

CITY OF NEW IBERIA, LOUISIANA

Financial Report

Year Ended October 31, 2019

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1-3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	6
Statement of activities	7
FUND FINANCIAL STATEMENTS (FFS)	
Balance sheet - governmental funds	10
Reconciliation of the governmental funds balance sheet to the statement of net position	11
Statement of revenues, expenditures, and changes in fund balances - governmental funds	12
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	13
Statement of net position - proprietary fund	14
Statement of revenues, expenses, and changes in fund net position - proprietary fund	15
Statement of cash flows - proprietary funds	16-17
Statement of net position - fiduciary funds	18
Statement of changes in fund net position - fiduciary funds	19
Statement of net position - discretely presented component unit	20
Statement of activities - discretely presented component unit	21
Notes to basic financial statements	22-51
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary comparison schedules:	
General Fund	53
Sales Tax Special Revenue Fund	54
Garbage Special Revenue Fund	55
Public Works Special Revenue Fund	56
2018 Public Safety Sales Tax Special Revenue Fund	57
Schedule of changes in net OPEB liability and related ratios	58
Schedules of employer's share of net pension liability	59
Schedules of employer contributions	60
Notes to the required supplementary information	61-62
OTHER SUPPLEMENTARY INFORMATION	
Statement of net position - compared to prior year	64

(continued)

TABLE OF CONTENTS (continued)

	Page
Major Governmental Funds -	
Detail budgetary comparison schedules - compared to actual and prior year:	
General Fund - revenues	65
General Fund - expenditures	66-67
Nonmajor Governmental Funds -	
Combining balance sheet - by fund type	68
Combining statement of revenues, expenditures, and changes in fund balances	69
Nonmajor Special Revenue Funds -	
Combining balance sheet	70
Combining statement of revenues, expenditures, and changes in fund balances	71
Detail budgetary comparison schedules - compared to actual and prior year	
Parks and Recreation Fund	72
Nonmajor Debt Service Funds -	
Combining balance sheet	73
Combining statement of revenues, expenditures, and changes in fund balances	74
Nonmajor Capital Projects Funds -	
Combining balance sheet	75
Combining statement of revenues, expenditures, and changes in fund balances	76
Sewerage Utility Fund -	
Comparative statement of net position	77
Comparative statement of revenues, expenditures, and changes in fund net position	78
Schedule of number of utility customers	79
Schedule of net position - LCDBG Sewer Improvement Projects	80
Schedule of revenues, expenses, and changes in net position - LCDBG Sewer Improvement Projects	81
 INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS	
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 <i>Government Auditing Standards</i>	83-84
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by Uniform Guidance	85-86
Schedule of expenditures of federal awards	87
Notes to the schedule of expenditures of federal awards	88
Schedule of findings and questioned costs	89-90
Summary schedule of current and prior year audit findings and management's corrective action plan	91

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

INDEPENDENT AUDITOR'S REPORT

* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

The Honorable Freddie DeCourt, Mayor,
and Members of the City Council
City of New Iberia, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of New Iberia, Louisiana, (the City) as of and for the year ended October 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements 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 from 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 risks 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 principles 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of New Iberia, Louisiana, as of October 31, 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 and the various schedules relative to the other post-employment benefit plan and employee pension plans on pages 53 through 62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The City of New Iberia 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 New Iberia, Louisiana's basic financial statements. The other supplementary information on pages 64 through 81 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 purposes 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 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The prior year comparative information on the comparative statements has been derived from the City of New Iberia's 2018 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements from which they have been derived.

The various schedules on pages 79 through 81 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2020 on our consideration of the City of New Iberia, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 10, 2020

BASIC FINANCIAL STATEMENTS

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Net Position
October 31, 2019

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and interest-bearing deposits	\$ 18,192,167	\$ 4,461,019	\$ 22,653,186	\$ 54,199
Receivables	315,243	367,612	682,855	-
Internal balances	55	(55)	-	-
Due from other governmental units	2,952,619	577,252	3,529,871	-
Real estate held for resale	61,343	-	61,343	-
Prepaid expenses	87	-	87	-
Restricted assets	-	350,559	350,559	-
Capital assets:				
Non-depreciable	4,041,630	3,204,094	7,245,724	-
Depreciable, net	<u>35,497,548</u>	<u>40,672,676</u>	<u>76,170,224</u>	<u>14,903</u>
Total assets	<u>61,060,692</u>	<u>49,633,157</u>	<u>110,693,849</u>	<u>69,102</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	1,165,154	21,602	1,186,756	-
Deferred outflows of resources - pension	<u>8,197,752</u>	<u>484,015</u>	<u>8,681,767</u>	<u>29,609</u>
Total deferred outflows of resources	<u>9,362,906</u>	<u>505,617</u>	<u>9,868,523</u>	<u>29,609</u>
LIABILITIES				
Cash overdraft	550,430	-	550,430	-
Accounts and other payables	1,401,595	809,879	2,211,474	11,059
Accrued interest	217,093	83,750	300,843	-
Unearned revenue	354,285	-	354,285	-
Long-term liabilities:				
Portion due or payable within one year	2,389,528	806,858	3,196,386	-
Portion due or payable after one year	17,789,861	8,522,603	26,312,464	-
Other post employment benefits payable	7,553,070	-	7,553,070	-
Net pension liability	<u>19,303,900</u>	<u>2,679,430</u>	<u>21,983,330</u>	<u>249,473</u>
Total liabilities	<u>49,559,762</u>	<u>12,902,520</u>	<u>62,462,282</u>	<u>260,532</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	<u>1,582,756</u>	<u>65,376</u>	<u>1,648,132</u>	<u>2,798</u>
NET POSITION				
Net investment in capital assets	21,341,035	34,667,486	56,008,521	14,903
Restricted for:				
Capital projects	5,553,904	-	5,553,904	-
Debt service	706,588	266,809	973,397	-
Sales tax dedications	8,089,715	-	8,089,715	-
Other	50,522	-	50,522	-
Unrestricted	<u>(16,460,684)</u>	<u>2,236,583</u>	<u>(14,224,101)</u>	<u>(179,522)</u>
Total net position	\$ 19,281,080	\$ 37,170,878	\$ 56,451,958	\$ (164,619)

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Activities
For the Year Ended October 31, 2019

Activities	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position			
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental activities:								
General government	\$ 2,743,010	\$ 11,285	\$ 156,605	\$ 281	\$ (2,574,839)	\$ -	\$ (2,574,839)	\$ -
Public safety	14,673,362	309,584	846,021	37,739	(13,480,018)	-	(13,480,018)	-
Public works	7,826,273	64,616	25,072	623,269	(7,113,316)	-	(7,113,316)	-
Culture and recreation	1,303,730	116,856	41,133	112,877	(1,032,864)	-	(1,032,864)	-
Urban redevelopment and housing	1,389,403	-	1,362,329	-	(27,074)	-	(27,074)	-
Unallocated depreciation	1,960,259	-	-	-	(1,960,259)	-	(1,960,259)	-
Interest on long-term debt	787,665	-	-	-	(787,665)	-	(787,665)	-
Total governmental activities	30,683,702	502,341	2,431,160	774,166	(26,976,035)	-	(26,976,035)	-
Business-type activities:								
Wastewater	5,945,727	5,228,363	-	1,064,412	-	347,048	347,048	-
Total primary government	<u>\$36,629,429</u>	<u>\$5,730,704</u>	<u>\$2,431,160</u>	<u>\$1,838,578</u>	<u>-</u>	<u>347,048</u>	<u>347,048</u>	<u>-</u>
Component unit:								
City Court	<u>\$ 532,991</u>	<u>\$ 435,396</u>	<u>\$ 129,843</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,248</u>
General revenues:								
Taxes -								
Ad valorem taxes					4,573,820	-	4,573,820	-
Sales and use taxes					17,118,276	-	17,118,276	-
Franchise taxes					1,850,019	-	1,850,019	-
Occupational					1,354,094	-	1,354,094	-
Grants and contributions not restricted to specific programs -								
Non-employer pension contributions					514,811	41,147	555,958	-
Investment income					261,852	74,897	336,749	-
Miscellaneous					1,784,555	17,043	1,801,598	14,278
Gain on sale of capital assets					475	-	475	-
Total general revenues and transfers					<u>27,457,902</u>	<u>133,087</u>	<u>27,590,989</u>	<u>14,278</u>
Change in net position					481,867	480,135	962,002	46,526
Net position - November 1, 2018					<u>18,799,213</u>	<u>36,690,743</u>	<u>55,489,956</u>	<u>(211,145)</u>
Net position - October 31, 2019					<u>\$ 19,281,080</u>	<u>\$ 37,170,878</u>	<u>\$ 56,451,958</u>	<u>\$ (164,619)</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

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

Special Revenue Funds

Sales Tax Fund -

This fund accounts for the receipts and disbursements of proceeds from the City's 1960 one percent and the 1981 quarter percent sales and use tax levies. The one percent tax is dedicated for the support and maintenance of the police and fire departments, the construction and improvement of streets, bridges, or sewerage and for any work of permanent public improvement, including the cost of construction and improving sewers and sewerage disposal works in the City. The quarter percent tax is dedicated to supplement the cost of salaries of City employees, including employee benefits.

Garbage Fund -

This fund accounts for the receipts and disbursements of proceeds from the City's 1971 and 1993 quarter percent sales and use tax levies. The 1971 quarter percent is dedicated for operating, maintaining and improving the City's garbage waste collection and disposal facilities and purchasing and acquiring the land and equipment necessary in connection with the operation of said facilities. The 1993 quarter percent sales tax is dedicated to supplement other sales revenues of the City to pay the costs of solid waste collection and disposal, including the cost of the City's recycling program. The remaining proceeds of the tax is to be expended for the purpose of paying the cost of the salaries of City employees, including the payment of employee benefits.

Public Works Fund -

This fund accounts for the receipts and disbursements of proceeds from the City's 3.45 mills ad valorem taxes, fees, and monies received from the State for upkeep of streets. These taxes and receipts are dedicated to expenditures for streets, sidewalks, drains, drainage canals, and sub-surface drainage or any other work of permanent public improvement.

2018 Public Safety Sales Tax Fund -

This fund accounts for the receipts and disbursements of proceeds from the City's 2018 one-half percent sales and use tax levy. The proceeds of the tax is to be expended for the purposes of a New Iberia Police Department and providing funding assistance to the New Iberia Fire Department.

Capital Projects Fund

Drainage Fund -

This fund accounts for the receipt and disbursement of the excess collections of the Iberia Parish Government mosquito control sales tax. The City utilizes these funds for drainage maintenance and improvement.

Enterprise Fund

Sewerage Fund -

To account for the provision of sewerage services to residents of the City. All activities necessary to provide the 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 NEW IBERIA, LOUISIANA

Balance Sheet
Governmental Funds
October 31, 2019

	General	Sales Tax	Garbage	Public Works	2018 Public Safety Sales Tax	Drainage	Other Governmental Funds	Total
ASSETS								
Cash and interest-bearing deposits	\$ 8,131,673	\$ 1,729,813	\$ 124,061	\$ 318,378	\$ 201,411	\$ 5,531,832	\$ 2,099,566	\$ 18,136,734
Receivables:								
Accounts	315,243	-	-	-	-	-	-	315,243
Due from other funds	55	-	-	-	-	-	-	55
Due from other governmental units	237,773	724,196	289,668	10,783	290,420	-	49,813	1,602,653
Prepaid expenses	87	-	-	-	-	-	-	87
Real estate held for resale	61,343	-	-	-	-	-	-	61,343
Total assets	<u>\$ 8,746,174</u>	<u>\$ 2,454,009</u>	<u>\$ 413,729</u>	<u>\$ 329,161</u>	<u>\$ 491,831</u>	<u>\$ 5,531,832</u>	<u>\$ 2,149,379</u>	<u>\$ 20,116,115</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Overdraft	\$ -	\$ -	\$ -	\$ -	\$ 460,960	\$ -	\$ 34,042	\$ 495,002
Accounts payable	108,589	-	395,195	62,574	-	1,100	17,597	585,055
Contracts payable	47,966	-	-	-	-	12,600	-	60,566
Retainage payable	9,599	-	-	1,688	-	11,866	13,457	36,610
Accrued liabilities	636,518	-	-	39,170	-	-	35,198	710,886
Unearned revenue	234,816	-	-	-	-	-	119,469	354,285
Total liabilities	<u>1,037,488</u>	<u>-</u>	<u>395,195</u>	<u>103,432</u>	<u>460,960</u>	<u>25,566</u>	<u>219,763</u>	<u>2,242,404</u>
Fund balances -								
Restricted:								
Tax dedications	3,689,753	2,454,009	18,534	-	-	-	227,456	6,389,752
Construction of capital assets	-	-	-	-	-	-	119,349	119,349
Purpose of grantors, trustees and donors	-	-	-	-	-	-	50,522	50,522
Debt service	-	-	-	-	-	-	923,681	923,681
Drainage	-	-	-	-	-	5,506,266	-	5,506,266
Committed:								
Operations	-	-	-	225,729	30,871	-	101,870	358,470
Disaster relief	-	-	-	-	-	-	506,738	506,738
Unassigned	4,018,933	-	-	-	-	-	-	4,018,933
Total fund balances	<u>7,708,686</u>	<u>2,454,009</u>	<u>18,534</u>	<u>225,729</u>	<u>30,871</u>	<u>5,506,266</u>	<u>1,929,616</u>	<u>17,873,711</u>
Total liabilities and fund balances	<u>\$ 8,746,174</u>	<u>\$ 2,454,009</u>	<u>\$ 413,729</u>	<u>\$ 329,161</u>	<u>\$ 491,831</u>	<u>\$ 5,531,832</u>	<u>\$ 2,149,379</u>	<u>\$ 20,116,115</u>

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

CITY OF NEW IBERIA, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
October 31, 2019

Total fund balances for governmental funds at October 31, 2019		\$ 17,873,711
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 governmental funds. Those assets consist of:		
Land and construction in progress	\$ 4,041,630	
Land improvements, net of \$1,181,371 accumulated depreciation	728,905	
Buildings and improvements, net of \$5,224,078 accumulated depreciation	3,957,626	
Equipment, net of \$7,448,854 accumulated depreciation	2,945,909	
Infrastructure, net of \$62,054,562 accumulated depreciation	<u>27,865,108</u>	39,539,178
Certain receivables are not available to pay for the current period's expenditures and therefore, are not reported in the governmental funds.		1,341,493
Deferred outflows of expenditures are not a use of current resources, and therefore, are not reported in the governmental funds.		
Deferred loss on bond refunding	1,165,154	
Deferred outflows of resources - pension	<u>8,197,752</u>	9,362,906
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds.		
Long-term liabilities at October 31, 2019 consist of:		
Bonds payable	(18,824,940)	
Capital lease payable	(610,068)	
Accrued interest payable	(217,093)	
Accrued compensated absences	(744,381)	
Net pension liability	(19,303,900)	
Other post employment benefits payable	<u>(7,553,070)</u>	(47,253,452)
The deferred inflows of contributions for the employees' retirement systems are not available resources, and therefore, are not reported in the governmental funds.		<u>(1,582,756)</u>
Total net position of governmental activities at October 31, 2019		<u>\$ 19,281,080</u>

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Year Ended October 31, 2019

	General	Sales Tax	Garbage	Public Works	2018 Public Safety Sales Tax	Drainage	Other Governmental Funds	Total
Revenues:								
Taxes -								
Ad valorem	\$ 1,172,408	\$ -	\$ -	\$ 701,007	\$ -	\$ -	\$ 2,700,405	\$ 4,573,820
Sales and use	1,685,181	8,425,907	3,370,362	-	3,357,932	-	237,728	17,077,110
Franchise	1,850,019	-	-	-	-	-	-	1,850,019
Licenses and permits	1,583,157	-	-	-	-	-	-	1,583,157
Intergovernmental -								
Federal	103,784	-	-	-	-	-	1,392,329	1,496,113
State	862,398	-	-	-	-	-	-	862,398
Local	218,553	-	-	78,133	-	581,995	-	878,681
Charges for services	58,579	-	-	21,483	-	-	72,176	152,238
Fines and forfeits	43,253	-	-	-	-	-	-	43,253
Investment income	70,330	10,549	3,418	6,442	4,418	53,394	17,008	165,559
Miscellaneous	457,419	-	1,289,094	10,470	-	-	73,967	1,830,950
Total revenues	<u>8,105,081</u>	<u>8,436,456</u>	<u>4,662,874</u>	<u>817,535</u>	<u>3,362,350</u>	<u>635,389</u>	<u>4,493,613</u>	<u>30,513,298</u>
Expenditures:								
Current -								
General government	2,237,893	74,007	29,603	-	-	-	25,330	2,366,833
Public safety	11,310,002	-	-	-	29,524	-	-	11,339,526
Public works	-	-	4,622,080	2,303,020	-	133,621	421,415	7,480,136
Culture and recreation	56,768	-	-	-	-	-	957,866	1,014,634
Urban redevelopment and housing	-	-	-	-	-	-	1,368,287	1,368,287
Debt service -								
Principal	285,682	-	-	-	-	-	1,810,000	2,095,682
Interest	39,861	-	-	-	-	-	652,805	692,666
Capital outlay	346,543	-	-	86,885	-	302,906	215,264	951,598
Total expenditures	<u>14,276,749</u>	<u>74,007</u>	<u>4,651,683</u>	<u>2,389,905</u>	<u>29,524</u>	<u>436,527</u>	<u>5,450,967</u>	<u>27,309,362</u>
Excess (deficiency) of revenues over expenditures	<u>(6,171,668)</u>	<u>8,362,449</u>	<u>11,191</u>	<u>(1,572,370)</u>	<u>3,332,826</u>	<u>198,862</u>	<u>(957,354)</u>	<u>3,203,936</u>
Other financing sources (uses):								
Appropriations	(10,000)	-	-	-	-	-	-	(10,000)
Transfers in	9,599,681	-	-	1,709,590	-	-	2,103,129	13,412,400
Transfers out	(2,771,826)	(6,809,657)	-	-	(3,301,955)	-	(536,962)	(13,420,400)
Total other financing sources (uses)	<u>6,817,855</u>	<u>(6,809,657)</u>	<u>-</u>	<u>1,709,590</u>	<u>(3,301,955)</u>	<u>-</u>	<u>1,566,167</u>	<u>(18,000)</u>
Net changes in fund balances	646,187	1,552,792	11,191	137,220	30,871	198,862	608,813	3,185,936
Fund balances, beginning	7,062,499	901,217	7,343	88,509	-	5,307,404	1,320,803	14,687,775
Fund balances, ending	<u>\$ 7,708,686</u>	<u>\$ 2,454,009</u>	<u>\$ 18,534</u>	<u>\$ 225,729</u>	<u>\$ 30,871</u>	<u>\$ 5,506,266</u>	<u>\$ 1,929,616</u>	<u>\$ 17,873,711</u>

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

CITY OF NEW IBERIA, 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 October 31, 2019

Total net changes in fund balances at October 31, 2019 per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 3,185,936
--	--------------

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	\$ 951,598	
Depreciation expense for the year ended October 31, 2019	<u>(2,843,752)</u>	(1,892,154)

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

Sales taxes	32,704	
Non-employer pension plan contributions	<u>514,811</u>	547,515

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

Principal paid on long-term debt	2,095,682	
Amortization of loss on refunding	(96,646)	
Amortization of bond premium	<u>96,294</u>	2,095,330

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 governmental funds.

Compensated absences	(194,243)	
Other post employee benefits payable	(290,174)	
Pension expense	(2,971,988)	
Interest expense	<u>1,645</u>	<u>(3,454,760)</u>

Total changes in net position at October 31, 2019 per Statement of Activities	\$ <u>481,867</u>
---	-------------------

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Net Position
Proprietary Fund
October 31, 2019

	Sewerage Fund
<hr/>	
ASSETS	
Current assets:	
Cash	\$ 4,461,019
Accounts receivable	367,612
Due from other governmental units	<u>577,252</u>
Total current assets	<u>5,405,883</u>
Noncurrent assets:	
Restricted cash	350,559
Capital assets -	
Land and construction in progress	3,204,094
Other capital assets, net of accumulated depreciation	<u>40,672,676</u>
Total noncurrent assets	<u>44,227,329</u>
Total assets	<u>49,633,212</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	21,602
Deferred outflows of resources - pension	<u>484,015</u>
Total deferred outflows of resources	<u>505,617</u>
 LIABILITIES	
Current liabilities:	
Accounts payable	108,912
Due to other funds	55
Contracts payable	545,894
Retainage payable	85,611
Accrued liabilities	69,462
Accrued compensated absences	9,858
Payable from restricted assets -	
Accrued interest	83,750
Bonds payable	<u>797,000</u>
Total current liabilities	1,700,542
Noncurrent liabilities:	
Accrued compensated absences	88,717
Bonds payable	8,433,886
Net pension liability	<u>2,679,430</u>
Total noncurrent liabilities	<u>11,202,033</u>
Total liabilities	<u>12,902,575</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pension	<u>65,376</u>
 NET POSITION	
Net investment in capital assets	34,667,486
Restricted for debt service	266,809
Unrestricted	<u>2,236,583</u>
Total net position	<u>\$ 37,170,878</u>

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position -
Proprietary Fund
For the Year Ended October 31, 2019

	<u>Sewerage Fund</u>
Operating revenues:	
Charges for services -	
Customers	\$ 4,197,109
Parish government under cooperative agreement	<u>1,170,799</u>
Total operating revenues	<u>5,367,908</u>
Operating expenses:	
Cost of services rendered	3,573,641
Depreciation	<u>2,163,001</u>
Total operating expenses	<u>5,736,642</u>
Operating loss	<u>(368,734)</u>
Nonoperating revenues (expenses):	
Federal grant revenue	875,540
Investment income	74,897
Interest expense and fiscal charges	(209,085)
Non-employer pension contributions	41,147
Other, net	<u>37,671</u>
Total nonoperating revenues (expenses)	<u>820,170</u>
Income before contributions	451,436
Contributions	<u>28,699</u>
Change in net position	480,135
Net position, beginning	<u>36,690,743</u>
Net position, ending	<u>\$ 37,170,878</u>

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Cash Flows
Proprietary Fund
For the Year Ended October 31, 2019

	Sewerage Fund
Cash flows from operating activities:	
Receipts from customers	\$ 4,141,221
Receipts from cooperative agreement	784,618
Payments to suppliers	(1,581,348)
Payments to employees	(1,132,644)
Net cash provided by operating activities	<u>2,211,847</u>
Cash flows from noncapital financing activities:	
Other, net	<u>37,671</u>
Cash flows from capital and related financing activities:	
Purchase and construction of capital assets	(1,816,223)
Proceeds from capital contributions	28,699
Grant proceeds	875,540
Bond proceeds	477,791
Principal paid	(760,000)
Interest and fiscal charges paid	(213,068)
Net cash used by capital and related financing activities	<u>(1,407,261)</u>
Cash flows from investing activities:	
Investment income	<u>43,334</u>
Net increase in cash and cash equivalents	885,591
Cash and cash equivalents, beginning of period	<u>3,925,987</u>
Cash and cash equivalents, end of period	<u>\$ 4,811,578</u>

(continued)

CITY OF NEW IBERIA, LOUISIANA

Statement of Cash Flows
Proprietary Fund - (Continued)
For the Year Ended October 31, 2019

	<u>Sewerage Fund</u>
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (368,734)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	2,163,001
Pension expense	192,311
Changes in current assets and liabilities:	
Accounts receivable	(55,888)
Due from other governmental units	(386,181)
Accounts payable	5,065
Contracts and retainage payable	631,505
Accrued liabilities	53,643
Accrued compensated absences	(22,875)
Net cash provided by operating activities	<u>\$ 2,211,847</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	\$ 3,610,902
Cash - restricted	<u>315,085</u>
Total cash and cash equivalents, beginning of period	<u>3,925,987</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	4,461,019
Cash - restricted	<u>350,559</u>
Total cash and cash equivalents, end of period	<u>4,811,578</u>
Net increase	<u>\$ 885,591</u>

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Net Position
Fiduciary Funds
October 31, 2019

	Pension Trust Funds	Agency Funds
ASSETS		
Cash	\$ 646	\$ 169,505
LIABILITIES		
Held for others pending court action	-	169,505
NET POSITION		
Held in trust for pension benefits	\$ 646	\$ -

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Changes in Fund Net Position
Fiduciary Funds
For the Year Ended October 31, 2019

	<u>Pension Trust Funds</u>
Additions:	
Transfer from Sales Tax Fund	\$ 8,000
Deductions:	
Benefit payments	<u>7,799</u>
Change in net position	201
Net position, beginning	<u>445</u>
Net position, ending	<u>\$ 646</u>

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Net Position
Discretely Presented Component Unit
October 31, 2019

	City Court of New Iberia
ASSETS	
Cash and interest-bearing deposits	\$ 54,199
Capital assets, net	<u>14,903</u>
Total assets	<u>69,102</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - pension	<u>29,609</u>
LIABILITIES	
Accounts and other payables	11,059
Net pension liability	<u>249,473</u>
Total liabilities	<u>260,532</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - pension	<u>2,798</u>
NET POSITION	
Net investment in capital assets	14,903
Unrestricted	<u>(179,522)</u>
Total net position	<u><u>\$ (164,619)</u></u>

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

CITY OF NEW IBERIA, LOUISIANA

Statement of Activities
Discretely Presented Component Unit
For the Year Ended October 31, 2019

	City Court of New Iberia
Expenses	<u>\$ 532,991</u>
Program revenues:	
Fees and fines	435,396
Operating grants and contributions	<u>129,843</u>
Total program revenues	<u>565,239</u>
Net (expense) revenue	32,248
General revenues:	
Miscellaneous	<u>14,278</u>
Change in net position	46,526
Net position, beginning	<u>(211,145)</u>
Net position, ending	<u><u>\$ (164,619)</u></u>

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

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

Primary government –

The City of New Iberia operates under a home rule charter. The charter provides for the Mayor-City Council form of government. The City's operations include police and fire protection, streets and drainage, parks and recreation, certain social services (including urban redevelopment and housing) and general administrative services. The City owns and operates one enterprise activity, a sewerage fund which provides sewerage services.

Component unit –

Professional standards establish criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. Based on the criteria, City Court of New Iberia is a component unit of the City. The day-to-day operations of the City Court are funded through the City. In addition, the activities of the Court are primarily for City residents. The City has responsibility for funding any deficits of the Court. The City Court's fiscal year end is June 30.

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 nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Fund Financial Statements

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

The various funds of the City are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and 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:

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

The major funds of the City are described below:

Governmental Funds -

General Fund

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

Special Revenue Funds -

Sales Tax Fund

The Sales Tax Fund is used to account for the receipts and disbursements of proceeds from the City's 1.25% sales and use tax levies that are legally restricted for expenditures for specific purposes.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Garbage Fund

This fund accounts for the receipt and use of proceeds of two of the City's .25% sales and use tax levies that are legally restricted for expenditures for specific purposes.

Public Works Fund

This fund accounts for the receipt and use of proceeds of the City's 3.45 mills ad valorem tax that are legally restricted for expenditures for specific purposes.

2018 Public Safety Sales Tax Fund

This fund accounts for the receipt and use of proceeds of the City's .50% sales and use tax levies that are legally restricted for expenditures for specific purposes.

Capital Projects Fund -

Drainage Fund

This fund accounts for the receipt and disbursement of the excess collections of the Iberia Parish Government mosquito control sales tax. The City utilizes these funds for drainage maintenance and improvement.

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 New Iberia's enterprise fund is the Sewerage Fund.

In addition, the City reports the following:

Pension Trust Funds –

These funds account for the accumulation of resources to be used for police retirement annuity payments at appropriate amounts and times in the future.

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.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Measurement Focus

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

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

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

Basis of Accounting

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

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

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

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Cash and Cash Equivalents

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. The cash balances of the majority of the City's funds are pooled by the City. For purposes of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and highly liquid investments with an original maturity of three months or less.

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 and franchise taxes. Business-type activities report sewer customer's utility service receivables as their major receivables. All utility service receivables are considered collectible and accordingly, there is no allowance for doubtful accounts at October 31, 2019.

Restricted Assets

Restricted assets include cash, interest-bearing deposits and investments that are legally restricted as to their use.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to November 1, 2002, 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:

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Land improvements	20-30 years
Buildings and improvements	10-40 years
Equipment	5-15 years
Infrastructure	20-50 years
Sewer plant	5-35 years

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. At October 31, 2019, the City's deferred outflows and inflows of resources are attributable to deferred losses on refunding of bonds and pension plans.

Long-term Debt

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable, general obligation refunding bonds, and certificate of indebtedness 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 principle and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

Employees of the City earn annual leave in amounts ranging from eight hours per month to sixteen hours per month, depending upon length of service. At the end of each year, employees may carry forward annual leave earned but not taken with the maximum allowable carryover of unused annual leave being equal to ten days. Unused annual leave in excess of what can be carried forward is credited to the employee's sick leave balance. Unused annual leave is paid to an employee upon retirement or resignation at hourly rates being earned by that employee upon separation.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Effective April 1, 1997, sick leave is credited to all classified employees at the rate of twelve hours per month. All unused sick leave is carried forward from year to year. Employees separated due to retirement or deaths are paid for all accumulated sick leave earned between January 1, 1991 and December 31, 1994 at the hourly rates being earned by the employee at that time.

Compensatory leave is earned at a rate of one and one-half hours for each hour of overtime worked. The maximum accumulation of compensatory leave is 120 hours. It may be carried forward from year to year. Upon termination, unused compensatory leave is paid up to 120 hours.

Firemen earn vacation and sick leave in accordance with state law. Firemen are paid for any overtime hours worked.

In the government-wide and proprietary fund statements, the City accrues accumulated unpaid annual, sick, and compensatory leave and associated related costs when earned (or estimated to be earned) by the employee. The current portion is the amount estimated to be used/paid in the following year. The remainder is reported as non-current. Compensated absences liability is not recorded in the governmental fund financial statements.

Equity Classifications

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

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. At October 31, 2019, the City reported \$14,667,538 of restricted net position, \$8,089,715 of which was restricted by enabling legislation.
- c. Unrestricted net position – Consists of all other net position that does not meet the definition of the two components and is available for general use by the City.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

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

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

Governmental Funds - By Character

Proprietary Fund - By Operating and Nonoperating

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

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>
Ad Valorem Tax	See Note 2
Sales Tax	See Note 3
Sewerage 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 New Iberia to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. During the fiscal year ended October 31, 2019, there was no interest capitalized.

H. Bond Premium and Bond Issue Costs

Bond premium is being amortized by the straight-line method over the life of the related bond. Bond issue costs are expensed in the year they are incurred.

I. 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.

J. Report Reclassification

Certain previously reported amounts for the year ended October 31, 2018 have been reclassified to conform to the October 31, 2019 classifications.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(2) Ad Valorem Taxes

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

For the year ended October 31, 2019, taxes of 22.51 mills were levied on property with assessed valuations totaling \$204,181,903 and were dedicated for general corporate purposes (5.77 mills), parks and recreation (2.96 mills), streets, sidewalks, and alleys (3.45 mills), general obligation debt service (6.33 mills), and debt service (4.00 mills).

Gross taxes levied for the current fiscal year totaled \$4,569,373. The taxes are remitted to the City net of deductions for pension fund contributions.

(3) Sales and Use Tax

- A. Proceeds of a ¼% sales and use tax (2019 collections \$1,685,181), accounted for in the General Fund, are dedicated to supplement the cost of salary and benefit increases for firemen. This tax is perpetual.
- B. Proceeds of a ¼% sales and use tax (2019 collections \$1,685,181), accounted for in the Garbage Fund, are dedicated to operate, maintain, and improve the City's garbage and waste collection and disposal facilities and purchasing and acquiring the land and equipment necessary in connection with the operation of said facilities. This tax is in lieu of a monthly charge for residential garbage and waste collection and disposal. This tax is perpetual.
- C. Proceeds of a ¼% sales and use tax (2019 collections \$1,685,181), accounted for in the Garbage Fund, are dedicated to supplement other sales tax revenues of the City to pay the cost of solid waste collection and disposal, including the cost of the City's recycling program. The remaining proceeds of the tax to be expended for the purpose of paying the cost of the salaries of City employees, including the payment of employee benefits. This tax was renewed in 2003 as a perpetual tax.
- D. Proceeds of a 1% sales and use tax (2019 collections \$6,740,726), accounted for in the Sales Tax Fund, are dedicated to the support and maintenance of the police and fire departments, the construction and improvement of streets, bridges or sewerage and for any work of permanent public improvement, including the cost of construction and improving sewers and sewerage disposal works in the City. This tax is perpetual.
- E. Proceeds of a ¼% sales and use tax (2019 collections \$1,685,181), accounted for in the Sales Tax Fund, are dedicated to supplement the cost of salary and benefit increases of City employees. This tax is perpetual.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

- F. Proceeds of a ½% sales and use tax (2019 collections \$3,357,932), accounted for in the 2018 Public Safety Sales Tax Fund, are dedicated to the purposes of the New Iberia Police Department and providing funding assistance to the New Iberia Fire Department. This tax is perpetual.
- G. Proceeds of a ½% sales and use tax (2019 collections \$223,999), levied on businesses located in the New Iberia Highway 14 Economic Development District No. 1, accounted for in the Highway 14 EDD #1 Sales Tax Fund, are dedicated for financing economic development projects. This tax is perpetual.
- H. Proceeds of a ½% sales and use tax (2019 collections \$13,729), levied on businesses located in the New Iberia Highway 182 Economic Development District No. 1, accounted for in the Highway 182 EDD #1 Sales Tax Fund, are dedicated for financing economic development projects. This tax is perpetual.

(4) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At October 31, 2019, the City had cash and interest-bearing deposits (book balances) totaling \$23,173,896, as follows:

	Primary Government	Fiduciary Funds	Total
Interest-bearing deposits	<u>\$ 23,003,745</u>	<u>\$ 170,151</u>	<u>\$23,173,896</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 always 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 October 31, 2019, are secured as follows:

Bank balances	<u>\$ 21,744,109</u>
Federal deposit insurance	500,000
Pledged securities	<u>21,244,109</u>
Total	<u>\$ 21,744,109</u>

Deposits in the amount of \$21,244,109 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.

CITY OF NEW IBERIA, LOUISIANA
Notes to Basic Financial Statements (Continued)

(5) Receivables

Receivables at October 31, 2019 consist of the following:

	Governmental Activities	Business-Type Activities	Total
Accounts (net)	\$ -	\$ 367,612	\$ 367,612
Franchise taxes	<u>315,243</u>	<u>-</u>	<u>315,243</u>
Totals	<u>\$ 315,243</u>	<u>\$ 367,612</u>	<u>\$ 682,855</u>

(6) Due from Other Governmental Units

Amounts due from other governmental units at October 31, 2019 of \$3,529,871 (\$2,952,619 and \$577,252 for governmental and business-type activities, respectively) consist of the following:

Governmental funds:

Grants	\$ 125,782
Iberia Parish School Board - sales and use taxes	<u>1,476,871</u>
Total amount reported in governmental funds	<u>1,602,653</u>

Proprietary Fund:

Grants	403,318
Iberia Parish Government	<u>173,934</u>
Total amount reported in Proprietary Fund	<u>577,252</u>

Government-wide financial statements:

Total amount reported in governmental funds	1,602,653
Total amount reported in proprietary fund	<u>577,252</u>
Iberia Parish School Board - sales and use taxes for October 2019	<u>1,349,966</u>
Total	<u>\$ 3,529,871</u>

(7) Restricted Assets - Proprietary Fund

Restricted assets in the amount of \$350,559 consists of the sinking fund cash account for the Revenue Refunding Bonds, Series 2010B in the Sewerage Fund as of October 31, 2019.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended October 31, 2019 was as follows:

	Balance 11/01/18	Additions	Deletions	Balance 10/31/19
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,453,082	\$ -	\$ -	\$ 3,453,082
Construction in progress	493,412	443,471	348,335	588,548
Other capital assets:				
Land improvements	1,884,498	25,778	-	1,910,276
Buildings and improvements	8,758,848	422,856	-	9,181,704
Equipment	10,071,627	323,136	-	10,394,763
Infrastructure	89,834,978	84,692	-	89,919,670
Totals	<u>114,496,445</u>	<u>1,299,933</u>	<u>348,335</u>	<u>115,448,043</u>
Less accumulated depreciation				
Land improvements	1,106,581	74,790	-	1,181,371
Buildings and improvements	4,987,033	237,045	-	5,224,078
Equipment	6,877,195	571,659	-	7,448,854
Infrastructure	60,094,304	1,960,258	-	62,054,562
Total accumulated depreciation	<u>73,065,113</u>	<u>2,843,752</u>	<u>-</u>	<u>75,908,865</u>
Governmental activities, capital assets, net	<u>\$ 41,431,332</u>	<u>\$ (1,543,819)</u>	<u>\$ 348,335</u>	<u>\$ 39,539,178</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 1,437,788	\$ -	\$ -	\$ 1,437,788
Construction in progress	305,122	1,461,184	-	1,766,306
Other capital assets:				
Buildings and improvements	390,598	-	-	390,598
Equipment	2,455,256	355,039	250,867	2,559,428
Sewer plant	71,909,818	-	-	71,909,818
Totals	<u>76,498,582</u>	<u>1,816,223</u>	<u>250,867</u>	<u>78,063,938</u>
Less accumulated depreciation				
Buildings and improvements	82,985	11,160	-	94,145
Equipment	1,565,238	96,424	250,867	1,410,795
Sewer plant	30,626,811	2,055,417	-	32,682,228
Total accumulated depreciation	<u>32,275,034</u>	<u>2,163,001</u>	<u>250,867</u>	<u>34,187,168</u>
Business-type activities, capital assets, net	<u>\$ 44,223,548</u>	<u>\$ (346,778)</u>	<u>\$ -</u>	<u>\$ 43,876,770</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 116,562
Public safety	404,018
Public works	170,188
Culture and recreation	192,725
Infrastructure depreciation is unallocated	1,960,259
Total depreciation expense	<u>\$ 2,843,752</u>

Depreciation expense of \$2,163,001 was charged to business-type activities – sewer.

(9) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at October 31, 2019:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ 593,518	\$ 108,912	\$ 702,430
Contracts and retainage	97,176	631,505	728,681
Other liabilities	710,901	69,462	780,363
Totals	<u>\$ 1,401,595</u>	<u>\$ 809,879</u>	<u>\$ 2,211,474</u>

(10) Long-Term Liabilities

Governmental Activities:

The City issues general obligation bonds and certificates of indebtedness to provide funds for the acquisition, construction or improvement of major capital facilities. General obligation bonds have also been issued to refund other general obligation bonds. These bonds are direct obligations and pledge the full faith and credit of the City. During the fiscal year ended October 31, 2018, the City issued \$2,000,000 of sales tax revenue bonds. As of October 31, 2019, the City has drawn down \$1,666,950 of loan proceeds. The City began making interest payments during the fiscal year ended October 31, 2018 and will begin making annual principal payments in February 2020, based upon an 8-year amortization table.

In addition, the City has borrowed proceeds from revenue bonds issued by the Louisiana Local Government Environmental Facilities and Community Development Authority (LLGEFCDA) to finance the costs of the acquisition, rehabilitation, improvement and expansion of roads within the limits of the City, and to refund public improvement bonds. These bonds are to be repaid from lawfully available funds.

Business-type Activities:

The City has borrowed proceeds from revenue bonds issued by the LLGEFCDA to refund revenue bonds. Additionally, the City has borrowed proceeds from two revenue bonds issued by the Louisiana Department of Environmental Quality to finance the costs of constructing and acquiring improvements and replacements to the sewer system of the City. As of October 31, 2019 the City has drawn down \$5,457,054 of the loan proceeds. Upon completion of each project, the City will begin making annual principal payments and monthly interest payments based upon a 20-year amortization schedule. During the fiscal year ended October 31, 2019, the City has fully drawn down the first loan.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The City was in compliance with all significant limitations and restrictions in the bond indentures at October 31, 2019.

Long-term liabilities payable at October 31, 2019 is comprised of the following:

	Issue Date	Final Maturity Date	Interest Rates	Balance Outstanding	Due Within One Year
Governmental activities:					
General obligation refunding bonds -					
Series 2010	2010	2026	2.0%-4.5%	\$ 4,700,000	\$ 795,000
Series 2013	2013	2025	2.06%	1,945,000	300,000
Series 2015	2015	2020	1.60%	270,000	270,000
				<u>6,915,000</u>	<u>1,365,000</u>
Revenue bonds payable -					
Revenue Bonds, Series 2010A	2010	2020	2.0%-4.0%	75,000	75,000
Revenue Bonds, Series 2010C	2010	2036	2.0%-5.0%	265,000	130,000
Revenue Refunding Bonds, Series 2016	2016	2034	3.0%-4.5%	5,935,000	270,000
Revenue Refunding Bonds, Series 2017	2017	2036	2.0%-4.0%	2,890,000	10,000
Revenue Bonds, Series 2018	2018	2029	2.50%	1,666,950	166,695
				<u>10,831,950</u>	<u>651,695</u>
Add: Unamortized issue premium				<u>1,077,990</u>	-
Total bond indebtedness				18,824,940	2,016,695
Capital leases	2018	2022	4.45%	610,068	298,395
Other liabilities -					
Accrued compensated absences				<u>744,381</u>	<u>74,438</u>
Total long-term liabilities - governmental activities				<u>\$ 20,179,389</u>	<u>\$ 2,389,528</u>
Business-type activities:					
Revenue bonds payable -					
Revenue Refunding Bonds, Series 2010B	2010	2026	2.0%-5.0%	\$ 3,655,000	\$ 455,000
Loan payable -					
DEQ loan, Series 2013	2013	2033	0.95%	5,098,000	342,000
DEQ loan, Series 2018	2018	2039	0.95%	359,054	-
				<u>9,112,054</u>	<u>797,000</u>
Add: Unamortized issue premium				<u>118,832</u>	-
Total bond indebtedness				9,230,886	797,000
Other liabilities -					
Accrued compensated absences				<u>98,575</u>	<u>9,858</u>
Total long-term liabilities - business-type activities				<u>\$ 9,329,461</u>	<u>\$ 806,858</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The following is a summary of long-term liabilities transactions of the City for the year ended October 31, 2019:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
General obligation refunding bonds -				
Series 2010	\$ 5,460,000	\$ -	\$ 760,000	\$ 4,700,000
Series 2013	2,235,000	-	290,000	1,945,000
Series 2015	535,000	-	265,000	270,000
	<u>8,230,000</u>	<u>-</u>	<u>1,315,000</u>	<u>6,915,000</u>
Revenue bonds -				
Revenue Bonds, Series 2010A	150,000	-	75,000	75,000
Revenue Bonds, Series 2010C	390,000	-	125,000	265,000
Revenue Refunding Bonds, Series 2016	6,220,000	-	285,000	5,935,000
Revenue Refunding Bonds, Series 2017	2,900,000	-	10,000	2,890,000
Revenue Bonds, Series 2018	1,666,950	-	-	1,666,950
	<u>11,326,950</u>	<u>-</u>	<u>495,000</u>	<u>10,831,950</u>
Add: Unamortized issue premium	<u>1,174,284</u>	<u>-</u>	<u>96,294</u>	<u>1,077,990</u>
Total bond indebtedness	20,731,234	-	1,906,294	18,824,940
Capital leases	895,750	-	285,682	610,068
Other liabilities -				
Accrued compensated absences	<u>550,138</u>	<u>202,008</u>	<u>7,765</u>	<u>744,381</u>
Total governmental activities	<u>\$ 21,281,372</u>	<u>\$ 202,008</u>	<u>\$ 2,199,741</u>	<u>\$ 20,179,389</u>
Business-type activities:				
Revenue bonds payable -				
Revenue Refunding				
Bonds, Series 2010B	\$ 4,090,000	\$ -	\$ 435,000	\$ 3,655,000
Loan payable -				
DEQ loan, Series 2013	5,198,073	224,927	325,000	5,098,000
DEQ loan, Series 2018	<u>106,190</u>	<u>252,864</u>	<u>-</u>	<u>359,054</u>
	9,394,263	477,791	760,000	9,112,054
Add: Unamortized issue premium	<u>150,395</u>	<u>-</u>	<u>31,563</u>	<u>118,832</u>
Total bond indebtedness	9,544,658	477,791	791,563	9,230,886
Other liabilities -				
Accrued compensated absences	<u>121,450</u>	<u>3,857</u>	<u>26,732</u>	<u>98,575</u>
Total business-type activities	<u>\$ 9,666,108</u>	<u>\$ 481,648</u>	<u>\$ 818,295</u>	<u>\$ 9,329,461</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The annual debt service requirements to maturity of all bonds, certificates of indebtedness, and leases is as follows:

Governmental Activities:

General Obligation Refunding Bonds			
Year Ending October 31,	Principal payments	Interest payments	Total
2020	\$ 1,365,000	\$ 234,910	\$ 1,599,910
2021	1,130,000	187,909	1,317,909
2022	1,180,000	143,497	1,323,497
2023	1,235,000	97,029	1,332,029
2024	1,280,000	48,616	1,328,616
2025-2026	725,000	17,158	742,158
Total	<u>\$ 6,915,000</u>	<u>\$ 729,119</u>	<u>\$ 7,644,119</u>
Revenue Bonds			
Year Ending October 31,	Principal payments	Interest payments	Total
2020	\$ 651,695	\$ 358,681	\$ 1,010,376
2021	610,862	342,010	952,872
2022	625,030	325,134	950,164
2023	654,197	308,329	962,526
2024	673,365	290,045	963,410
2025-2029	3,446,801	1,126,364	4,573,165
2030-2034	3,205,000	524,100	3,729,100
2035-2037	965,000	29,100	994,100
Total	<u>\$ 10,831,950</u>	<u>\$ 3,303,763</u>	<u>\$ 14,135,713</u>
Capital Leases			
Year Ending October 31,	Principal payments	Interest payments	Total
2020	\$ 298,395	\$ 27,148	\$ 325,543
2021	311,673	13,870	325,543
Total	<u>\$ 610,068</u>	<u>\$ 41,018</u>	<u>\$ 651,086</u>

Business-type Activities:

Utility Revenue Refunding Bonds			
Year Ending October 31,	Principal payments	Interest payments	Total
2020	\$ 455,000	\$ 167,500	\$ 622,500
2021	475,000	149,300	624,300
2022	495,000	127,925	622,925
2023	515,000	105,650	620,650
2024	545,000	79,900	624,900
2025-2026	1,170,000	79,425	1,249,425
Total	<u>\$ 3,655,000</u>	<u>\$ 709,700</u>	<u>\$ 4,364,700</u>

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Year Ending October 31,	Utility Loan Payable		
	Principal payments	Interest payments	Total
2020	\$ 342,000	\$ 48,427	\$ 390,427
2021	345,000	45,182	390,182
2022	349,000	41,904	390,904
2023	352,000	38,590	390,590
2024	355,000	35,245	390,245
2025-2029	1,829,000	124,944	1,953,944
2030-2033	1,526,000	36,414	1,562,414
Total	<u>\$ 5,098,000</u>	<u>\$ 370,706</u>	<u>\$ 5,468,706</u>

(11) Postemployment Health Care and Life Insurance Benefits

Plan Description – The City extends medical benefits to qualifying employees upon actual retirement through a fully-insured plan. A covered employee is an employee of the City, an employee of the New Iberia City Court, or an elected official of the City who attains retirement eligibility (DROP entry). A covered employee may retire upon attainment of the earliest retirement age provided by the respective retirement plan under which the employee participates as detailed in Note 12. Additionally, an employee must have been in continuous covered employment for the immediate 10 years prior to retirement and participated in the healthcare plan for the immediate two years prior to retirement. There are other provisions for approved disability retirement and elected officials. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board (GASB) Statement No. 75. The Plan does not issue a publicly available report.

Benefits Provided – The City provides subsidized medical benefits to eligible retirees. Covered dependents of the retiree may also have medical coverage with the retiree paying 100% of the additional costs for dependents. Retirees, other than firefighters, pay 100% of the contribution rate for elected coverage. Retired firefighters pay \$30 per month for individual coverage.

Employees covered by benefit terms – At October 31, 2019, the following employees were covered by the medical plan terms:

Inactive employees or beneficiaries currently receiving benefit payments	44
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>205</u>
Total	<u>249</u>

Total OPEB Liability

The City's total OPEB liability of \$7,553,070 was measured as of October 31, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the October 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	3.50%
Discount rate, including inflation	4.30%
Medical healthcare cost trend rate, flat annually	5.0%
Mortality	

RH-2014 Total Table with Projection MP-2018

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Changes in the Total OPEB Liability

Balance at October 31, 2018	\$ 7,262,895
Changes for the year:	
Service cost	252,352
Interest	306,527
Differences between expected and actual experience	-
Benefit payments and net transfers	(268,704)
Net changes	290,175
Balance at October 31, 2019	\$ 7,553,070

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.30%) or 1-percentage-point higher (5.30%) than the current discount rate:

	1.00% Decrease 3.30%	Current Discount Rate 4.30%	1.00% Increase 5.30%
Total OPEB liability	\$ 6,446,704	\$ 7,553,070	\$ 8,957,353

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.0%) or 1-percentage-point higher (6.0%) than the current healthcare trend rates:

	1.00% Decrease 4.0%	Current Trend Rate 5.0%	1.00% Increase 6.0%
Total OPEB liability	\$ 6,283,775	\$ 7,553,070	\$ 9,232,959

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended October 31, 2019, the City recognized OPEB expense of \$558,879. At October 31, 2019, there were no deferred inflows or outflows of resources related to OPEB.

(12) Employee Retirement Systems

The City participates in four 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 NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Plan Descriptions

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

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.

Louisiana State Employees' Retirement System (LASERS) provides retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in the Louisiana Revised Statutes. The age and years of creditable service required in order for a member to receive retirement benefits are established by LRS 11:441 and vary depending on the member's hire date, employer and job classification.

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.

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

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

	MERS	FRS	LASERS	MPERS
Final average salary	Highest 60 months	Highest 36 months	Highest 36 months or 60 months ²	Highest 36 months or 60 months ²
Years of service required and/or age eligible for benefits	25 years of any age 10 years age 60 20 years any age ¹	25 years of any age 20 years age 50 12 years age 55	30 years of any age 25 years age 55 20 years of any age ¹ 5-10 years age 60 ⁶	25 years of any age 20 years age 55 12 years age 55 20 years of any age ¹ 30 years of any age ⁴ 25 years age 55 ⁴ 10 years age 60 ⁴
Benefit percent per years of service	3.00%	3.33%	2.5% - 3.5% ³	2.50% - 3.33% ⁵

1 With actuarial reduced benefits

2 Employees hired after a certain date use the revised benefit calculation based on the highest 60 months

3 Members in regular plan 2.5%, hazardous duty plan 3.33%, and judges 3.5%

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

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

6 Five to ten years of creditable service at age 60 depending upon the plan or when hired

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic 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. In addition, MERS and FRS receive a percentage of ad valorem taxes collected by parishes. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities. Contributions of employees, employers, and non-employer contributing entities effective for the year ended October 31, 2019 for the defined benefit pension plans in which the City is a participating employer were as follows:

Plan	Active Member Contribution Percentage	Employer Contribution Percentage	Amount from Nonemployer Contributing Entities	Amount of Government Contributions
MERS	9.50%	26.00%	\$ 126,219	\$ 920,597
FRS	10.00%	26.50%	257,426	606,833
LASERS	13.00%	39.00%	-	15,373
MPERS	10.00%	32.25%	172,313	842,226

Net Pension Liability

The City's net pension liability at October 31, 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) 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:

Plan	Proportionate Share of Net Pension Liability	Proportionate Share (%) of Net Pension Liability	Increase/(Decrease) from Prior Measurement Date
MERS	\$ 8,219,110	1.966924%	0.031288%
FRS	6,013,124	0.960270%	-0.036259%
LASERS	149,825	0.002070%	-0.000050%
MPERS	7,601,271	0.836990%	0.755852%
Total	<u>\$ 21,983,330</u>		

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic 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 that date. Detailed information about each pension plans' 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	LASERS	http://www.laseronline.org
FRS	http://www.lafirefightersret.com	MPERS	https://www.lampers.org

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 City is a participating employer:

	MERS	FRS
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2009 - 6/30/2014
Actuarial cost method	Entry age normal	Entry age normal
Expected remaining service lives	3	7
Inflation Rate	2.50%	2.50%
Projected salary increases	4.5% - 6.4%	4.5% - 14.75%
Projected benefit changes including COLAs	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5)

	LASERS	MPERS
Date of experience study on which significant assumptions are based	2014 - 2018	7/1/2009 - 6/30/2014
Actuarial cost method	Entry age normal	Entry age normal
Expected remaining service lives	2	4
Inflation Rate	2.50%	2.50%
Projected salary increases	2.8% - 14.0%	4.25% - 9.75%
Projected benefit changes including COLAs	None	None

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

- (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, 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 Table Projected to 2031 using Scale AA
- (5) RP-2000 Disabled Lives Mortality Table for disabled annuitants set back 5 years for males and 3 years for females
- (6) RP-2014 Health Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis.
- (7) RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement
- (8) RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Table Projected to 2029 using Scale AA

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. COLAs may be granted to the state system (LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to the funded status and interest earnings.

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

Discount Rate

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

	<u>MERS</u>	<u>FRS</u>	<u>LASERS</u>	<u>MPERS</u>
Discount rate	7.00%	7.15%	7.60%	7.125%
Change in discount rate from prior valuation	-0.27%	-0.15%	-0.05%	-0.08%
Plan cash flow assumptions	(1)	(1)	(1)	(1)
Rates incorporated in the Discount Rate:				
Long-term Rate of Return	7.00%	7.15%	7.60%	7.125%
Periods applied	All	All	All	All
Municipal Bond Rate	N/A	N/A	N/A	N/A

Plan Cash Flow Assumptions:

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

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

The discount rates used to measure the City's total pension liability for each plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. For MERS, FRS, LASERS, and MPERS 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*		FRS*	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	35%	1.51%	31%	2.17%
Domestic Equity	50%	2.15%	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%
Real Estate	-	-	6%	4.14%
Private Equity	-	-	4%	10.52%
Alternative Investments	15%	0.64%	-	-
Total	100%		100%	

Asset Class	LASERS**		MPERS*	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	-	-	33.5%	0.80%
Domestic Fixed Income	6%	2.79%	-	-
Internat'l Fixed Income	10%	4.49%	-	-
Domestic Equity	23%	4.83%	48.5%	3.28%
International Equity	32%	5.83%	-	-
Risk Parity	7%	5.06%	-	-
Alternative Investments	22%	8.32%	18%	1.06%
Total	100%	6.09%	100%	
Inflation/Rebalancing		2.75%		
Expected return		8.84%		

*Arithmetic real rates of return

**Geometric real rates of return

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 October 31, 2019, the City recognized \$5,556,345 in pension expense related to all defined benefit plans in which it participates. Pension expense is summarized by plan in the following table:

<u>Plan</u>	<u>Pension Expense</u>
MERS	\$ 1,517,596
FRS	1,031,992
LASERS	15,634
MPERS	2,991,123
Total	<u>\$ 5,556,345</u>

At October 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		
	<u>MERS</u>	<u>FRS</u>	<u>LASERS</u>
Difference between expected and actual experience	\$ -	\$ -	\$ -
Changes of assumptions	207,705	547,048	1,284
Change in proportion and differences between the employer's contributions and its proportionate share of contributions	160,914	56,296	920
Net differences between projected and actual earnings on plan investments	815,158	404,366	5,176
Contributions subsequent to the measurement date	<u>300,931</u>	<u>202,887</u>	<u>5,150</u>
Total	<u>\$ 1,484,708</u>	<u>\$ 1,210,597</u>	<u>\$ 12,530</u>

(continued)

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Deferred Outflows of Resources	
	MPERS	Total
Difference between expected and actual experience	\$ 15,949	\$ 15,949
Changes of assumptions	425,961	1,181,998
Change in proportion and differences between the employer's contributions and its proportionate share of contributions	4,786,768	5,004,898
Net differences between projected and actual earnings on plan investments	493,842	1,718,542
Contributions subsequent to the measurement date measurement date	251,412	760,380
Total	<u>\$ 5,973,932</u>	<u>\$8,681,767</u>

	Deferred Inflows of Resources		
	MERS	FRS	LASERS
Difference between expected and actual experience	\$ 200,539	\$ 433,753	\$ 311
Changes of assumptions	-	437	-
Change in proportion and differences between the employer's contributions and its proportionate share of contributions	-	779,235	-
Total	<u>\$ 200,539</u>	<u>\$ 1,213,425</u>	<u>\$ 311</u>

	Deferred Inflows of Resources	
	MPERS	Total
Difference between expected and actual experience	\$ 233,857	\$ 868,460
Changes of assumptions	-	437
Change in proportion and differences between the employer's contributions and its proportionate share of contributions	-	779,235
Total	<u>\$ 233,857</u>	<u>\$1,648,132</u>

Deferred outflows of resources of \$760,380 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending October 31, 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

Year Ended October 31	MERS	FRS	LASERS	MPERS	Total
2019	\$ 583,846	\$ 86,993	\$ 5,211	\$2,060,665	\$ 2,736,715
2020	226,865	(218,666)	(1,506)	1,628,354	1,635,047
2021	104,099	(26,822)	1,424	1,676,350	1,755,051
2022	68,430	(1,075)	1,940	123,294	192,589
2023	-	(38,593)	-	-	(38,593)
Thereafter	-	(7,554)	-	-	(7,554)
	<u>\$ 983,240</u>	<u>\$ (205,717)</u>	<u>\$ 7,069</u>	<u>\$5,488,663</u>	<u>\$ 6,273,255</u>

Sensitivity of the City's Proportional Share of the Net Pension Liabilities to Changes in the Discount Rate:

The following presents the City's proportionate shares of the net pension liabilities of the plans, calculated using their respective discount rates, as well as what the City'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%	\$ 10,716,249	\$ 8,219,110	\$ 6,107,857
FRS	7.15%	8,707,411	6,013,124	3,751,745
LASERS	7.60%	189,098	149,825	116,652
MPERS	7.13%	10,591,075	7,601,271	5,093,124

Payables to the Pension Plans

At October 31, 2019, the City had paid all of the contractually required contributions to MERS, FRS, LASERS, and MPERS.

(13) On-Behalf Payments of Salaries

During the year ended October 31, 2019, the City received \$349,300 and \$271,067 of supplemental pay for firemen and police salaries, respectively, from the State of Louisiana. These monies are included in the accompanying financial statements as intergovernmental revenues and public safety expenditures in the government-wide and General Fund financial statements.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(14) Contingent Liabilities

The City owns and operates treatment works known as the Sucrose Drive Wastewater Treatment Plant located in the City that treats and discharges domestic and commercial sewage from the City and adjacent unincorporated areas and the Tete Bayou Wastewater Treatment Plant that serves citizens of the City and Iberia Parish under NPDES permits. The United States of America on behalf of the EPA has filed a complaint seeking injunctive relief and civil penalties pursuant to Section 309 of the Clean Water Act, 33 U.S.C. subsection 1319(e), naming as defendant the City of New Iberia pursuant to Section 309(e) of the Clean Water Act, 33 U.S.C. subsection 1319(e). The State of Louisiana on behalf of the LDEQ has joined the complaint against the City for its alleged violations of the Clean Water Act, and the Louisiana Environmental Quality Act, LSA-R.S. 30:2001, et seq. The complaint alleges that the City has violated Section 301 of the Clean Water Act, 33 U.S.C. subsection 1311 and conditions established in its NPDES permits. The parties to the complaint have negotiated and have reached settlement of the issues raised in the complaint and entered into a consent decree to resolve the claims alleged in the complaint.

As of May 31, 2016, the City declared that it has completed construction of all elements of the Collection System remedial elements related to the Tete Bayou Plant, the New Plant and the City's Collection System, including compliance with each of the following requirements: remedial measures, outreach and public awareness, reporting, civil penalties and stipulated penalties. Beginning June 1, 2016 the City began its twelve (12) month period demonstrating continuous and satisfactory compliance with the terms and conditions of the Consent Decree. Subsequent to the twelve month compliance period, on June 30, 2017 the City served upon the United States and the State, a Letter of Request for Termination. On October 8, 2019 the order granting the motion to terminate was signed.

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The City's management believes that any liability for reimbursement which may arise as the result of these audits would not be material to the financial statements.

At October 31, 2019, the City was involved in several lawsuits claiming damages. According to legal counsel for the City, there is adequate insurance on all cases where monetary damages are sought.

(15) Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. 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 last three years.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(16) Compensation of City Officials

A detail of compensation paid to the City Council for the year ended October 31, 2019 follows:

City Council:

David Broussard	11,432
Dan Doerle	12,637
Sherry Guidry	11,432
Deidra Ledbetter	11,432
Marlon Lewis	11,432
Natalie Lopez	11,432
Dustin Suire	11,432
	<u>\$ 81,229</u>

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

The schedule of compensation, benefits, and other payments to the City's Mayor from November 1, 2018 through October 31, 2019 follows:

Salary	\$ 80,326
Benefits - insurance	10,485
Benefits - retirement	21,333
Benefits - other	109
Car allowance	12,000

(18) 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 City and the State. Under the program, companies commit to expand or maintain facilities or employment in the City, establish a new business in the City, or relocate an existing business to the City. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment date. The City's ad valorem tax revenues were reduced by \$630 as a result of the tax abatement.

CITY OF NEW IBERIA, LOUISIANA

Notes to Basic Financial Statements (Continued)

(19) Interfund Transactions

Interfund transfers consisted of the following at October 31, 2019:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 9,599,681	\$ 2,771,826
Sales Tax Special Revenue Fund	-	6,809,657
2018 Public Safety Sales Tax Special Revenue Fund	-	3,301,955
Public Works Special Revenue Fund	1,709,590	-
Nonmajor governmental funds:		
Special revenue funds	1,062,236	-
Debt service funds	1,040,893	536,962
Total governmental funds	13,412,400	13,420,400
Fiduciary Fund	8,000	-
Total	<u>\$ 13,420,400</u>	<u>\$ 13,420,400</u>

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

Interfund receivables and payables consisted of the following at October 31, 2019:

	<u>Due From</u>	<u>Due To</u>
Major governmental funds:		
General Fund	\$ 55	\$ -
Proprietary Fund:		
Enterprise Fund	-	55
Total	<u>\$ 55</u>	<u>\$ 55</u>

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made.

(20) Subsequent Events

On March 22, 2020, the Governor declared a Public Health emergency in Proclamation Number 25 JBE 2020 in response to the threat posed by COVID-19. Effective March 23, 2020, all individuals within the State of Louisiana are under a general stay-at-home order and are directed to stay home unless performing an essential activity. As a result, economic uncertainties have arisen which may impact the ongoing operations of the City of New Iberia; however, the extent and severity of the potential impact is unknown at this time.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF NEW IBERIA, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended October 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Ad valorem	\$ 1,130,900	\$ 1,130,900	\$ 1,172,408	\$ 41,508
Sales and use	1,622,000	1,622,000	1,685,181	63,181
Franchise	1,831,500	1,831,500	1,850,019	18,519
Licenses and permits	1,627,300	1,634,360	1,583,157	(51,203)
Intergovernmental -				
Federal	337,117	90,692	103,784	13,092
State	1,676,228	891,084	862,398	(28,686)
Local	31,580	204,808	218,553	13,745
Charges for services	29,760	40,096	58,579	18,483
Fines and forfeits	11,280	9,600	43,253	33,653
Investment income	21,390	38,256	70,330	32,074
Miscellaneous	136,309	145,434	457,419	311,985
Total revenues	<u>8,455,364</u>	<u>7,638,730</u>	<u>8,105,081</u>	<u>466,351</u>
Expenditures:				
Current -				
General government	2,182,983	2,319,310	2,237,893	81,417
Public safety	12,637,362	12,353,647	11,310,002	1,043,645
Culture and recreation	29,468	62,692	56,768	5,924
Debt service -				
Principal - capital lease	-	285,682	285,682	-
Interest - capital lease	-	39,861	39,861	-
Capital outlay	1,856,038	282,806	346,543	(63,737)
Total expenditures	<u>16,705,851</u>	<u>15,343,998</u>	<u>14,276,749</u>	<u>1,067,249</u>
Deficiency of revenues over expenditures	<u>(8,250,487)</u>	<u>(7,705,268)</u>	<u>(6,171,668)</u>	<u>1,533,600</u>
Other financing sources (uses):				
Appropriations	-	(10,000)	(10,000)	-
Transfers in	10,944,355	9,599,681	9,599,681	-
Transfers out	(2,693,868)	(2,771,826)	(2,771,826)	-
Total other financing sources (uses)	<u>8,250,487</u>	<u>6,817,855</u>	<u>6,817,855</u>	<u>-</u>
Net change in fund balance	-	(887,413)	646,187	1,533,600
Fund balance, beginning	<u>7,062,499</u>	<u>7,062,499</u>	<u>7,062,499</u>	<u>-</u>
Fund balance, ending	<u>\$ 7,062,499</u>	<u>\$ 6,175,086</u>	<u>\$ 7,708,686</u>	<u>\$ 1,533,600</u>

CITY OF NEW IBERIA, LOUISIANA
Special Revenue Fund
Sales Tax Fund

Budgetary Comparison Schedule
For the Year Ended October 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Sales and use	\$ 11,163,305	\$ 8,363,722	\$ 8,425,907	\$ 62,185
Investment income	6,930	9,076	10,549	1,473
Total revenues	11,170,235	8,372,798	8,436,456	63,658
Expenditures:				
Current -				
General government	115,000	88,700	74,007	14,693
Excess of revenues over expenditures	11,055,235	8,284,098	8,362,449	78,351
Other financing uses:				
Transfers out	(11,447,395)	(6,809,657)	(6,809,657)	-
Net change in fund balance	(392,160)	1,474,441	1,552,792	78,351
Fund balance, beginning	587,327	901,217	901,217	-
Fund balance, ending	\$ 195,167	\$ 2,375,658	\$ 2,454,009	\$ 78,351

CITY OF NEW IBERIA, LOUISIANA
Special Revenue Fund
Garbage Fund

Budgetary Comparison Schedule
For the Year Ended October 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Sales and use	\$ 3,212,000	\$ 3,298,600	\$ 3,370,362	\$ 71,762
Investment income	2,230	2,900	3,418	518
Miscellaneous	<u>1,564,800</u>	<u>1,497,770</u>	<u>1,289,094</u>	<u>(208,676)</u>
Total revenues	<u>4,779,030</u>	<u>4,799,270</u>	<u>4,662,874</u>	<u>(136,396)</u>
Expenditures:				
Current -				
General government	27,414	32,900	29,603	3,297
Public works	<u>4,768,713</u>	<u>4,768,713</u>	<u>4,622,080</u>	<u>146,633</u>
Total expenditures	<u>4,796,127</u>	<u>4,801,613</u>	<u>4,651,683</u>	<u>149,930</u>
Excess (deficiency) of revenues over expenditures	(17,097)	(2,343)	11,191	13,534
Fund balance, beginning	<u>17,097</u>	<u>7,343</u>	<u>7,343</u>	<u>-</u>
Fund balance, ending	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 18,534</u>	<u>\$ 13,534</u>

CITY OF NEW IBERIA, LOUISIANA
Public Works

Budgetary Comparison Schedule
For the Year Ended October 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Ad valorem	\$ 702,196	\$ 702,196	\$ 701,007	\$ (1,189)
Intergovernmental -				
State	32,350	67,350	78,133	10,783
Charges for services	10,000	22,553	21,483	(1,070)
Investment income	1,980	5,163	6,442	1,279
Miscellaneous	8,200	8,200	10,470	2,270
Total revenues	<u>754,726</u>	<u>805,462</u>	<u>817,535</u>	<u>12,073</u>
Expenditures:				
Current -				
Public works	2,497,636	2,434,046	2,303,020	131,026
Capital outlay	<u>296,400</u>	<u>96,620</u>	<u>86,885</u>	<u>9,735</u>
Total expenditures	<u>2,794,036</u>	<u>2,530,666</u>	<u>2,389,905</u>	<u>140,761</u>
Deficiency of revenues over expenditures	(2,039,310)	(1,725,204)	(1,572,370)	152,834
Other financing sources:				
Transfers in	<u>2,026,827</u>	<u>1,729,590</u>	<u>1,709,590</u>	<u>(20,000)</u>
Net change in fund balance	(12,483)	4,386	137,220	132,834
Fund balance, beginning	<u>88,509</u>	<u>88,509</u>	<u>88,509</u>	<u>-</u>
Fund balance, ending	<u>\$ 76,026</u>	<u>\$ 92,895</u>	<u>\$ 225,729</u>	<u>\$ 132,834</u>

CITY OF NEW IBERIA, LOUISIANA
Special Revenue Fund
2018 Public Safety Sales Tax Fund

Budgetary Comparison Schedule
For the Year Ended October 31, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes -				
Sales and use	\$ 3,329,960	\$ 3,329,960	\$ 3,357,932	\$ 27,972
Investment income	3,500	3,500	4,418	918
Total revenues	3,333,460	3,333,460	3,362,350	28,890
Expenditures:				
Current -				
Public safety	31,505	31,505	29,524	1,981
Excess of revenues over expenditures	3,301,955	3,301,955	3,332,826	30,871
Other financing uses:				
Transfers out	(3,301,955)	(3,301,955)	(3,301,955)	-
Net change in fund balance	-	-	30,871	30,871
Fund balance, beginning	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ 30,871	\$ 30,871

CITY OF NEW IBERIA, LOUISIANA

Schedule of Changes in Net OPEB Liability and Related Ratios
For the Year Ended October 31, 2019

	2019	2018
Total OPEB Liability		
Service cost	\$ 252,352	\$ 241,948
Interest	306,527	304,968
Changes in benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	-	-
Benefit payments and net transfers	(268,704)	(268,704)
Net changes	290,175	278,212
Total OPEB liability - beginning	7,262,895	6,984,683
Total OPEB liability - ending	<u>\$ 7,553,070</u>	<u>\$ 7,262,895</u>
Covered employee payroll	\$ 7,713,026	\$ 7,713,026
Total OPEB liability as a percentage of covered-employee payroll	97.93%	94.16%

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

CITY OF NEW IBERIA, LOUISIANA

Schedule of Employers' Share of Net Pension Liability
For the Year Ended October 31, 2019*

<u>Year Ended October 31,</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered 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					
2019	1.966924%	\$ 8,219,110	\$ 3,626,761	226.6%	64.68%
2018	1.935636%	8,014,845	3,534,271	226.8%	63.94%
2017	1.858537%	7,775,045	3,375,232	230.4%	63.49%
2016	1.987684%	8,146,941	3,550,694	229.4%	63.34%
2015	1.972086%	7,044,600	3,381,856	208.3%	66.18%
Firefighters' Retirement System of Louisiana					
2019	0.960270%	\$ 6,013,124	\$ 2,320,848	259.1%	73.96%
2018	0.996529%	5,732,113	2,374,238	241.4%	74.76%
2017	1.040425%	5,963,559	2,429,249	245.5%	73.55%
2016	1.137407%	7,439,670	2,395,441	310.6%	68.16%
2015	1.197499%	6,463,037	2,481,858	260.4%	72.45%
Louisiana State Employees' Retirement System					
2019	0.002070%	\$ 149,825	\$ 40,008	374.5%	62.90%
2018	0.002120%	144,515	39,855	362.6%	64.30%
2017	0.002230%	157,177	39,853	394.4%	62.50%
2016	0.002170%	170,636	41,388	412.3%	57.70%
2015	0.002220%	150,857	42,738	353.0%	62.70%
Municipal Police Employees' Retirement System					
2019	0.836990%	\$ 7,601,271	\$ 2,715,194	280.0%	71.01%
2018	0.081138%	685,946	178,779	383.7%	71.89%

* The amounts presented have a measurement date of June 30th of each year.

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

CITY OF NEW IBERIA, LOUISIANA

Schedule of Employer Contributions
For the Year Ended October 31, 2019

<u>Year Ended October 31,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
Municipal Employees' Retirement System					
2019	\$ 920,597	\$ 920,597	\$ -	\$ 3,540,757	26.00%
2018	933,075	933,075	-	3,770,001	24.75%
2017	796,857	796,857	-	3,328,522	23.94%
2016	704,708	704,708	-	3,410,598	20.66%
2015	673,246	673,246	-	3,408,841	19.75%
Firefighters' Retirement System of Louisiana					
2019	\$ 606,833	\$ 606,833	\$ -	\$ 2,289,937	26.50%
2018	649,192	649,192	-	2,449,780	26.50%
2017	607,873	607,873	-	2,371,725	25.63%
2016	666,715	666,715	-	2,328,692	28.63%
2015	723,823	723,823	-	2,366,673	30.58%
Louisiana State Employees' Retirement System					
2019	\$ 15,373	\$ 15,373	\$ -	\$ 39,418	39.00%
2018	16,307	16,307	-	41,388	39.40%
2017	14,982	14,982	-	39,855	37.59%
2016	15,344	15,344	-	39,855	38.50%
2015	15,280	15,280	-	41,029	37.24%
Municipal Police Employees' Retirement System					
2019	\$ 842,226	\$ 842,226	\$ -	\$ 2,611,553	32.25%
2018	339,811	339,811	-	1,105,075	30.75%

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

CITY OF NEW IBERIA, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

The City follows the procedures detailed below in adopting its budget.

1. At least 45 days prior to the beginning of each fiscal year, the Mayor is required to submit to the City Council a proposed budget in the form required by the Charter.
2. A public hearing is required to be conducted to obtain taxpayer comments and notice thereof is published in the official journal at least ten days prior to such hearing. The notification is to include the time and place of the public hearing in addition to a general summary of the proposed budget.
3. Final adoption of the budget is required to be not later than October 31 of the fiscal year for the ensuing fiscal year.
4. Formal budgetary integration is employed as a management control device during the year for all funds. No payment can be made or obligated against any appropriation unless the Mayor or his designee first certifies that sufficient unencumbered funds are or will be available to meet the obligation when it becomes due and payable. In practice, this has generally been interpreted (due to the flexibility for intra departmental transfer of line item appropriations) to mean control at the departmental/fund level. Intra departmental transfers are approved by the Mayor or his designee. Budget adjustments which involve changes to total revenues and/or expenditures/expenses require Council approval.
5. Those budgets which the City adopts are on a basis consistent with generally accepted accounting principles as applied to governmental units.
6. All appropriations, except for capital outlays, lapse at the close of the fiscal year to the extent that they have not been expended or encumbered. Appropriations for capital outlays lapse after completion of the project.

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

(2) Pension Plan

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan.

CITY OF NEW IBERIA, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(3) Other Postemployment Benefits

- a) Benefit changes – There were no changes of benefit terms.
- b) Changes of assumptions – There were no changes of assumptions.

(4) Excess of Expenditures Over Appropriations

For the year ended October 31, 2019, the following funds had actual expenditures over appropriations, at the functional level, as follows:

<u>Fund and Function</u>	<u>Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
Capital outlay	\$ 282,806	\$ 346,543	\$ (63,737)

OTHER SUPPLEMENTARY INFORMATION

CITY OF NEW IBERIA, LOUISIANA

Statement of Net Position
October 31, 2019
With Comparative Totals for October 31, 2018

	2019			2018
	Governmental Activities	Business-Type Activities	Total	Total
ASSETS				
Cash and interest-bearing deposits	\$ 18,192,167	\$ 4,461,019	\$ 22,653,186	\$ 17,720,464
Accounts receivable	315,243	367,612	682,855	661,712
Internal balances	55	(55)	-	-
Due from other governmental units	2,952,619	577,252	3,529,871	2,818,436
Real estate held for resale	61,343	-	61,343	61,343
Prepaid expenses	87	-	87	-
Restricted assets	-	350,559	350,559	315,085
Capital assets:				
Non-depreciable	4,041,630	3,204,094	7,245,724	5,689,404
Depreciable, net	<u>35,497,548</u>	<u>40,672,676</u>	<u>76,170,224</u>	<u>79,965,476</u>
Total assets	<u>61,060,692</u>	<u>49,633,157</u>	<u>110,693,849</u>	<u>107,231,920</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on refunding	1,165,154	21,602	1,186,756	1,289,207
Deferred outflows of resources - pension	<u>8,197,752</u>	<u>484,015</u>	<u>8,681,767</u>	<u>3,909,497</u>
Total deferred outflows of resources	<u>9,362,906</u>	<u>505,617</u>	<u>9,868,523</u>	<u>5,198,704</u>
LIABILITIES				
Cash overdraft	550,430	-	550,430	155,461
Accounts and other payables	1,401,595	809,879	2,211,474	958,130
Accrued interest	217,093	83,750	300,843	312,276
Unearned revenue	354,285	-	354,285	157,823
Long-term liabilities:				
Portion due or payable within one year	2,389,528	806,858	3,196,386	2,597,841
Portion due or payable after one year	17,789,861	8,522,603	26,312,464	29,245,389
Other post employment benefits payable	7,553,070	-	7,553,070	7,262,895
Net pension liability	<u>19,303,900</u>	<u>2,679,430</u>	<u>21,983,330</u>	<u>14,577,419</u>
Total liabilities	<u>49,559,762</u>	<u>12,902,520</u>	<u>62,462,282</u>	<u>55,267,234</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	<u>1,582,756</u>	<u>65,376</u>	<u>1,648,132</u>	<u>1,673,434</u>
NET POSITION				
Net investment in capital assets	21,341,035	34,667,486	56,008,521	55,844,156
Restricted for:				
Capital projects	5,553,904	-	5,553,904	5,355,042
Debt service	706,588	266,809	973,397	794,987
Sales tax dedications	8,089,715	-	8,089,715	6,056,622
Other	50,522	-	50,522	46,471
Unrestricted	<u>(16,460,684)</u>	<u>2,236,583</u>	<u>(14,224,101)</u>	<u>(12,607,322)</u>
Total net position	<u>\$ 19,281,080</u>	<u>\$ 37,170,878</u>	<u>\$ 56,451,958</u>	<u>\$ 55,489,956</u>

CITY OF NEW IBERIA, LOUISIANA

General Fund

Budgetary Comparison Schedule - Revenues

For the Year Ended October 31, 2019

With Comparative Actual Amounts for the Year Ended October 31, 2018

	2019			Variance with Final Budget	2018
	Budget		Actual	Positive (Negative)	Actual
	Original	Final			
Revenues:					
Taxes -					
Ad valorem	\$ 1,130,900	\$ 1,130,900	\$ 1,172,408	\$ 41,508	\$ 1,172,837
Sales and use	1,622,000	1,622,000	1,685,181	63,181	1,630,017
Franchise	1,831,500	1,831,500	1,850,019	18,519	1,939,659
Licenses and permits	1,627,300	1,634,360	1,583,157	(51,203)	1,580,180
Intergovernmental -					
Federal	337,117	90,692	103,784	13,092	45,108
State	1,676,228	891,084	862,398	(28,686)	562,377
Local	31,580	204,808	218,553	13,745	34,773
Charges for services	29,760	40,096	58,579	18,483	40,240
Fines and forfeits	11,280	9,600	43,253	33,653	2,935
Investment income	21,390	38,256	70,330	32,074	30,330
Miscellaneous	136,309	145,434	457,419	311,985	47,522
Total revenues	<u>\$ 8,455,364</u>	<u>\$ 7,638,730</u>	<u>\$ 8,105,081</u>	<u>\$ 466,351</u>	<u>\$ 7,085,978</u>

CITY OF NEW IBERIA, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended October 31, 2019
With Comparative Actual Amounts for the Year Ended October 31, 2018

	2019			Variance with	
	Budget			Final Budget	2018
	Original	Final	Actual	Positive (Negative)	Actual
Current:					
General government -					
Salaries	\$ 976,808	\$ 980,041	\$ 1,020,220	\$ (40,179)	\$ 956,131
Payroll taxes	18,780	20,866	21,179	(313)	18,539
Retirement	223,836	223,836	219,130	4,706	221,670
Workers' compensation	2,519	2,810	3,108	(298)	2,179
Group insurance	154,751	153,436	142,780	10,656	152,211
Contracted services	204,710	214,194	189,746	24,448	219,033
Dues and subscriptions	21,987	21,932	21,182	750	19,249
Insurance	262,577	261,378	249,313	12,065	223,214
Miscellaneous	12,781	13,930	8,995	4,935	7,963
Nonprofit allocations	14,964	16,673	9,207	7,466	21,390
Office expense	32,150	48,518	46,772	1,746	36,326
Repairs and maintenance	107,490	213,145	176,109	37,036	101,987
Travel and training	11,880	10,801	4,071	6,730	2,686
Utilities and telephone	137,750	137,750	126,081	11,669	127,679
Total general government	2,182,983	2,319,310	2,237,893	81,417	2,110,257
Public safety -					
Police:					
Salaries	3,310,366	3,452,741	3,378,661	74,080	1,361,959
Payroll taxes	43,053	45,353	46,390	(1,037)	17,704
Retirement	816,689	816,689	897,837	(81,148)	365,112
Workers' compensation	110,415	110,415	122,070	(11,655)	49,938
Group insurance	696,828	696,828	654,910	41,918	293,582
Unemployment compensation	6,484	6,484	620	5,864	-
Contracted services	117,403	111,503	83,864	27,639	4,216,609
Dues and subscriptions	27,507	56,746	56,695	51	9,015
Insurance	366,392	290,418	298,565	(8,147)	124,968
Jail	627,132	478,233	297,736	180,497	164,833
Miscellaneous	35,913	31,513	14,051	17,462	7,181
Office expense	24,664	35,858	25,053	10,805	20,086
Repairs and maintenance	761,606	509,404	297,585	211,819	792,176
Travel and training	79,000	124,424	71,190	53,234	118,442
Utilities and telephone	152,079	152,079	72,603	79,476	26,210
Total police	7,175,531	6,918,688	6,317,830	600,858	7,567,815

CITY OF NEW IBERIA, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended October 31, 2019
With Comparative Actual Amounts for the Year Ended October 31, 2018

	2019				
	Budget			Variance with Final Budget Positive (Negative)	2018 Actual
	Original	Final	Actual		
Public safety -					
Fire:					
Salaries	2,999,586	2,969,586	2,840,899	128,687	2,856,073
Payroll taxes	41,280	41,280	36,470	4,810	38,687
Retirement	780,186	780,186	658,669	121,517	700,972
Workers' compensation	147,174	147,174	184,987	(37,813)	170,860
Group insurance	957,938	957,938	853,087	104,851	875,949
Unemployment compensation	-	-	-	-	1,002
Contracted services	172,500	153,250	74,013	79,237	41,076
Dues and subscriptions	9,133	7,753	3,380	4,373	3,542
Insurance	47,185	52,809	60,868	(8,059)	42,170
Miscellaneous	4,100	3,920	1,045	2,875	7,495
Office expense	9,699	8,711	7,528	1,183	6,390
Repairs and maintenance	203,600	224,122	197,894	26,228	213,571
Travel and training	47,400	46,180	34,134	12,046	21,319
Utilities and telephone	42,050	42,050	39,198	2,852	40,260
Total fire	5,461,831	5,434,959	4,992,172	442,787	5,019,366
Total public safety	12,637,362	12,353,647	11,310,002	1,043,645	12,587,181
Culture and recreation -					
Contracted services	264	264	264	-	264
Repairs and maintenance	17,804	16,804	14,859	1,945	15,570
Utilities and telephone	11,400	10,400	9,947	453	10,926
Miscellaneous	-	35,224	31,698	3,526	-
Total culture and recreation	29,468	62,692	56,768	5,924	26,760
Debt service -					
Principal - capital lease	-	285,682	285,682	-	285,682
Interest - capital lease	-	39,861	39,861	-	39,861
Bond issuance costs	-	-	-	-	35,396
Total debt service	-	325,543	325,543	-	360,939
Capital outlay	1,856,038	282,806	346,543	(63,737)	2,409,606
Total expenditures	\$ 16,705,851	\$ 15,343,998	\$ 14,276,749	\$ 1,067,249	\$ 17,494,743

CITY OF NEW IBERIA, LOUISIANA
Nonmajor Governmental Funds

Combining Balance Sheet - By Fund Type
October 31, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
ASSETS				
Cash and interest-bearing deposits	\$ 956,536	\$ 923,681	\$ 219,349	\$ 2,099,566
Due from other governmental units	49,813	-	-	49,813
Total assets	<u>\$1,006,349</u>	<u>\$ 923,681</u>	<u>\$ 219,349</u>	<u>\$ 2,149,379</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Overdraft	\$ 34,042	\$ -	\$ -	\$ 34,042
Accounts payable	17,597	-	-	17,597
Retainage payable	13,457	-	-	13,457
Accrued liabilities	35,198	-	-	35,198
Unearned revenue	19,469	-	100,000	119,469
Total liabilities	<u>119,763</u>	<u>-</u>	<u>100,000</u>	<u>219,763</u>
Fund balances -				
 Restricted:				
Construction of capital assets	-	-	119,349	119,349
Purpose of grantors, trustees and donors	50,522	-	-	50,522
Sales tax dedications	227,456	-	-	227,456
Debt service	-	923,681	-	923,681
Assigned - operations	101,870	-	-	101,870
Assigned - disaster relief	506,738	-	-	506,738
Total fund balances	<u>886,586</u>	<u>923,681</u>	<u>119,349</u>	<u>1,929,616</u>
Total liabilities and fund balances	<u>\$1,006,349</u>	<u>\$ 923,681</u>	<u>\$ 219,349</u>	<u>\$ 2,149,379</u>

CITY OF NEW IBERIA, LOUISIANA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended October 31, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues:				
Taxes -				
Ad valorem	\$ 601,444	\$ 2,098,961	\$ -	\$ 2,700,405
Sales and use	237,728	-	-	237,728
Intergovernmental - federal	1,392,329	-	-	1,392,329
Charges for services	72,176	-	-	72,176
Investment income	10,742	6,266	-	17,008
Miscellaneous	73,967	-	-	73,967
Total revenues	<u>2,388,386</u>	<u>2,105,227</u>	<u>-</u>	<u>4,493,613</u>
Expenditures:				
Current -				
General government	10,480	14,850	-	25,330
Public safety	-	-	-	-
Public works	421,415	-	-	421,415
Culture and recreation	957,866	-	-	957,866
Urban redevelopment and housing	1,368,287	-	-	1,368,287
Debt service -				
Principal	-	1,810,000	-	1,810,000
Interest	-	652,805	-	652,805
Capital outlay	215,264	-	-	215,264
Total expenditures	<u>2,973,312</u>	<u>2,477,655</u>	<u>-</u>	<u>5,450,967</u>
Excess (deficiency) of revenues over expenditures	<u>(584,926)</u>	<u>(372,428)</u>	<u>-</u>	<u>(957,354)</u>
Other financing sources (uses):				
Transfers in	1,062,236	1,040,893	-	2,103,129
Transfers out	-	(536,962)	-	(536,962)
Total other financing sources (uses)	<u>1,062,236</u>	<u>503,931</u>	<u>-</u>	<u>1,566,167</u>
Net changes in fund balances	477,310	131,503	-	608,813
Fund balances, beginning	<u>409,276</u>	<u>792,178</u>	<u>119,349</u>	<u>1,320,803</u>
Fund balances, ending	<u>\$ 886,586</u>	<u>\$ 923,681</u>	<u>\$ 119,349</u>	<u>\$ 1,929,616</u>

CITY OF NEW IBERIA, LOUISIANA

Combining Balance Sheet
Nonmajor Special Revenue Funds
October 31, 2019

	Parks and Recreation	Section 8 Housing Voucher Program	Disaster Relief	Highway 14 EDD #1	Highway 182 EDD #1	Total
ASSETS						
Cash and interest-bearing deposits	\$ 181,243	\$ 56,870	\$ 518,715	\$ 189,505	\$ 10,203	\$ 956,536
Due from other governmental units	-	-	22,065	26,351	1,397	49,813
Total assets	<u>\$ 181,243</u>	<u>\$ 56,870</u>	<u>\$ 540,780</u>	<u>\$ 215,856</u>	<u>\$ 11,600</u>	<u>\$1,006,349</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Overdraft	\$ -	\$ -	\$ 34,042	\$ -	\$ -	\$ 34,042
Accounts payable	17,559	38	-	-	-	17,597
Retainage payable	13,457	-	-	-	-	13,457
Accrued liabilities	28,888	6,310	-	-	-	35,198
Unearned revenue	19,469	-	-	-	-	19,469
Total liabilities	<u>79,373</u>	<u>6,348</u>	<u>34,042</u>	<u>-</u>	<u>-</u>	<u>119,763</u>
Fund balances:						
Restricted -						
Purpose of grantors, trustees and donors	-	50,522	-	-	-	50,522
Sales tax dedications	-	-	-	215,856	11,600	227,456
Committed -						
Operations	101,870	-	-	-	-	101,870
Disaster relief	-	-	506,738	-	-	506,738
Total fund balances	<u>101,870</u>	<u>50,522</u>	<u>506,738</u>	<u>215,856</u>	<u>11,600</u>	<u>886,586</u>
Total liabilities and fund balances	<u>\$ 181,243</u>	<u>\$ 56,870</u>	<u>\$ 540,780</u>	<u>\$ 215,856</u>	<u>\$ 11,600</u>	<u>\$1,006,349</u>

CITY OF NEW IBERIA, LOUISIANA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended October 31, 2019

	Parks and Recreation	Section 8 Housing Voucher Program	Disaster Relief	Highway 14 EDD #1	Highway 182 EDD #1	Total
Revenues:						
Taxes -						
Ad valorem	\$ 601,444	\$ -	\$ -	\$ -	\$ -	\$ 601,444
Sales and use	-	-	-	223,999	13,729	237,728
Intergovernmental - federal	-	1,370,264	22,065	-	-	1,392,329
Charges for services	72,176	-	-	-	-	72,176
Investment income	3,854	2,074	4,606	197	11	10,742
Miscellaneous	73,967	-	-	-	-	73,967
Total revenues	<u>751,441</u>	<u>1,372,338</u>	<u>26,671</u>	<u>224,196</u>	<u>13,740</u>	<u>2,388,386</u>
Expenditures:						
Current -						
General government	-	-	-	8,340	2,140	10,480
Public works	-	-	421,415	-	-	421,415
Culture and recreation	957,866	-	-	-	-	957,866
Urban redevelopment housing	-	1,368,287	-	-	-	1,368,287
Capital outlay	215,264	-	-	-	-	215,264
Total expenditures	<u>1,173,130</u>	<u>1,368,287</u>	<u>421,415</u>	<u>8,340</u>	<u>2,140</u>	<u>2,973,312</u>
Excess (deficiency) of revenues over expenditures	(421,689)	4,051	(394,744)	215,856	11,600	(584,926)
Other financing sources:						
Transfers in	487,236	-	575,000	-	-	1,062,236
Net changes in fund balances	65,547	4,051	180,256	215,856	11,600	477,310
Fund balances, beginning	36,323	46,471	326,482	-	-	409,276
Fund balances, ending	<u>\$ 101,870</u>	<u>\$ 50,522</u>	<u>\$ 506,738</u>	<u>\$215,856</u>	<u>\$11,600</u>	<u>\$ 886,586</u>

CITY OF NEW IBERIA, LOUISIANA
Parks and Recreation Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended October 31, 2019
With Comparative Actual Amounts for the Year Ended October 31, 2018

	2019			Variance with Final Budget	
	Budget			Positive	2018
	Original	Final	Actual	(Negative)	Actual
Culture and recreation:					
Salaries	\$ 539,320	\$ 539,320	\$ 472,468	\$ 66,852	\$ 518,066
Payroll taxes	13,358	13,358	10,660	2,698	13,163
Retirement	115,669	115,669	99,863	15,806	111,685
Unemployment compensation	2,000	2,000	265	1,735	1,307
Workers' compensation	21,734	21,734	20,347	1,387	23,068
Group insurance	120,049	120,049	87,140	32,909	112,569
Contracted services	17,155	19,600	17,583	2,017	34,983
Insurance	26,100	29,340	27,336	2,004	16,284
Miscellaneous	100	100	41	59	54
Programs	33,810	33,064	29,285	3,779	25,571
Office expense	5,070	5,070	4,166	904	5,193
Repairs and maintenance	106,400	146,117	103,626	42,491	152,537
Utilities and telephone	92,000	92,000	85,086	6,914	97,851
Total culture and recreation	1,092,765	1,137,421	957,866	179,555	1,112,331
Capital outlay	-	293,480	215,264	78,216	121,725
Total expenditures	\$ 1,092,765	\$ 1,430,901	\$ 1,173,130	\$ 257,771	\$ 1,234,056

CITY OF NEW IBERIA, LOUISIANA

Combining Balance Sheet
Nonmajor Debt Service Funds
October 31, 2019

	General Obligation Debt Service	Debt Service	2009 Sinking Fund	2010 Sinking Fund	2018 Sinking Fund	Total
ASSETS						
Cash and interest-bearing deposits	<u>\$ 139,617</u>	<u>\$ 5,470</u>	<u>\$ 383,076</u>	<u>\$ 203,186</u>	<u>\$ 192,332</u>	<u>\$ 923,681</u>
LIABILITIES AND FUND BALANCES						
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances:						
Restricted - debt service	<u>139,617</u>	<u>5,470</u>	<u>383,076</u>	<u>203,186</u>	<u>192,332</u>	<u>923,681</u>
Total liabilities and fund balances	<u>\$ 139,617</u>	<u>\$ 5,470</u>	<u>\$ 383,076</u>	<u>\$ 203,186</u>	<u>\$ 192,332</u>	<u>\$ 923,681</u>

CITY OF NEW IBERIA, LOUISIANA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended October 31, 2019

	General Obligation Debt Service	Debt Service	2009 Sinking Fund	2010 Sinking Fund	2018 Sinking Fund	Total
Revenues:						
Taxes -						
Ad valorem	\$ 1,286,198	\$ 812,763	\$ -	\$ -	\$ -	\$ 2,098,961
Investment income	4,096	-	-	2,170	-	6,266
Total revenues	<u>1,290,294</u>	<u>812,763</u>	<u>-</u>	<u>2,170</u>	<u>-</u>	<u>2,105,227</u>
Expenditures:						
Current -						
General government	2,450	-	4,300	8,100	-	14,850
Debt service -						
Principal	1,050,000	265,000	285,000	210,000	-	1,810,000
Interest	271,655	8,560	215,650	117,350	39,590	652,805
Total expenditures	<u>1,324,105</u>	<u>273,560</u>	<u>504,950</u>	<u>335,450</u>	<u>39,590</u>	<u>2,477,655</u>
Excess (deficiency) of revenues over expenditures	<u>(33,811)</u>	<u>539,203</u>	<u>(504,950)</u>	<u>(333,280)</u>	<u>(39,590)</u>	<u>(372,428)</u>
Other financing sources (uses):						
Transfers in	-	-	507,151	333,742	200,000	1,040,893
Transfers out	-	(536,962)	-	-	-	(536,962)
Total other financing sources (uses)	<u>-</u>	<u>(536,962)</u>	<u>507,151</u>	<u>333,742</u>	<u>200,000</u>	<u>503,931</u>
Net changes in fund balances	(33,811)	2,241	2,201	462	160,410	131,503
Fund balances, beginning	<u>173,428</u>	<u>3,229</u>	<u>380,875</u>	<u>202,724</u>	<u>31,922</u>	<u>792,178</u>
Fund balances, ending	<u>\$ 139,617</u>	<u>\$ 5,470</u>	<u>\$ 383,076</u>	<u>\$ 203,186</u>	<u>\$ 192,332</u>	<u>\$ 923,681</u>

CITY OF NEW IBERIA, LOUISIANA

Combining Balance Sheet
Nonmajor Capital Project Funds
October 31, 2019

		2010 Bonds Street Construction	Total
ASSETS	Construction		
Cash and interest-bearing deposits	<u>\$ 147,638</u>	<u>\$ 71,711</u>	<u>\$ 219,349</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Unearned revenue	\$ 100,000	\$ -	\$ 100,000
Fund balances:			
Restricted -			
Construction of capital assets	<u>47,638</u>	<u>71,711</u>	<u>119,349</u>
Total liabilities and fund balances	<u>\$ 147,638</u>	<u>\$ 71,711</u>	<u>\$ 219,349</u>

CITY OF NEW IBERIA, LOUISIANA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended October 31, 2019

	<u>Construction</u>	<u>2010 Bonds Street Construction</u>	<u>Total</u>
Revenues	\$ -	\$ -	\$ -
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	-	-
Fund balances, beginning	<u>47,638</u>	<u>71,711</u>	<u>119,349</u>
Fund balances, ending	<u>\$ 47,638</u>	<u>\$ 71,711</u>	<u>\$ 119,349</u>

CITY OF NEW IBERIA, LOUISIANA

Comparative Statement of Net Position
Sewerage Fund
October 31, 2019 and 2018

	2019	2018
ASSETS		
Current assets:		
Cash	\$ 4,461,019	\$ 3,610,902
Accounts receivable	367,612	311,724
Due from other governmental units	577,252	191,071
Total current assets	<u>5,405,883</u>	<u>4,113,697</u>
Noncurrent assets:		
Restricted cash	350,559	315,085
Capital assets -		
Land and construction in progress	3,204,094	1,742,910
Other capital assets, net of accumulated depreciation	<u>40,672,676</u>	<u>42,480,638</u>
Total noncurrent assets	<u>44,227,329</u>	<u>44,538,633</u>
Total assets	<u>49,633,212</u>	<u>48,652,330</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	21,602	27,407
Deferred outflows of resources - pension	<u>484,015</u>	<u>641,375</u>
Total deferred outflows of resources	<u>505,617</u>	<u>668,782</u>
LIABILITIES		
Current liabilities:		
Accounts payable	108,912	103,847
Due to other funds	55	55
Contracts payable	545,894	-
Retainage payable	85,611	-
Accrued liabilities	69,462	15,819
Accrued compensated absences	9,858	12,145
Payable from restricted assets -		
Accrued interest	83,750	93,538
Bonds payable	<u>797,000</u>	<u>435,000</u>
Total current liabilities	<u>1,700,542</u>	<u>660,404</u>
Noncurrent liabilities:		
Accrued compensated absences	88,717	109,305
Bonds payable	8,433,886	9,109,658
Net pension liability	<u>2,679,430</u>	<u>2,612,840</u>
Total noncurrent liabilities	<u>11,202,033</u>	<u>11,831,803</u>
Total liabilities	<u>12,902,575</u>	<u>12,492,207</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pension	<u>65,376</u>	<u>138,162</u>
NET POSITION		
Net investment in capital assets	34,667,486	34,706,297
Restricted for debt service	266,809	221,547
Unrestricted	<u>2,236,583</u>	<u>1,762,899</u>
Total net position	<u>\$ 37,170,878</u>	<u>\$ 36,690,743</u>

CITY OF NEW IBERIA, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position -
Sewerage Fund

For the Years Ended October 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Operating revenues:		
Charges for services -		
Customers	\$ 4,197,109	\$ 4,269,163
Parish government under cooperative agreement	<u>1,170,799</u>	<u>1,028,494</u>
Total operating revenues	<u>5,367,908</u>	<u>5,297,657</u>
Operating expenses:		
Cost of services rendered	3,573,641	3,566,324
Depreciation	<u>2,163,001</u>	<u>2,159,960</u>
Total operating expenses	<u>5,736,642</u>	<u>5,726,284</u>
Operating loss	<u>(368,734)</u>	<u>(428,627)</u>
Nonoperating revenues (expenses):		
Federal grant revenue	875,540	94,066
Investment income	74,897	51,804
Interest expense and fiscal charges	(209,085)	(288,385)
Non-employer pension contributions	41,147	39,361
Other, net	<u>37,671</u>	<u>6,287</u>
Total nonoperating revenues (expenses)	<u>820,170</u>	<u>(96,867)</u>
Income (loss) before contributions and transfers	451,436	(525,494)
Capital contributions	<u>28,699</u>	<u>4,962</u>
Change in net position	480,135	(520,532)
Net position, beginning	<u>36,690,743</u>	<u>37,211,275</u>
Net position, ending	<u>\$ 37,170,878</u>	<u>\$ 36,690,743</u>

CITY OF NEW IBERIA, LOUISIANA
Enterprise Fund
Sewer Fund

Schedule of Number of Utility Customers
(Unaudited)
For the Years Ended October 31, 2019 and 2018

Records maintained by the City indicated the following number of customers were being served during the months of October 31, 2019 and 2018:

<u>Department</u>	<u>2019</u>	<u>2018</u>
Sewerage	11,748	11,698

CITY OF NEW IBERIA, LOUISIANA

Schedule of Net Position (Unaudited)
 LCDBG Sewer System Improvement Projects
 October 31, 2019

		Sewer System I Hopkins Street	Sewer System II Bayard/Jean Street	Total
	ASSETS			
Grant receivable		\$ 245,161	\$ 158,157	\$ 403,318
	LIABILITIES			
Contracts payable		216,296	131,365	347,661
Retainages payable		28,865	26,792	55,657
Total liabilities		245,161	158,157	403,318
	NET POSITION			
Unrestricted		\$ -	\$ -	\$ -

CITY OF NEW IBERIA, LOUISIANA

Schedule of Revenues, Expenses, and Changes in Net Position (Unaudited)
 LCDBG Sewer System Improvement Projects
 For the Year Ended October 31, 2019

	Sewer System I Hopkins Street	Sewer System II Bayard/Jean Street	Total
Revenues:			
LCDBG	\$ 292,253	\$ 583,287	\$ 875,540
Expenses:			
Administration	3,600	15,945	19,545
Engineering	-	31,495	31,495
Construction	259,788	509,054	768,842
Construction contingencies	28,865	26,793	55,658
Total expenses	<u>292,253</u>	<u>583,287</u>	<u>875,540</u>
Excess (deficiency) of revenues over expenses	<u>-</u>	<u>-</u>	<u>-</u>
Net position, beginning	<u>-</u>	<u>-</u>	<u>-</u>
Net position, ending	<u>\$ -</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. 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

* A Professional Accounting Corporation

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

WWW.KCSRPCAS.COM

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

The Honorable Freddie DeCourt, Mayor
and Members of the City Council
City of New Iberia, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the City of New Iberia, Louisiana (the City) as of and for the year ended October 31, 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 June 10, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

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 entity's internal control and compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 10, 2020

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

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

WWW.KCSRCPAS.COM

* A Professional Accounting Corporation

The Honorable Freddie DeCourt, Mayor
and Members of the City Council
City of New Iberia, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the City of New Iberia, 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 October 31, 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 requirements referred to above that could have a direct and material effect on its major federal program for the year ended October 31, 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
June 10, 2020

CITY OF NEW IBERIA, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended October 31, 2019

Federal Grantor/Pass-Through Grantor/ Program Title	CFDA Number	Expenditures	Amounts Provided to Subrecipients
U.S. Department of Housing and Urban Development:			
Direct Programs -			
Section 8 Housing Choice Vouchers	14.871	\$ 1,302,482	\$ -
Passed through Local Housing Authorities -			
Section 8 Housing Choice Vouchers	14.871	65,804	-
Passed through Louisiana Division of Administration -			
Community Development Block Grant*	14.228	875,540	-
Total U.S. Department of Housing and Urban Development		2,243,826	-
U.S. Department of Transportation:			
Passed through Louisiana Department of Culture, Recreation and Tourism -			
Recreational Trails Program	20.219	8,824	-
Environmental Protection Agency:			
Passed through Louisiana Departmental of Environmental Quality -			
Capitalization Grants for Clean Water State Revolving Funds	66.458	392,569	-
U.S. Department of Homeland Security:			
Passed through Louisiana Department of Homeland Security -			
Disaster grant	97.036	22,065	-
U.S. Department of the Interior			
Passed through Louisiana Department of Wildlife and Fisheries -			
Sport Fish Restoration	15.605	6,509	-
Sportfishing and Boating Safety Act	15.622	10,014	-
Passed through Louisiana Department of Culture, Recreation and Tourism -			
Historic Preservation Fund Grants-in-Aid	15.904	40,698	31,698
Total U.S. Department of the Interior		57,221	31,698
U.S. Department of Justice			
Passed through Louisiana Commission on Law Enforcement -			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	19,500	-
TOTAL FEDERAL AWARDS		\$ 2,744,005	\$ -

* Indicates major program

CITY OF NEW IBERIA, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended October 31, 2019

(1) General

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City of New Iberia (City) under programs of the federal government for the year ended October 31, 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 October 31, 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.

CITY OF NEW IBERIA, LOUISIANA

Schedule of Findings and Questioned Costs
For the Year Ended October 31, 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. No material weaknesses were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the City, which would be 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) are reported in this schedule.
7. The following program is considered to be a major program: Community Development Block Grant (14.228).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The City was determined to be a low-risk auditee.

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

Compliance Findings –

There were no compliance findings noted for the year ended October 31, 2019.

Internal Control Findings –

There were no internal control findings noted for the year ended October 31, 2019.

CITY OF NEW IBERIA, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended October 31, 2019

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 were no compliance findings noted for the year ended October 31, 2019.

Internal Control Findings –

There were no internal control findings noted for the year ended October 31, 2019.

CITY OF NEW IBERIA, LOUISIANA

Summary Schedule of Current and Prior Year Findings
and Management's Corrective Action Plan
For the Year Ended October 31, 2019

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

A. Internal Control Findings –

There are no findings to report under this section.

B. Compliance Findings –

There are no findings to report under this section.

Part II. Prior Year Findings

A. Internal Control Findings –

There are no findings to report under this section.

B. Compliance Findings –

There are no findings to report under this section.

CITY OF NEW IBERIA
New Iberia, Louisiana

Agreed-Upon Procedures Report

Year Ended October 31, 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

1234 David Dr. Ste. 203
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 ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

WWW.KCSRPCAS.COM

The Honorable Freddie DeCourt, Mayor,
and Members of the City Council
City of New Iberia, Louisiana and the
Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the City of New Iberia (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 November 1, 2018 through October 31, 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, c, d, e, h and j since there were no exceptions in the prior year.)

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

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

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.
 - c) Obtain 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, observe 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 City's main operating account. We selected the City's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for the 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 randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. We 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 (select the next deposit date chronologically if no deposits were made on the dates randomly select and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* We 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.

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.)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 above, obtain the City's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtained 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

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

11. Obtain 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 maintain possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.
 - b) Observe 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, randomly select 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, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

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

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, agree 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, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) Observe 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 agree 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 was reflected in the City'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, agreed 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 had been paid, and associated forms had 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 City'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 City reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the City is domiciled.
24. Observe that the City has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions:

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

Written Policies and Procedures

1. The City's written policies and procedures for purchasing do not address how vendors are added to the vendor list.

Management's response: The City will update their written policies and procedures to include how vendors are added to the vendor list.

2. The City's written policies and procedures for contracts do not address types of services requiring contracts, standard terms and conditions for contracts, legal review of contracts, and the monitoring process of contracts.

Management's response: The City will update their written policies and procedures to include services requiring contracts, standard terms and conditions for contracts, legal review of contracts, and the monitoring process of contracts.

3. The City does not have written policies and procedures addressing credit cards.

Management's response: The City will update their written policies and procedures to include credit cards.

4. The City does not have written policies and procedures addressing ethics.

Management's response: The City will update their written policies and procedures to include ethics.

5. The City does not have written policies and procedures addressing disaster recovery/business continuity.

Management's response: The City will update their written policies and procedures to include disaster recovery/business continuity.

Bank Reconciliations

6. Of the five bank reconciliations tested, one did not provide documentation of managements research of reconciling items that have been outstanding for more than 12 months from the statement closing date.

Management's response: The City will implement a policy requiring management to research reconciling items that have been outstanding for more than 12 months from the statement closing date.

Cash Collections

7. Some of the employees responsible for collecting cash were not covered by a bond or insurance policy for theft.

Management's response: The City will cover all employees responsible for collecting cash by a bond or insurance policy for theft.

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 New Iberia 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
June 10, 2020