18,024</u>	<u>18,967</u>	<u>(943)</u>	<u>10,223</u>
Excess (deficiency) of revenues over expenditures	(4,860)	(6,142)	(1,282)	4,330
Fund balance, beginning	<u>15,247</u>	<u>15,247</u>	-	<u>10,917</u>
Fund balance, ending	<u>\$ 10,387</u>	<u>\$ 9,105</u>	<u>\$ (1,282)</u>	<u>\$ 15,247</u>

NONMAJOR DEBT SERVICE FUNDS

2011 Sales Tax Bond Fund -

To accumulate monies for payment of the \$1,000,000 Public Improvement Sales Tax Bonds, Series 2011, which are due in annual installments, plus interest, through maturity in 2023. Debt service is financed by transfers from proceeds of the City's TIF District 1% sales and use tax.

2013 Sales Tax Bond Fund -

To accumulate monies for payment of the \$1,500,000 Certificates of Indebtedness, Series 2013, due in annual installments, plus interest, through maturity in 2023. Debt service is financed by transfers from proceeds of the City's TIF District 1% sales and use tax.

2014 Sales Tax Bond Fund -

To accumulate monies for payment of the \$5,800,000 Sales Tax Bonds, Series 2014, due in annual installments, plus interest, through maturity in 2024 and the \$5,000,000 Sales Tax Bonds, Series 2019, due in annual installments, plus interest, through maturity in 2029. Debt service is financed by transfers from proceeds of the City's 1967 1% sales and use tax. Additionally, accumulates monies for payment of the \$3,750,000 Sales Tax Bonds, Series 2014A, due in annual installments, plus interest, through maturity in 2029. Debt service is financed by transfers from the Park and Recreation Commission of Carencro, Inc.'s share of the 1993 1% sales and use tax.

CITY OF CARENCRO, LOUISIANA
 Nonmajor Debt Service Fund
 2011 Sales Tax Bond Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 For the Year Ended November 30, 2019
 With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Variance with Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenues:				
Miscellaneous - interest	\$ 1,191	\$ 1,036	\$ (155)	\$ 935
Expenditures:				
Debt service -				
Principal retirement	85,000	85,000	-	80,000
Interest and fiscal charges	13,869	13,869	-	16,080
Total expenditures	98,869	98,869	-	96,080
Deficiency of revenues over expenditures	(97,678)	(97,833)	(155)	(95,145)
Other financing sources:				
Transfers in	102,730	102,730	-	100,008
Net change in fund balance	5,052	4,897	(155)	4,863
Fund balance, beginning	94,356	94,356	-	89,493
Fund balance, ending	\$ 99,408	\$ 99,253	\$ (155)	\$ 94,356

CITY OF CARENCRO, LOUISIANA
 Nonmajor Debt Service Fund
 2012 Sales Tax Bond Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual
 For the Year Ended November 30, 2019
 With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Variance with Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenues:				
Miscellaneous - interest	\$ -	\$ -	\$ -	\$ 2,228
Expenditures:				
Debt service -				
Principal retirement	-	-	-	189,000
Interest and fiscal charges	-	-	-	1,937
Total expenditures	-	-	-	190,937
Deficiency of revenues over expenditures	-	-	-	(188,709)
Other financing sources (uses):				
Transfers in	-	-	-	64,292
Transfers out	-	-	-	(249,187)
Total other financing sources (uses)	-	-	-	(184,895)
Net change in fund balance	-	-	-	(373,604)
Fund balance, beginning	-	-	-	373,604
Fund balance, ending	\$ -	\$ -	\$ -	\$ -

CITY OF CARENCRO, LOUISIANA
 Nonmajor Debt Service Fund
 2013 Sales Tax Bond Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 For the Year Ended November 30, 2019
 With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Variance with Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenues:				
Miscellaneous - interest	\$ 4,661	\$ 4,054	\$ (607)	\$ 3,517
Expenditures:				
Debt service -				
Principal retirement	160,000	160,000	-	1,055,000
Interest and fiscal charges	15,124	15,448	(324)	42,906
Total expenditures	175,124	175,448	(324)	1,097,906
Deficiency of revenues over expenditures	(170,463)	(171,394)	(931)	(1,094,389)
Other financing sources:				
Transfers in	178,532	178,532	-	547,345
Net change in fund balance	8,069	7,138	(931)	(547,044)
Fund balance, beginning	272,759	272,759	-	819,803
Fund balance, ending	\$ 280,828	\$ 279,897	\$ (931)	\$ 272,759

CITY OF CARENCRO, LOUISIANA
Nonmajor Debt Service Fund
2014 Sales Tax Bond Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
For the Year Ended November 30, 2019
With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Variance with Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenues:				
Intergovernmental - local sources	\$ 345,100	\$ 345,100	\$ -	\$ 291,300
Miscellaneous - interest	19,709	17,141	(2,568)	13,148
Total revenues	<u>364,809</u>	<u>362,241</u>	<u>(2,568)</u>	<u>304,448</u>
Expenditures:				
Debt service				
Principal retirement	845,000	845,000	-	640,000
Interest and fiscal charges	169,574	169,574	-	186,465
Total expenditures	<u>1,014,574</u>	<u>1,014,574</u>	<u>-</u>	<u>826,465</u>
Deficiency of revenues over expenditures	(649,765)	(652,333)	(2,568)	(522,017)
Other financing sources:				
Transfers in	737,996	737,996	-	657,026
Net change in fund balance	88,231	85,663	(2,568)	135,009
Fund balance, beginning	<u>769,014</u>	<u>769,014</u>	<u>-</u>	<u>634,005</u>
Fund balance, ending	<u>\$ 857,245</u>	<u>\$ 854,677</u>	<u>\$ (2,568)</u>	<u>\$ 769,014</u>

NONMAJOR CAPITAL PROJECTS FUND

Sidewalk Construction Fund -

To accumulate funds for the construction of sidewalks provided by General Fund revenues (transfers).

LCDBG 2009 Sewer Improvements -

To accumulate funds for the construction of the 2009 Sewer Improvements project provided by the Louisiana Community Development Block Grant and Utility Fund revenues (transfers).

CITY OF CARENCRO, LOUISIANA
 Nonmajor Capital Projects Fund
 Sidewalk Construction Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual
 For the Year Ended November 30, 2019
 With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Variance with Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenue:				
Miscellaneous - interest	\$ -	\$ 299	\$ 299	\$ 719
Expenditures:				
Capital outlay	-	-	-	-
Excess of revenues over expenditures	-	299	299	719
Other financing uses:				
Transfers out	(10,000)	(19,300)	(9,300)	(48,292)
Net change in fund balance	(10,000)	(19,001)	(9,001)	(47,573)
Fund balance, beginning	19,028	19,028	-	66,601
Fund balance, ending	<u>\$ 9,028</u>	<u>\$ 27</u>	<u>\$ (9,001)</u>	<u>\$ 19,028</u>

CITY OF CARENCRO, LOUISIANA
 Nonmajor Capital Projects Fund
 LCDBG 2009 Sewer Improvements Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual
 For the Year Ended November 30, 2019
 With Comparative Actual Amounts for the Year Ended November 30, 2018

	2019		Variance with Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenue:				
Intergovernmental - LCDBG federal grant	\$ 356,785	\$ 356,785	\$ -	\$ 357,947
Miscellaneous	-	-	-	672
Total revenues	<u>356,785</u>	<u>356,785</u>	-	<u>358,619</u>
Expenditures:				
Capital outlay	-	-	-	-
Excess of revenues over expenditures	<u>356,785</u>	<u>356,785</u>	-	<u>358,619</u>
Other financing sources (uses):				
Transfers in	123,215	117,782	(5,433)	48,605
Transfers out	<u>(480,000)</u>	<u>(491,223)</u>	<u>(11,223)</u>	<u>(390,552)</u>
Total other financing sources (uses)	<u>(356,785)</u>	<u>(373,441)</u>	<u>(16,656)</u>	<u>(341,947)</u>
Net change in fund balance	-	(16,656)	(16,656)	16,672
Fund balance, beginning	<u>16,680</u>	<u>16,680</u>	-	<u>8</u>
Fund balance, ending	<u>\$ 16,680</u>	<u>\$ 24</u>	<u>\$ (16,656)</u>	<u>\$ 16,680</u>

CITY OF CARENCRO, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
November 30, 2019 and 2018

Records maintained by the City indicated the following number of customers were being serviced during the month of November, 2019 and 2018:

<u>Department</u>	<u>2019</u>	<u>2018</u>
Gas (metered)	763	756
Water (metered)	3,097	3,006
Sewerage	2,750	2,651
Garbage	2,879	2,740

CITY OF CARENCRO, LOUISIANA

Schedule of Insurance In Force
(Unaudited)
November 30, 2019

Description of Coverage	Coverage Amounts
Workmen's compensation - Employer's liability	Statutory \$ 500,000
Surety bonds -	
Fidelity bond	310,000
Notary public bond	40,000
Comprehensive general liability, bodily injury, property damage, and personal injury	500,000
Law enforcement liability Personal injury, liability, false arrest, etc.	500,000
Automobile bodily injury, property damage, and uninsured motorists	500,000
Public officials liability	500,000
Commercial automobile	1,000,000
Building and personal property coverage -	
Community Center building	1,540,000
City hall:	
Building	800,000
Contents	200,000
Police station:	
Building	550,000
Contents	55,000
Utility Department:	
Water plant buildings	3,126,000
Contents	60,000
Utility sheds	66,000
Contents	35,000
Special risk - fire department -	
Building and personal property coverage -	
Buildings (2 fire stations and 1 annex building)	1,655,973
Contents	148,573
Vehicle coverage	1,337,254
Automobile bodily injury, property damage, and uninsured motorists	1,000,000
General liability	1,000,000
General aggregate	2,000,000
Products	2,000,000
Personal injury	1,000,000
Fire damage	1,000,000
Umbrella (excess coverage) liability, each occurrence	5,000,000
Umbrella (excess coverage) liability, annual aggregate	10,000,000

CITY OF CARENCRO, LOUISIANA

Combined Schedule of Interest-Bearing Deposits and Investments - All Funds
November 30, 2019

		Interest Rate	Maturity Date	Amount
Major Governmental Funds:				
General Fund -				
Money Market Investment Account	(R)	Variable	N/A	\$ 352,549
Money Market Investment Account	(R)	Variable	N/A	<u>24,203</u>
				<u>376,752</u>
Special Revenue Funds -				
1967 Sales Tax Fund:				
Money Market Investment Account	(R)	Variable	N/A	20,978
U. S. Treasury Notes and Securities	(E)	1.375 - 4.875%	Various	<u>193,694</u>
				<u>214,672</u>
1993 Sales Tax Fund:				
Money Market Investment Account	(I)	Variable	N/A	32,752
Money Market Investment Account	(I)	Variable	N/A	<u>37,237</u>
				<u>69,989</u>
TIF District Sales Tax Fund:				
Money Market Investment Account	(R)	Variable	N/A	<u>1,439,045</u>
2016 Sales Tax Fund:				
Money Market Investment Account	(I)	Variable	N/A	<u>4,037,239</u>
Capital Projects Fund -				
Money Market Investment Account	(R)	Variable	N/A	<u>4,883,125</u>
Nonmajor governmental funds:				
Special Revenue Fund -				
Hotel/Motel Sales Tax Fund				
Money Market Investment Account	(I)	Variable	N/A	<u>9,788</u>
Debt Service Funds -				
2011 Sales Tax Bond Fund:				
Money Market Investment Account	(I)	Variable	N/A	<u>99,253</u>
2013 Sales Tax Bond Fund:				
Money Market Investment Account	(I)	Variable	N/A	<u>279,897</u>
2014 Sales Tax Bond Fund:				
Money Market Investment Account	(I)	Variable	N/A	438,867
Money Market Investment Account	(I)	Variable	N/A	80,500
Money Market Investment Account	(I)	Variable	N/A	<u>335,310</u>
				<u>854,677</u>
Sidewalk Construction Fund -				
Louisiana Asset Management Pool	(L)	Variable	N/A	<u>27</u>
Total governmental funds				<u>\$ 12,264,464</u>

(continued)

CITY OF CARENCRO, LOUISIANA

Combined Schedule of Interest-Bearing Deposits and Investments - All Funds (Continued)
November 30, 2019

		<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
Proprietary Fund:				
Utility Fund -				
Unrestricted Accounts:				
Money Market Investment Account	(I)	Variable	N/A	\$ 105,910
U. S. Treasury Notes and Securities	(E)	1.375 - 4.875%	Various	454,681
Louisiana Asset Management Pool	(L)	Variable	N/A	<u>56,852</u>
Total unrestricted accounts				<u>617,443</u>
Restricted Accounts:				
Customers' Deposits -				
Money Market Investment Account	(R)	Variable	N/A	386,693
Money Market Investment Account	(R)	Variable	N/A	30,164
Louisiana Asset Management Pool	(L)	Variable	N/A	<u>46,668</u>
				<u>463,525</u>
Revenue Bond Sinking Fund -				
Money Market Investment Account	(I)	Variable	N/A	218,833
Money Market Investment Account	(I)	Variable	N/A	277,734
Money Market Investment Account	(I)	Variable	N/A	<u>1,653</u>
				<u>498,220</u>
Total restricted accounts				<u>961,745</u>
Total proprietary fund				<u>1,579,188</u>
Total interest-bearing deposits and investments - all funds				<u>\$ 13,843,652</u>

Certificates of deposit, money market investment accounts and U.S. Treasury notes and securities with ---

- (I) Iberia Savings Bank
- (L) Louisiana Asset Management Fund
- (E) Edward Jones
- (R) Rayne State Bank

CITY OF CARENCRO, LOUISIANA

Comparative Statement of Net Position
Proprietary Fund
November 30, 2019 and 2018

	Enterprise Fund	
	2019	2018
ASSETS		
Current assets:		
Cash	\$ 223,664	\$ 132,705
Interest-bearing deposits	105,910	130,029
Investments	511,533	528,962
Receivables -		
Accounts	468,791	443,693
Unbilled utility receivables	175,060	236,991
Due from other funds	10,372	431
Accrued interest	3,584	2,244
Prepaid items	17,341	28,371
Total current assets	<u>1,516,255</u>	<u>1,503,426</u>
Noncurrent assets:		
Restricted assets -		
Interest-bearing deposits	915,077	727,707
Investments	46,668	45,608
Capital assets -		
Land and construction in progress	11,233,715	7,655,808
Other capital assets, net of accumulated depreciation	<u>13,856,653</u>	<u>13,161,737</u>
Total noncurrent assets	<u>26,052,113</u>	<u>21,590,860</u>
Total assets	<u>27,568,368</u>	<u>23,094,286</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	<u>172,910</u>	<u>202,521</u>
LIABILITIES		
Current liabilities:		
Accounts payable	162,724	171,087
Contracts payable	148,343	218,853
Retainage payable	223,934	130,984
Accrued liabilities	16,942	14,600
Due to other funds	8,600	-
Customers' deposits	463,525	443,505
Accrued interest	40,642	22,989
Capital lease payable	45,531	-
Certificates of indebtedness payable	259,000	251,000
Total current liabilities	<u>1,369,241</u>	<u>1,253,018</u>
Noncurrent liabilities:		
Compensated absences payable	62,885	62,106
Net pension liability	763,854	762,809
Capital lease payable	211,584	-
DHH water loan payable	3,812,205	1,921,554
Certificates of indebtedness payable	<u>2,049,000</u>	<u>2,308,000</u>
Total noncurrent liabilities	<u>6,899,528</u>	<u>5,054,469</u>
Total liabilities	<u>8,268,769</u>	<u>6,307,487</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	<u>41,990</u>	<u>35,765</u>
NET POSITION		
Net investment in capital assets	18,713,048	15,987,154
Restricted for debt service	457,578	306,821
Unrestricted	<u>259,893</u>	<u>659,580</u>
Total net position	<u>\$ 19,430,519</u>	<u>\$ 16,953,555</u>

Water		Sewerage		Sanitation		Administrative	
2019	2018	2019	2018	2019	2018	2019	2018
\$ 1,354,030	\$ 1,347,440	\$ 1,329,431	\$ 1,262,515	\$ 654,257	\$ 846,726	\$ -	\$ -
131,025	141,075	45,990	44,235	-	-	-	-
19,467	15,729	-	-	-	-	-	-
<u>1,504,522</u>	<u>1,504,244</u>	<u>1,375,421</u>	<u>1,306,750</u>	<u>654,257</u>	<u>846,726</u>	<u>-</u>	<u>-</u>
258,991	256,195	33,313	33,517	-	-	276,253	270,563
18,835	18,422	2,469	2,433	-	-	18,531	18,273
30,958	30,204	4,637	5,040	-	-	38,596	42,238
50,454	63,448	7,506	9,682	-	-	62,203	79,919
-	-	-	-	-	-	-	-
192,498	294,652	95,635	90,608	-	-	50,831	44,635
124,911	124,524	155,123	144,349	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	632,305	791,522	-	-
352,588	355,170	453,103	426,780	-	-	125,306	99,210
45,498	47,601	105,109	110,506	-	-	9,165	8,128
-	-	-	-	-	-	16,926	19,083
16,321	14,493	10,817	8,364	-	-	-	-
-	-	-	-	-	-	37,435	32,598
-	-	-	-	-	-	8,588	33,402
57,983	58,261	6,087	6,283	-	-	4,073	4,689
76	-	-	-	-	-	1,277	6,078
-	-	-	-	-	-	26,540	22,005
6,482	6,738	5,143	5,116	-	-	1,232	-
8,258	8,944	35,221	15,213	-	-	-	-
836	755	958	759	-	-	1,509	280
6,960	6,225	14,857	13,485	-	-	-	-
-	-	-	-	-	-	-	-
<u>203,540</u>	<u>204,330</u>	<u>305,309</u>	<u>306,495</u>	<u>33,923</u>	<u>34,055</u>	<u>(678,465)</u>	<u>(681,101)</u>
<u>1,375,189</u>	<u>1,489,962</u>	<u>1,235,287</u>	<u>1,178,630</u>	<u>666,228</u>	<u>825,577</u>	<u>-</u>	<u>-</u>
<u>\$ 129,333</u>	<u>\$ 14,282</u>	<u>\$ 140,134</u>	<u>\$ 128,120</u>	<u>\$ (11,971)</u>	<u>\$ 21,149</u>	<u>\$ -</u>	<u>\$ -</u>

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

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Nixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

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

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

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

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* A Professional Accounting Corporation

The Honorable Glenn Brasseaux, Mayor
and Members of the Board of Aldermen
City of Carencro, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Carencro, Louisiana (the City) as of and for the year ended November 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 17, 2020.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2019-001 to be a material weakness.

Compliance and Other Matters

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

City of Carencro, Louisiana's Response to Finding

The City's response to the finding identified in our audit is described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 17, 2020

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
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Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

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

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* A Professional Accounting Corporation

The Honorable Glenn Brasseaux, Mayor
and Members of the Board of Aldermen
City of Carencro, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the City of Carencro, Louisiana's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended November 30, 2019. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City's major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on the Major Program

In our opinion, the City complied, in all material respects, with the types of compliance referred to above that could have a direct and material effect on its major federal program for the year ended November 30, 2019.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's 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 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 the attention by those charged with governance.

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

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, this report is a matter of public record and its distribution is not limited.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 17, 2020

CITY OF CARENCRO, LOUISIANA

Schedule of Expenditures of Federal Awards
Year Ended November 30, 2019

Federal Grantor / Pass-Through Grantor / Program Name	Federal CFDA Number	Disbursements/ Expenditures
<u>U.S. Department of Justice</u> Bulletproof Vest Partnership Program	16.607	\$ 1,518
<u>U.S. Department of Transportation</u> Passed through Louisiana Highway Safety Commission: Occupant Protection Incentive Grant	20.602	1,388
<u>U.S. Department of Homeland Security</u> Staffing for Adequate Fire and Emergency Response	97.083	112,867
Passed through Lafayette City-Parish Consolidated Government: Hazard Mitigation Grant*	97.039	1,297,650
<u>U.S. Department of Housing and Urban Development</u> Community Development Block Grant	14.228	356,785
<u>U.S. Department of Environmental Protection Agency</u> Passed through Louisiana Department of Health Capitalization Grants for Drinking Water State Revolving Funds	66.468	<u>607,778</u>
TOTAL FEDERAL EXPENDITURES		<u>\$ 2,377,986</u>

* Indicates major program

CITY OF CARENCRO, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended November 30, 2019

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City of Carencro (City) under programs of the federal government for the year ended November 30, 2019. 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 presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements for the year ended November 30, 2019. 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.

(4) Outstanding Loans

The City has an outstanding loan balance under the Drinking Water State Revolving Funds in the amount of \$3,812,205, of which \$1,648,495 is from federal sources.

CITY OF CARENCRO, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended November 30, 2019

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. One deficiency in internal control was disclosed during the audit of the financial statements. This deficiency was determined to be a material weakness.
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 program 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 program.
6. There are no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The following program is considered to be a major program: Hazard Mitigation Grant Program (97.039).
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:

Compliance Findings –

There are no compliance findings for the year ended November 30, 2019.

Internal Control Findings –

See Internal Control finding 2019-001 on the schedule of current and prior year audit findings and management's corrective action plan.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

Compliance Findings –

There are no compliance findings for the year ended November 30, 2019.

Internal Control Findings –

There are no internal control findings for the year ended November 30, 2019..

CITY OF CARENCRO, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (Continued)
Year Ended November 30, 2019

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

A. Internal Control Findings -

2019-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

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

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

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

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

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

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

B. Compliance Findings –

There are no findings to report under this section.

Part II: Prior Year Findings

A. Internal Control Findings -

2018-001 Inadequate Segregation of Functions

Fiscal year finding initially occurred: Unknown

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

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

Current Status: Unresolved. See item 2019-001

CITY OF CARENCRO, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (Continued)
Year Ended November 30, 2019

2018-002 Qualified Staff Person to Apply GAAP

Fiscal year finding initially occurred: 2007

Condition: The City did not have a staff person with the necessary qualifications and training to apply GAAP in recording their financial transactions or to prepare their financial statements and related notes. in accordance with generally accepted accounting principles (GAAP).

Recommendation: The City should evaluate the cost-benefit of establishing internal controls over the preparation of the financial statements and related notes in accordance with GAAP.

Current Status: Resolved.

B. Compliance Findings –

There are no findings to report under this section.

C. Management Letter

2018-003 Low Fund Balance

Fiscal year finding initially occurred: 2010

Condition: The City's fund balance in the General Fund is \$568,077 of which \$522,655 is unassigned. Currently the City has enough unassigned fund balance to sustain approximately 36 days of operations.

Recommendation: The City should examine General Fund revenues and expenditures to determine where revenues could be increased, or expenditures decreased in order to replenish the fund balance.

C. Compliance Findings –

There are no findings to report under this section.

CITY OF CARENCRO

Carencro, Louisiana

Agreed-Upon Procedures Report

Year Ended November 30, 2019

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA*
Victor R. Slaven, CPA*
Gerald A. Thibodeaux, Jr., CPA*
Robert S. Carter, CPA*
Arthur R. Mixon, CPA*
Brad E. Kolder, CPA, JD*
Stephen J. Anderson, CPA*
Christine C. Doucet, CPA
Wanda F. Arcement, CPA, CVA
Bryan K. Joubert, CPA
Matthew E. Margaglio, CPA
Casey L. Ardoin, CPA, CFE

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

11929 Bricksome Ave.
Baton Rouge, LA 70816
Phone (225) 293-8300

1428 Metro Dr.
Alexandria, LA 71301
Phone (318) 442-4421

450 E. Main St.
New Iberia, LA 70560
Phone (337) 367-9204

200 S. Main St.
Abbeville, LA 70510
Phone (337) 893-7944

1201 David Dr.
Morgan City, LA 70380
Phone (985) 384-2020

434 E. Main St.
Ville Platte, LA 70586
Phone (337) 363-2792

332 W. Sixth Ave.
Oberlin, LA 70655
Phone (337) 639-4737

* A Professional Accounting Corporation

WWW.KSRCPAS.COM

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below, which were agreed to by the City of Carencro (City) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period December 1, 2018 through November 30, 2019. The City's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

(The following procedures were not performed on sections a through j since there were no exceptions in the prior year. Procedures were performed on section k since it was a new section for testing in year 3.)

1. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity'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, and (2) reviewing and approving time and attendance records, including leave and overtime worked.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read 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) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a 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.

Board or Finance Committee

2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.
 - c) Obtained the prior year audit report and observe the unrestricted fund balance in the General Fund. If the General Fund had a negative ending unrestricted 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 unrestricted fund balance in the General Fund.

Bank Reconciliations

3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify the entity's main operating account. We selected the entity'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

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 selected the entity's only deposit site for testing.
5. For the deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We selected the one collection location for the deposit site, 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 the collection location, and observed that job duties are properly segregated at the 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 inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
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. Obtained supporting documentation for each of the 10 deposits and:
 - a) We observed that receipts are sequentially pre-numbered.

- b) We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) We traced the deposit slip total to the actual deposit per the bank statement.
 - d) We 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).
 - e) We traced the actual deposit per the bank statement to the general ledger.
8. We obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. We selected the one location that processes payments.

Non-Payroll Disbursements

(excluding card purchases/payments, travel reimbursements, and petty cash purchases)

(The following procedures were not performed since there were no exceptions in the prior year.)

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original invoice/billing statement.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

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

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

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

Travel and Expense Reimbursement

14. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. We randomly selected 5 reimbursements, 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 agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) We observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

(The following procedures were not performed since there were no exceptions in the prior year.)

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

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

(The following procedures were not performed since there were no exceptions in the prior year.)

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

Ethics

(The following procedures were not performed since there were no exceptions in the prior year.)

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
 - a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service

(The following procedures were not performed since there were no exceptions in the prior year.)

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Other

(The following procedures were not performed since there were no exceptions in the prior year.)

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity 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.

Exceptions:

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

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the City of Carencro and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. 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
March 17, 2020