

CITY OF BROUSSARD, LOUISIANA

Financial Report

Year Ended June 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/26/11

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INDEPENDENT AUDITORS' REPORT

The Honorable Charles E. Langlinais,
and Members of the Board of Aldermen
City of Broussard, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Broussard, Louisiana, as of and for the year ended June 30, 2010, which collectively comprise the basic financial statements of the City's primary government as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements do not include financial data for the City's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net assets, and revenues of the aggregate discretely presented component units would have been reported as \$7,237,208, \$7,003,645, \$233,563, and \$19,319.

In our opinion, because of the omission of the discretely presented component units, as discussed above, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the aggregate discretely presented component units of the City, as of June 30, 2010, or the changes in financial position thereof for the year then ended.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City, as of June 30, 2010, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 30, 2010, on our consideration of the City of Broussard, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

The required supplementary information on pages 34 through 35 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The City of Broussard has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Broussard, Louisiana's basic financial statements. The other supplementary information on pages 37 through 43 is presented for purposes of additional analysis and is not a required part of the basic financial statements. All of the other supplementary information, except for the schedule of insurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards on page 49 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", and is also not a required part of the basic financial statements of the City of Broussard, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

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

Lafayette, Louisiana
December 30, 2010

BASIC FINANCIAL STATEMENTS

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

CITY OF BROUSSARD, LOUISIANA

Statement of Net Assets
June 30, 2010

ASSETS	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$21,947,366	\$ 425,207	\$22,372,573
Receivables, net	1,961,764	183,631	2,145,395
Due from other governmental units	243,753	-	243,753
Prepaid items	<u>118,763</u>	<u>31,615</u>	<u>150,378</u>
Total current assets	<u>24,271,646</u>	<u>640,453</u>	<u>24,912,099</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	2,270,635	155,550	2,426,185
Due from component unit	-	6,843,146	6,843,146
Deferred bond issuance costs	1,327,274	-	1,327,274
Capital assets -			
Land and construction in progress	602,096	249,258	851,354
Capital assets, net	<u>7,888,471</u>	<u>8,679,467</u>	<u>16,567,938</u>
Total noncurrent assets	<u>12,088,476</u>	<u>15,927,421</u>	<u>28,015,897</u>
Total assets	<u>36,360,122</u>	<u>16,567,874</u>	<u>52,927,996</u>
LIABILITIES			
Current liabilities:			
Cash overdraft	242,613	-	242,613
Accounts, salaries and other payables	352,834	155,778	508,612
Deferred revenue	78,612	-	78,612
Bonds payable	758,627	-	758,627
Accrued interest payable	<u>171,291</u>	<u>-</u>	<u>171,291</u>
Total current liabilities	<u>1,603,977</u>	<u>155,778</u>	<u>1,759,755</u>
Noncurrent liabilities:			
Customers' deposits	-	155,550	155,550
Bonds payable	<u>22,342,818</u>	<u>-</u>	<u>22,342,818</u>
Total noncurrent liabilities	<u>22,342,818</u>	<u>155,550</u>	<u>22,498,368</u>
Total liabilities	<u>23,946,795</u>	<u>311,328</u>	<u>24,258,123</u>
NET ASSETS			
Invested in capital assets, net of related debt	5,336,415	8,928,725	14,265,140
Restricted for debt service	2,099,666	-	2,099,666
Unrestricted	<u>4,977,246</u>	<u>7,327,821</u>	<u>12,305,067</u>
Total net assets	<u>\$12,413,327</u>	<u>\$16,256,546</u>	<u>\$28,669,873</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2010

Activities	Program Revenues			Net (Expense) Revenues and Changes in Net Assets			
	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,222,360	\$ 1,221,963	\$ -	\$ -	\$ (397)	\$ -	\$ (397)
Public safety	2,481,978	290,163	163,409	134,677	(1,893,729)	-	(1,893,729)
Streets	2,588,507	-	4,891	369,390	(2,214,226)	-	(2,214,226)
Interest on long-term debt	1,151,755	-	-	-	(1,151,755)	-	(1,151,755)
Total governmental activities	<u>7,444,600</u>	<u>1,512,126</u>	<u>168,300</u>	<u>504,067</u>	<u>(5,260,107)</u>	<u>-</u>	<u>(5,260,107)</u>
Business-type activities:							
Water	1,381,868	930,393	-	27,000	-	(424,475)	(424,475)
Sewer	1,221,307	300,331	-	336,382	-	(584,594)	(584,594)
Sanitation	418,627	480,083	-	-	-	61,456	61,456
Total business-type activities	<u>3,021,802</u>	<u>1,710,807</u>	<u>-</u>	<u>363,382</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$10,466,402</u>	<u>\$ 3,222,933</u>	<u>\$ 168,300</u>	<u>\$ 867,449</u>	<u>(5,260,107)</u>	<u>(947,613)</u>	<u>(6,207,720)</u>
General revenues:							
Taxes -							
Sales and use taxes, levied for general purposes					9,254,067	-	9,254,067
Franchise taxes					701,824	-	701,824
State sources					113,880	-	113,880
Interest and investment earnings					338,072	4,934	343,006
Miscellaneous					50,376	43,800	94,176
Transfers					(1,768,540)	1,768,540	-
Total general revenues and transfers					<u>8,689,679</u>	<u>1,817,274</u>	<u>10,506,953</u>
Change in net assets					3,429,572	869,661	4,299,233
Net assets - July 1, 2009					8,983,755	15,386,885	24,370,640
Net assets - June 30, 2010					<u>\$12,413,327</u>	<u>\$16,256,546</u>	<u>\$28,669,873</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

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

Special Revenue Fund

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

Sales Tax Fund -

To account for the receipt and use of proceeds of the City's 1975 1% and 1991 1% sales and use taxes. Both taxes are dedicated to the payment of various public improvement bonds. After payment of debt service, the 1975 tax is available for any lawful purpose, and the 1991 tax is restricted to constructing, improving, operating and maintaining waterworks, sewer, fire and police protection, streets, bridges and drainage facilities.

Capital Projects Fund

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

Enterprise Fund

Utility Fund -

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

CITY OF BROUSSARD, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2010

	General	Sales Tax	Capital Projects	Other Governmental Funds	Total
ASSETS					
Cash and interest-bearing deposits	\$ 91,624	\$14,692,491	\$7,163,251	\$2,270,635	\$24,218,001
Receivables -					
Taxes and licenses	103,786	1,831,817	-	-	1,935,603
Due from other governmental units	37,241	173,867	32,645	-	243,753
Due from other funds	2,000,000	-	-	-	2,000,000
Other	24,349	510	980	322	26,161
Prepaid items	118,763	-	-	-	118,763
Total assets	\$2,375,763	\$16,698,685	\$7,196,876	\$2,270,957	\$28,542,281
LIABILITIES AND FUND BALANCES					
Liabilities -					
Cash overdraft	\$ 242,613	\$ -	\$ -	\$ -	\$ 242,613
Accounts payable and accrued expenditures	310,641	9,549	2,918	-	323,108
Retainage payable	-	-	29,726	-	29,726
Due to other funds	-	2,000,000	-	-	2,000,000
Deferred revenue	78,612	-	-	-	78,612
Total liabilities	631,866	2,009,549	32,644	-	2,674,059
Fund balances -					
Reserved for prepaid items	118,763	-	-	-	118,763
Reserved for debt service	-	-	-	2,270,957	2,270,957
Unreserved, undesignated	1,625,134	14,689,136	7,164,232	-	23,478,502
Total fund balances	1,743,897	14,689,136	7,164,232	2,270,957	25,868,222
Total liabilities and fund balances	\$2,375,763	\$16,698,685	\$7,196,876	\$2,270,957	\$28,542,281

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

CITY OF BROUSSARD, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2010

Total fund balances for governmental funds at June 30, 2010			\$25,868,222
Total net assets reported for governmental activities in the statement of net assets is different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:			
Land and construction in progress	\$	602,096	
Buildings and improvements, net of \$822,824 accumulated depreciation		1,103,257	
Equipment and vehicles, net of \$3,269,233 accumulated depreciation		1,434,281	
Infrastructure, net of \$829,258 accumulated depreciation		<u>5,350,933</u>	8,490,567
Long-term liabilities at June 30, 2010:			
Bonds payable	(23,101,445)		
Accrued interest payable	<u>(171,291)</u>		(23,272,736)
Unamortized bond issuance costs			<u>1,327,274</u>
Total net assets of governmental activities at June 30, 2010			<u>\$12,413,327</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
For the Year Ended June 30, 2010

	General	Sales Tax	Capital Projects	Other Governmental Funds	Total
Revenues:					
Taxes	\$ 701,824	\$ 9,254,067	\$ -	\$ -	\$ 9,955,891
Licenses and permits	1,221,963	-	-	-	1,221,963
Intergovernmental	433,245	-	353,002	-	786,247
Fine and forfeits	290,163	-	-	-	290,163
Interest	2,970	194,966	113,421	26,715	338,072
Miscellaneous	50,376	-	-	-	50,376
Total revenues	<u>2,700,541</u>	<u>9,449,033</u>	<u>466,423</u>	<u>26,715</u>	<u>12,642,712</u>
Expenditures:					
Current -					
General government	1,105,622	58,108	138	-	1,163,868
Public safety	2,216,632	-	-	-	2,216,632
Streets and drainage	2,266,390	-	5,910	-	2,272,300
Debt service	-	-	-	1,852,269	1,852,269
Capital outlay	441,617	-	581,980	-	1,023,597
Total expenditures	<u>6,030,261</u>	<u>58,108</u>	<u>588,028</u>	<u>1,852,269</u>	<u>8,528,666</u>
Excess (deficiency) of revenues over expenditures	<u>(3,329,720)</u>	<u>9,390,925</u>	<u>(121,605)</u>	<u>(1,825,554)</u>	<u>4,114,046</u>
Other financing sources (uses):					
Transfers in	3,961,097	111,925	303,947	2,032,889	6,409,858
Transfers out	-	(8,066,473)	(111,925)	-	(8,178,398)
Total other financing sources (uses)	<u>3,961,097</u>	<u>(7,954,548)</u>	<u>192,022</u>	<u>2,032,889</u>	<u>(1,768,540)</u>
Net change in fund balances	631,377	1,436,377	70,417	207,335	2,345,506
Fund balances - beginning	1,112,520	13,232,759	7,093,815	2,063,622	23,522,716
Fund balances - ending	<u>\$1,743,897</u>	<u>\$14,689,136</u>	<u>\$ 7,164,232</u>	<u>\$2,270,957</u>	<u>\$25,868,222</u>

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

CITY OF BROUSSARD, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2010

Total net changes in fund balances at June 30, 2010 per Statement of Revenues, Expenditures and Changes in Fund Balances			\$ 2,345,506
The change in net assets 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		\$ 1,023,597	
Depreciation expense for the year ended June 30, 2010		<u>(640,045)</u>	383,552
Principal paid on long term debt considered as an expenditure on statement			736,839
Governmental funds report the effect of issuance costs, discounts, and losses on refundings when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.			
Amortization of bond discount		\$ (4,197)	
Amortization of loss on bond refunding		(3,352)	
Amortization of bond issuance costs		<u>(32,978)</u>	(40,527)
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis			<u>4,202</u>
Total changes in net assets at June 30, 2010 per Statement of Activities			<u>\$ 3,429,572</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Net Assets
Proprietary Fund
June 30, 2010

ASSETS

Current assets:		
Cash and interest-bearing deposits	\$	425,207
Accounts receivable, net		183,631
Prepaid insurance		<u>31,615</u>
Total current assets		<u>640,453</u>
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits		155,550
Capital assets -		
Land and construction in progress		249,258
Capital assets, net		8,679,467
Due from component unit		<u>6,843,146</u>
Total noncurrent assets		<u>15,927,421</u>
Total assets		<u>16,567,874</u>

LIABILITIES

Current liabilities:		
Accounts payable		94,378
Accrued expenses		<u>61,400</u>
Total current liabilities		155,778
Noncurrent liabilities:		
Customers' deposits		<u>155,550</u>
Total liabilities		<u>311,328</u>

NET ASSETS

Invested in capital assets		8,928,725
Unrestricted		<u>7,327,821</u>
Total net assets		<u>\$16,256,546</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Revenues, Expenses and Changes in Fund Net Assets -
 Proprietary Fund
 For the Year Ended June 30, 2010

Operating revenues:	
Charges for services	\$ 1,710,807
Miscellaneous	<u>43,800</u>
Total operating revenues	<u>1,754,607</u>
Operating expenses:	
Water	1,381,868
Sewer	1,221,307
Garbage	<u>418,627</u>
Total operating expenses	<u>3,021,802</u>
Loss from operations	(1,267,195)
Nonoperating revenues:	
Interest earned	<u>4,934</u>
Loss before contributions and transfers	(1,262,261)
Capital contributions	363,382
Transfers in	<u>1,768,540</u>
Change in net assets	869,661
Net assets, beginning	<u>15,386,885</u>
Net assets, ending	<u>\$16,256,546</u>

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

CITY OF BROUSSARD, LOUISIANA

Statement of Cash Flows
 Proprietary Fund
 For the Year Ended June 30, 2010

Cash flows from operating activities:	
Receipts from customers	\$ 1,761,372
Payments to suppliers	(2,529,463)
Payments of employees	<u>(632,388)</u>
Net cash used by operating activities	<u>(1,400,479)</u>
Cash flows from noncapital financing activities:	
Transfers from other funds	<u>1,768,540</u>
Cash flows from capital and related financing activities:	
Net increase in customer deposits payable	5,150
Capital contributions	363,382
Acquisition of capital assets	<u>(803,672)</u>
Net cash used by capital and related financing activities	<u>(435,140)</u>
Cash flows from investing activities:	
Interest on cash and investments	<u>4,934</u>
Net decrease in cash	(62,145)
Cash, beginning of period	<u>642,902</u>
Cash, end of period	<u>\$ 580,757</u>
Reconciliation of operating loss to net cash used by operating activities	
Operating loss	\$(1,267,195)
Adjustments to reconcile operating loss to net cash used by operating activities -	
Depreciation	487,875
Changes in assets and liabilities -	
Decrease in accounts receivable	6,765
Decrease in due from other governmental unit	71,739
Increase in due from component units	(606,700)
Decrease in prepaid expenses	5,435
Decrease in other assets	1,402
Decrease in accounts payable	(74,576)
Decrease in retainage payable	(31,353)
Increase in accrued expenses	<u>6,129</u>
Net cash used by operating activities	<u>\$ (1,400,479)</u>

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Broussard (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and the fund financial statements for the proprietary funds, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

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

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

The City has no authority over, nor is it involved in the record keeping of the Broussard Fire Department; therefore, the Department is not considered to be a component unit of the City and, accordingly is not included in the City's audited financial statements.

The Broussard Economic Development Corporation was chartered in 1993. The City of Broussard appoints a majority of the Corporation's Board and has the ability to impose its will on the Corporation. The Corporation is considered a component unit of the City. Separate financial statements of the Corporation are available through request at the Broussard City Hall.

The Broussard Environmental Service Enhancement District was chartered in 2001. The Council of the City of Broussard appoints a majority of the District's Board, and has the ability to impose its will on the District. The District is therefore considered a component unit of the City. Separate financial statements of the District are available at the Broussard City Hall.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

The City has chosen to issue primary government only financial statements; therefore, the previously mentioned component units are not included in the accompanying financial statements. These primary government financial statements include all funds, and organizations for which the City maintains the accounting records.

Governmental Accounting Standards Board (GASB) Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

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.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 Fund -

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 Fund

Sales Tax Fund -

The Sales Tax Fund is used to account for the receipt and use of the proceeds of the City's two one percent sales and use taxes. These taxes may only be used for improvements and operation of specific public works and public safety activities and to fund payment of the City's related bonded debt.

Capital Projects Fund -

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

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 Broussard's enterprise fund is the Utility Fund.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

On the government-wide statement of net assets 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 assets (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 assets.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Basis of Accounting

In the government-wide statement of net assets 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, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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

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

D. Assets, Liabilities and Equity

Cash, interest-bearing deposits, and investments

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less.

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 assets.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, and grant funds. Business-type activities report customer's utility service receivables as their major receivables. Allowances for uncollectible accounts receivable are based on historical trends and the periodic aging of accounts receivable. The allowance for uncollectible utility receivables was \$5,083 at June 30, 2010. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Capital Assets

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

Fire department	\$1,500
General Fund	2,500
Utility Fund	5,000

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to the adoption of GASB 34, it was the City's policy not to record infrastructure; therefore, the City did not have a complete listing of infrastructure. The City has opted not to do a detailed analysis of existing infrastructure, and will begin accumulating infrastructure information prospectively.

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

Buildings and improvements	10-30 years
Equipment and vehicles	3-15 years
Utility system and improvements	7-30 years
Infrastructure	10-40 years

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Restricted Assets

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

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists of sales tax bonds. For government-wide and proprietary fund reporting, the costs associated with the bonds are recognized over the life of the bond.

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 net of applicable premium or discount and payment of principal and interest reported as expenditures. For governmental fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

Unused vacation is paid at the end of each calendar year. Unused sick leave up to 60 days may be carried over, with up to 30 days of the accumulated balance payable at termination of employment.

Equity Classifications

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. 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

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.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 10
Water, sewer and garbage revenue	Utility operations

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

G. Budget and Budgetary Accounting

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

1. Prior to June 15, the Mayor prepares a proposed budget and submits it to the Board of Aldermen.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving an increase in a fund's appropriations require the approval of the Board of Aldermen. The Mayor may transfer budget amounts between departments within any fund. The level of budgetary control is by total appropriations (by fund); however, for report purposes, the budgetary information has been expanded.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the Board of Aldermen. Such amendments were not material in relation to the original appropriations.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

H. Use of Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2010, the City had cash and interest-bearing deposits (book balances) totaling \$24,798,758 as follows:

Demand deposits	\$ 9,257,060
Money market accounts	7,416,045
Time deposits	<u>8,125,653</u>
Total	<u>\$24,798,758</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the City or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2010, which are required to be secured are as follows:

Bank balances	<u>\$22,578,145</u>
Federal deposit insurance	1,481,332
Pledged securities	<u>21,096,813</u>
Total	<u>\$22,578,145</u>

Pledged securities in the amount of \$21,096,813 were exposed to custodial credit risk. These securities include uninsured or unregistered investments for which the securities are held by the bank, or by its trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(3) Receivables

Receivables at June 30, 2010 consisted of the following:

	Governmental Activities	Business- Type Activities	Total
Accounts, net	\$ -	\$138,056	\$ 138,056
Unbilled	-	45,575	45,575
Taxes:			
Sales Tax	1,831,817	-	1,831,817
Franchise Tax	103,786	-	103,786
Other	1,812	-	1,812
Fines & licenses	<u>24,349</u>	<u>-</u>	<u>24,349</u>
Totals	<u>\$1,961,764</u>	<u>\$183,631</u>	<u>\$2,145,395</u>

(4) Due from Other Governmental Units

Due from other governmental units at June 30, 2010 consisted of the following:

	Governmental Activities	Business- Type Activities	Total
State of Louisiana for various appropriations and reimbursements	\$235,753	\$ -	\$235,753
Other municipalities	<u>8,000</u>	<u>-</u>	<u>8,000</u>
Total	<u>\$243,753</u>	<u>\$ -</u>	<u>\$243,753</u>

(5) Due from Component Unit

Due from component unit at June 30, 2010 consisted of \$6,843,146 that is due from the Broussard Environmental Service Enhancement District. The money is payable to the Utility Fund for funds advanced to the District relative to acquiring land for and constructing sewer treatment facilities. When the treatment facilities are operable, the District shall contract to provide sewer treatment to the City. Terms for repayment of the advances have not been established.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Capital Assets

Capital asset activity for the year ended June 30, 2010 follows:

	Balance 07/01/09	Additions	Deletions	Balance 06/30/10
Governmental activities:				
Capital assets not being depreciated:				
Land and construction in progress	\$ 368,058	\$ 623,213	\$ 389,175	\$ 602,096
Other capital assets:				
Buildings and improvements	1,904,974	21,107	-	1,926,081
Equipment and vehicles	4,483,174	369,091	148,751	4,703,514
Infrastructure	<u>5,780,830</u>	<u>399,361</u>	<u>-</u>	<u>6,180,191</u>
Totals	<u>12,537,036</u>	<u>1,412,772</u>	<u>537,926</u>	<u>13,411,882</u>
Less accumulated depreciation				
Buildings and improvements	752,098	70,726	-	822,824
Equipment and vehicles	3,055,014	362,970	148,751	3,269,233
Infrastructure	<u>622,909</u>	<u>206,349</u>	<u>-</u>	<u>829,258</u>
Total accumulated depreciation	<u>4,430,021</u>	<u>640,045</u>	<u>148,751</u>	<u>4,921,315</u>
Governmental activities, capital assets, net	<u>\$8,107,015</u>	<u>\$ 772,727</u>	<u>\$ 389,175</u>	<u>\$8,490,567</u>
Business-type activities:				
Capital assets not being depreciated:				
Land and construction in progress	\$ 202,682	\$ 460,517	\$ 413,941	\$ 249,258
Other capital assets:				
Plant and equipment - water system	9,674,047	158,642	-	9,832,689
Plant and equipment - sewer system	5,220,351	495,661	-	5,716,012
Autos and office equipment	<u>449,893</u>	<u>102,794</u>	<u>5,995</u>	<u>546,692</u>
Totals	<u>15,546,973</u>	<u>1,217,614</u>	<u>419,936</u>	<u>16,344,651</u>
Less accumulated depreciation				
Plant and equipment - water system	4,436,880	284,069	-	4,720,949
Plant and equipment - sewer system	2,132,715	171,068	-	2,303,783
Autos and office equipment	<u>364,451</u>	<u>32,738</u>	<u>5,995</u>	<u>391,194</u>
Total accumulated depreciation	<u>6,934,046</u>	<u>487,875</u>	<u>5,995</u>	<u>7,415,926</u>
Business-type activities, capital assets, net	<u>\$8,612,927</u>	<u>\$ 729,739</u>	<u>\$ 413,941</u>	<u>\$8,928,725</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 58,492
Streets	316,207
Public safety	<u>265,346</u>
Total depreciation expense-governmental activities	<u>\$ 640,045</u>

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

Water system	\$305,210
Sewer system	<u>182,665</u>
Total depreciation expense-business-type activities	<u>\$487,875</u>

(7) Restricted Assets

Restricted assets consisted of the following at June 30, 2010:

	Governmental Activities	Business-Type Activities	Total
1998 Revenue bond and interest sinking accounts	\$ 77,034	\$ -	\$ 77,034
2005 Revenue bond and interest sinking accounts	166,419	-	166,419
2007 Revenue bond and interest sinking accounts	494,792	-	494,792
1998 Revenue bond reserve accounts	69,610	-	69,610
2005 Revenue bond reserve accounts	537,472	-	537,472
2007 Revenue bond reserve accounts	310,256	-	310,256
2008 Revenue bond reserve accounts	615,052	-	615,052
Customers' deposits	-	<u>155,550</u>	<u>155,550</u>
Total restricted assets	<u>\$2,270,635</u>	<u>\$ 155,550</u>	<u>\$2,426,185</u>

(8) Accounts, Salaries and Other Payables

Accounts, salaries, and other payables consisted of the following at June 30, 2010:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$114,260	\$ 94,378	\$208,638
Accrued payroll	14,432	4,737	19,169
Compensated absences	168,464	56,663	225,127
Retainage	29,726	-	29,726
Other	<u>25,952</u>	-	<u>25,952</u>
Totals	<u>\$352,834</u>	<u>\$ 155,778</u>	<u>\$ 508,612</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(9) Long-term Debt

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2010:

	<u>Revenue Bonds</u>
Long-term debt payable, July 1, 2009	\$23,886,660
Long-term debt issued	-
Long-term debt retired	<u>(736,839)</u>
Long-term debt payable, June 30, 2010	<u>\$23,149,821</u>

Long-term debt payable at June 30, 2010 is comprised of the following:

	<u>Total</u>	<u>Current Portion</u>
\$995,000 May 28, 1998 Sales Tax Bonds, Series A due in monthly installments of \$5,801 through May 28, 2023; interest at 4.75 percent payable from sales tax revenues.	\$ 669,821	\$ 38,627
\$6,650,000 August 31, 2005 Public Improvement Sales Tax Revenue and Refunding Bonds, Series 2005 due in annual installments of \$375,000 to \$490,000 through May 1, 2030 interest at 3.25 to 5.1%; secured by a pledge of and payable solely from the proceeds of the 1% January 1, 1992 sales and use tax; callable beginning May 1, 2015 at redemption premiums of par to 1%.	5,100,000	385,000
\$10,000,000 June 28, 2007 Public Improvement Sales Tax Revenue Bonds, Series 2007 due in annual installments of \$185,000 to \$590,000 through May 1, 2037 interest at 4.0 to 4.75%; secured by a pledge of and payable solely from the proceeds of the 1% November 1, 1991 sales and use tax; callable beginning May 1, 2017 at redemption premiums of par to 1%.	9,495,000	190,000
\$8,165,000 December 31, 2008 Public Improvement Sales Tax Revenue Bonds, Series 2008 due in annual installments of \$140,000 to \$520,000 through May 1, 2038 interest at 3.75 to 5.75%; secured by a pledge of and payable solely from the proceeds of the 1% November 1, 1991 sales and use tax; callable beginning May 1, 2018 at redemption premiums of par to 1%.	<u>7,885,000</u>	<u>145,000</u>
Total revenue bonds payable	23,149,821	<u>\$ 758,627</u>
Less: unamortized bond discount	(36,498)	
Less: unamortized loss on refunding	<u>(11,878)</u>	
Net revenue bonds payable	<u>\$ 23,101,445</u>	

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

The annual requirements to amortize all long-term debt outstanding as of June 30, 2010, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 758,627	\$ 1,081,567	\$ 1,840,194
2012	800,503	1,052,795	1,853,298
2013	832,469	1,022,033	1,854,502
2014	869,531	989,821	1,859,352
2015	916,693	954,552	1,871,245
2016-2020	3,659,749	4,243,370	7,903,119
2021-2025	3,747,249	3,456,761	7,204,010
2026-2030	4,490,000	2,510,162	7,000,162
2031-2035	4,445,000	1,404,752	5,849,752
2036-2038	2,630,000	255,676	2,885,676
	<u>\$23,149,821</u>	<u>\$16,971,489</u>	<u>\$40,121,310</u>

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

Under the terms of the 1975 1% sales tax ordinance, the sales tax may be used for any lawful public purpose, and may be funded into bonds.

The terms of the bond indenture relative to Sales Tax Bonds, Series A dated May 28, 1998 pledge and dedicate the proceeds of the 1975 1% sales and use tax to the retirement of said bonds and require those proceeds to be used first to pay collection and administration costs of the tax and second to establish and maintain revenue bond sinking and reserve funds adequate to pay the revenue bonds and interest when due. Remaining revenues may then be used for any purpose for which the tax was authorized. The ordinance also contains provisions which, among other items, restrict the issuance of additional revenue bonds unless the above mentioned sinking and reserve funds contain the required amounts and certain financial ratios are met. The City is in compliance with all significant financial requirements of the bond ordinance as of June 30, 2010.

Effective January 1, 1992, voters of the city approved an additional 1% sales tax dedicated to constructing, improving, operating and maintaining waterworks, fire and police protection facilities, sewerage works, streets, bridges and drainage. The City is authorized to fund the proceeds of the tax into bonds to pay the capital cost of the aforesaid purposes.

The Public Improvement Sales Tax Revenue and Refunding Bonds – Series 2005 ordinance provides that revenues of the 1% January 1, 1992 sales tax is to be used first to pay collection and administration costs of the tax and second to establish and maintain revenue bond sinking and reserve funds adequate to pay the revenue bonds and interest when due. Remaining revenues may then be used for any purpose for which the tax was authorized. The ordinance also contains provisions which, among other items, restrict the issuance of additional revenue bonds unless the above mentioned sinking and reserve funds contain the required amounts and certain financial ratios are met. The City is in compliance with all significant financial requirements of the bond ordinance as of June 30, 2010.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Retirement and Deferred Compensation Commitments

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The single employer plan, the Town of Broussard Deferred Compensation Plan, is administered by the Hartford, is available to all City employees, and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City contributes 4% to 8% of wages to each participating employee account based on years of service. For the year ended June 30, 2010 the City and employees contributed \$200,413 and \$85,672 respectively. The City's contributions are not mandatory.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in a trust, custodial account or annuity contract described in IRC 457(g) for the exclusive benefit of the participants and their beneficiaries. The fair market value of the deferred compensation plan assets at June 30, 2010 was \$944,172.

(12) Interfund Transactions

A. Interfund receivables and payables consisted of the following at June 30, 2010:

Due to the General Fund from the Sales Tax Fund for reimbursement of expenditures paid	<u>\$2,000,000</u>
Due from other funds, Balance Sheet- Governmental Funds	<u>\$2,000,000</u>

B. Interfund transfers consisted of the following at June 30, 2010:

	<u>Interfund Transfers In</u>	<u>Interfund Transfers Out</u>
Major funds:		
Governmental funds:		
General fund	\$3,961,097	\$ -
Sales tax special revenue fund	111,925	8,066,473
Capital improvement fund	303,947	111,925
Enterprise fund:		
Utility fund	1,768,540	-
Non-major funds	<u>2,032,889</u>	<u>-</u>
Total	<u>\$8,178,398</u>	<u>\$ 8,178,398</u>

Transfers are used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them.

CITY OF BROUSSARD, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Compensation of Mayor and Aldermen

The Mayor and Alderman were paid \$129,744 during the fiscal year ended June 30, 2010.

(14) Litigation and Claims

At June 30, 2010, the City was involved in one lawsuit claiming damages. In the opinion of the City's legal counsel, resolution of this lawsuit would not create a material liability to the City in excess of insurance coverage.

(15) Risk Management

The City is exposed to risks of loss in the areas of general and auto liability, property hazards, and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current fiscal year. Settlements have not exceeded insurance coverage during the three year period ended June 30, 2010.

(16) On-Behalf Payments of Salaries

The State of Louisiana paid the City's policemen \$138,767 of supplemental pay during the year ended June 30, 2010. That amount is included in the accompanying financial statements as intergovernmental revenues and police expense in the government-wide statement of activities.

(17) Subsequent Event Review

The City's management has evaluated subsequent events through December 30, 2010, the date which the financial statements were available to be issued.

(18) New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) issued Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." The City is required to implement this standard for the fiscal year ended June 30, 2011. The City has not yet determined the full impact that adoption of GASB Statement 54 will have on the financial statements.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF BROUSSARD, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes - franchise	\$ 550,000	\$ 550,000	\$ 701,824	\$151,824
Licenses and permits	1,060,000	1,080,000	1,221,963	141,963
Intergovernmental -				
Broussard Fire Department	-	80,000	106,760	26,760
Video poker	70,000	70,000	97,726	27,726
On-behalf payments	110,000	132,000	138,767	6,767
Other	29,500	85,650	89,992	4,342
Fines and forfeits and seizures	300,000	300,000	290,163	(9,837)
Miscellaneous -				
Interest	17,000	5,000	2,970	(2,030)
Other	47,000	31,950	50,376	18,426
Total revenues	<u>2,183,500</u>	<u>2,334,600</u>	<u>2,700,541</u>	<u>365,941</u>
Expenditures:				
Current -				
General government	1,129,200	1,194,400	1,105,622	88,778
Public safety:				
Police	1,951,430	1,984,130	1,880,836	103,294
Fire	355,800	361,800	335,796	26,004
Streets and drainage	2,313,650	2,375,650	2,266,390	109,260
Capital outlay	<u>397,500</u>	<u>668,480</u>	<u>441,617</u>	<u>226,863</u>
Total expenditures	<u>6,147,580</u>	<u>6,584,460</u>	<u>6,030,261</u>	<u>554,199</u>
Deficiency of revenue over expenditures	(3,964,080)	(4,249,860)	(3,329,720)	920,140
Other financing sources:				
Transfers in	<u>4,000,000</u>	<u>4,000,000</u>	<u>3,961,097</u>	<u>(38,903)</u>
Net change in fund balance	<u>\$ 35,920</u>	<u>(249,860)</u>	<u>631,377</u>	<u>881,237</u>
Fund balance, beginning		<u>1,112,520</u>	<u>1,112,520</u>	<u>-</u>
Fund balance, ending		<u>\$ 862,660</u>	<u>\$1,743,897</u>	<u>\$881,237</u>

CITY OF BROUSSARD, LOUISIANA
Sales Tax Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 7,800,000	\$ 8,400,000	\$ 9,260,168	\$ 860,168
Miscellaneous -				
Interest	<u>200,000</u>	<u>180,000</u>	<u>194,966</u>	<u>14,966</u>
Total revenues	<u>8,000,000</u>	<u>8,580,000</u>	<u>9,455,134</u>	<u>875,134</u>
Expenditures:				
Current -				
General government:				
Collection fees	50,000	50,000	54,293	(4,293)
Professional fees	10,000	10,000	9,875	125
Other	<u>-</u>	<u>-</u>	<u>40</u>	<u>(40)</u>
Total expenditures	<u>60,000</u>	<u>60,000</u>	<u>64,208</u>	<u>(4,208)</u>
Excess of revenues over expenditures	7,940,000	8,520,000	9,390,926	870,926
Other financing uses:				
Transfers out	<u>(8,505,000)</u>	<u>(8,515,000)</u>	<u>(7,954,549)</u>	<u>560,451</u>
Net change in fund balance	<u>\$ (565,000)</u>	5,000	1,436,377	1,431,377
Fund balance, beginning		<u>13,252,759</u>	<u>13,252,759</u>	<u>-</u>
Fund balance, ending		<u>\$ 13,257,759</u>	<u>\$ 14,689,136</u>	<u>\$ 1,431,377</u>

OTHER SUPPLEMENTARY INFORMATION

CITY OF BROUSSARD, LOUISIANA
General Fund

Schedule of Expenditures
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
General government:			
Salaries	\$ 309,000	\$ 316,199	\$ (7,199)
Payroll taxes	28,900	25,998	2,902
Group insurance	40,000	34,025	5,975
Retirement	27,000	29,333	(2,333)
Insurance	100,000	40,428	59,572
Office	50,000	30,552	19,448
Utilities	15,000	11,527	3,473
Telephone	18,000	13,645	4,355
Advertising	14,000	9,960	4,040
Council on aging	15,000	45,982	(30,982)
Economic development	100,000	58,952	41,048
Dues and subscriptions	3,500	3,125	375
Supplies	12,000	13,315	(1,315)
Professional fees	307,000	358,880	(51,880)
Miscellaneous	40,000	19,585	20,415
Travel	15,000	6,229	8,771
Magistrate court	50,000	38,511	11,489
Repairs and maintenance	50,000	49,376	624
Total general government	<u>1,194,400</u>	<u>1,105,622</u>	<u>88,778</u>
Public safety:			
Police department -			
Salaries	982,130	994,062	(11,932)
On-behalf payments - salaries	132,000	138,767	(6,767)
Payroll taxes	108,000	76,832	31,168
Retirement	55,000	59,021	(4,021)
Insurance	190,000	132,792	57,208
Group insurance	120,000	115,586	4,414
Auto	150,000	146,209	3,791
Uniforms and supplies	60,000	60,391	(391)
Miscellaneous	58,000	33,342	24,658
Repairs and maintenance	45,000	47,444	(2,444)
Utilities and communication	84,000	76,390	7,610
Total police department	<u>1,984,130</u>	<u>1,880,836</u>	<u>103,294</u>

(continued)

CITY OF BROUSSARD, LOUISIANA
General Fund

Schedule of Expenditures
Budget (GAAP Basis) and Actual (Continued)
For the Year Ended June 30, 2010

	Budget	Actual	Variance - Favorable (Unfavorable)
Fire department -			
Salaries	123,000	114,707	8,293
Payroll taxes	10,300	9,647	653
Retirement	3,000	3,765	(765)
Group insurance	15,000	12,948	2,052
Vehicle	70,000	36,012	33,988
Insurance	48,000	48,800	(800)
Office	8,000	6,057	1,943
Professional	5,000	5,075	(75)
Utilities and communication	25,000	30,220	(5,220)
Repairs and maintenance	30,000	32,203	(2,203)
Supplies	9,000	26,290	(17,290)
Miscellaneous	15,500	10,072	5,428
Total fire department	361,800	335,796	26,004
Total public safety	2,345,930	2,216,632	129,298
Streets and drainage:			
Salaries	877,150	806,805	70,345
Payroll taxes	75,000	53,378	21,622
Retirement	66,000	60,669	5,331
Group insurance	100,000	75,640	24,360
Insurance	112,000	106,421	5,579
Equipment rent	30,000	24,343	5,657
Equipment operating costs	160,000	132,555	27,445
Street and drainage maintenance	600,000	633,957	(33,957)
Professional	30,000	28,760	1,240
Engineering	80,000	80,917	(917)
Utilities and communication	90,000	97,488	(7,488)
Uniforms and supplies	148,000	158,690	(10,690)
Miscellaneous	7,500	6,767	733
Total streets and drainage	2,375,650	2,266,390	109,260

(continued)

CITY OF BROUSSARD, LOUISIANA
 General Fund
 Schedule of Expenditures
 Budget (GAAP Basis) and Actual (Continued)
 For the Year Ended June 30, 2010

	<u>Budget</u>	<u>Actual</u>	Variance - Favorable (Unfavorable)
Capital outlay:			
General government	63,880	86,722	(22,842)
Police	215,000	226,826	(11,826)
Fire	80,000	-	80,000
Streets and drainage	<u>309,600</u>	<u>128,069</u>	<u>181,531</u>
Total capital outlay	<u>668,480</u>	<u>441,617</u>	<u>226,863</u>
Total expenditures	<u>\$6,584,460</u>	<u>\$6,030,261</u>	<u>\$ 554,199</u>

CITY OF BROUSSARD, LOUISIANA
Proprietary Fund
Utility Fund

Departmental Analysis of Revenues and Expenses
For the Year Ended June 30, 2010

	<u>Total</u>	<u>Water</u>	<u>Sewer</u>	<u>Garbage</u>
Operating revenues:				
Charges for services	\$ 1,710,807	\$ 930,393	\$ 300,331	\$480,083
Miscellaneous	<u>43,800</u>	<u>24,090</u>	<u>7,885</u>	<u>11,825</u>
Total operating revenues	<u>1,754,607</u>	<u>954,483</u>	<u>308,216</u>	<u>491,908</u>
Operating expenses:				
Salaries	490,128	250,860	239,268	-
Payroll taxes and retirement	86,544	45,565	40,979	-
Bad debts	11,433	6,544	1,873	3,017
Group insurance	55,716	27,041	28,675	-
Professional fees	20,553	9,038	11,515	-
Engineering fees	191,327	9,387	181,940	-
Repairs and maintenance	659,477	348,405	311,072	-
Vehicle	30,041	15,248	14,793	-
Utilities	153,111	55,715	97,396	-
Materials and supplies	137,301	71,857	65,444	-
Depreciation	487,875	305,210	182,665	-
Insurance	84,883	53,234	31,649	-
Office	24,761	15,487	4,706	4,568
Water lease	162,165	162,165	-	-
Garbage collection expense	411,042	-	-	411,042
Hurricane cleanup	-	-	-	-
Miscellaneous	<u>15,445</u>	<u>6,113</u>	<u>9,332</u>	<u>-</u>
Total operating expenses	<u>3,021,802</u>	<u>1,381,868</u>	<u>1,221,307</u>	<u>418,627</u>
Operating income (loss)	(1,267,195)	<u>\$ (427,385)</u>	<u>\$ (913,091)</u>	<u>\$ 73,281</u>
Nonoperating revenues:				
Interest earned	<u>4,934</u>			
Loss before contributions and transfers	(1,262,261)			
Capital contributions	363,382			
Transfers in	<u>1,768,540</u>			
Change in net assets	869,661			
Net assets, beginning	<u>15,386,885</u>			
Net assets, ending	<u>\$ 16,256,546</u>			

CITY OF BROUSSARD, LOUISIANA
Nonmajor Governmental Funds

Combining Balance Sheet
June 30, 2010

	Debt Service Funds				Total
	1998 Sales Tax Bond	2005 Sales Tax Bond	2007 Sales Tax Bond	2008 Sales Tax Bond	
ASSETS					
Cash and interest-bearing deposits	\$ 146,644	\$ 703,891	\$ 805,048	\$ 615,052	\$ 2,270,635
Accrued interest receivable	-	322	-	-	322
Total assets	<u>\$ 146,644</u>	<u>\$ 704,213</u>	<u>\$ 805,048</u>	<u>\$ 615,052</u>	<u>\$ 2,270,957</u>
LIABILITIES AND FUND BALANCES					
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances -					
Reserved for debt service	<u>146,644</u>	<u>704,213</u>	<u>805,048</u>	<u>615,052</u>	<u>2,270,957</u>
Total liabilities and fund balances	<u>\$ 146,644</u>	<u>\$ 704,213</u>	<u>\$ 805,048</u>	<u>\$ 615,052</u>	<u>\$ 2,270,957</u>

CITY OF BROUSSARD, LOUISIANA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2010

	Debt Service Funds				Total
	1998	2005	2007	2008	
	Sales Tax Bond	Sales Tax Bond	Sales Tax Bond	Sales Tax Bond	
Revenues:					
Miscellaneous - interest earned	\$ 2,867	\$ 4,486	\$ 18,814	\$ 548	\$ 26,715
Expenditures:					
Debt service -					
Principal retirement	36,839	375,000	185,000	140,000	736,839
Interest and fiscal charges	32,771	233,800	433,046	415,813	1,115,430
Total expenditures	69,610	608,800	618,046	555,813	1,852,269
Deficiency of revenues over expenditures	(66,743)	(604,314)	(599,232)	(555,265)	(1,825,554)
Other financing sources:					
Transfers in	69,610	608,500	742,096	612,683	2,032,889
Excess of revenues and other sources over expenditures	2,867	4,186	142,864	57,418	207,335
Fund balances, beginning	143,777	700,027	662,184	557,634	2,063,622
Fund balances, ending	\$146,644	\$704,213	\$805,048	\$615,052	\$2,270,957

CITY OF BROUSSARD

Schedule of Insurance in Force
(Unaudited)
June 30, 2010

Description of Coverage	Policy Expiration Date	Coverage Amounts
Workmen's compensation: Employer's liability	12/01/10	\$ 100,000
Surety bonds: Police Employees/Public Official Bond	08/24/14	1,000,000
Automobile liability	05/01/11	1,000,000
Automobile comprehensive and collision coverage	12/01/10	1,000,000
Blanket coverage on buildings, contents and machinery	05/01/11	10,000,000
Law enforcement officer's liability	12/01/10	1,000,000
Public official's errors and omissions	12/01/10	1,000,000
General liability	12/01/10	1,000,000
Equipment / Property	05/01/11	1,000,000
Crime / Identity fraud	12/01/10	25,000

INTERNAL CONTROL, COMPLIANCE

AND

OTHER MATTERS

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The Honorable Charles E. Langlinais
and Members of the Board of Aldermen
City of Broussard, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Broussard, Louisiana (the City) as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 30, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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 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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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.

This report is intended solely for the information and use of the City's management and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

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

Lafayette, Louisiana
December 30, 2010

KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Charles E. Langlinais,
and Members of the Board of Aldermen
City of Broussard, Louisiana

Compliance

We have audited the compliance of the City of Broussard, Louisiana (the City) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on the City's major federal program for the year ended June 30, 2010. 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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 OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 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. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of management, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

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

Lafayette, Louisiana
December 30, 2010

CITY OF BROUSSARD

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

Federal Grantor/Pass-Through Grantor/Program Name	CFDA Number	Grant Number	Revenue Recognized	Expenditures
Department of Housing and Urban Development:				
Louisiana Office of Community Development -				
Community Development Block Grants/				
State's Program				
	14.228	657764	\$ 5,910	\$ 5,910
	14.228	672175	348,068	348,068
	14.228	672567	286,382	286,382
U.S. Department of Homeland Security:				
Homeland Security Grant Program				
	97.067		9,989	9,989
Department of Transportation:				
State Community Highway Safety				
	20.600		4,642	4,642
Department of Justice:				
Passed through Lafayette Parish Sheriff's Office				
Justice Assistance Grant Program - ARRA				
	16.804		<u>17,928</u>	<u>17,928</u>
Total			<u>\$672,919</u>	<u>\$ 672,919</u>

CITY OF BROUSSARD, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2010

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Broussard (the City) and is presented on the modified accrual basis of accounting and the accrual basis, as appropriate, which is described in Note 1 of the Financial Statements of the City's financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(2) Relationship to Financial Statements

Federal awards revenues are reported in the City of Broussard's financial statements as follows:

Major governmental funds:	
General Fund	\$ 32,559
Capital Projects Fund	353,978
Proprietary Fund:	
Utility Fund	<u>286,382</u>
Total	<u>\$672,919</u>

CITY OF BROUSSARD, LOUISIANA

Schedule of Findings and Questioned Costs
Year Ended June 30, 2010

Part I. Summary of Auditors' Results:

1. The auditors' report expresses an adverse opinion on the financial statements.
2. No significant deficiencies in internal control were disclosed by the audit of the financial statements.
3. No instances of noncompliance were disclosed by the audit of the financial statements.
4. No significant deficiencies in internal control over major federal award programs were disclosed by the audit of the financial statements.
5. An unqualified opinion was issued on compliance for the major federal program.
6. The audit disclosed no findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133.
7. The major program was the Community Development Block Grant – State's Program (14.228).
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of OMB Circular A-133 was \$300,000.
9. The auditee did not qualify as a low-risk auditee under Section 530 of OMB Circular A-133.

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

A. Compliance Findings-

There were no compliance findings for the year ended June 30, 2010.

B. Internal Control Findings –

There were no internal control findings for the year ended June 30, 2010.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

There are no findings required to be reported under the above guidance.

CITY OF BROUSSARD, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings
and Corrective Action Plan
Year Ended June 30, 2010

Fiscal Year Finding Initially Occurred	Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
Ref. No.					
CURRENT YEAR (6/30/10) --					

There were no findings required to be reported.

PRIOR YEAR (6/30/09) --

Internal Control:

There were no findings required to be reported.