

CITY OF JEANERETTE, LOUISIANA

Financial Report

Year Ended June 30, 2023

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INDEPENDENT AUDITOR'S REPORT

* A Professional Accounting Corporation

The Honorable Carol Bourgeois, Mayor,
and Members of the Board of Aldermen
City of Jeanerette, Louisiana

Report on the Audit of the Financial Statements

Opinions

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 Jeanerette, Louisiana (City) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that information as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the

limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. Management has omitted management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the financial report. The other information, as listed in the table of contents, does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2023, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City’s internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 28, 2023

BASIC FINANCIAL STATEMENTS

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

CITY OF JEANERETTE, LOUISIANA

Statement of Net Position
June 30, 2023

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 4,759,728	\$ 839,229	\$ 5,598,957
Receivables, net	160,668	234,661	395,329
Due from other governmental units	562,455	-	562,455
Prepaid expenses	95,727	14,675	110,402
Restricted assets:			
Cash and cash equivalents	-	517,187	517,187
Capital assets:			
Non-depreciable	631,073	1,782,811	2,413,884
Depreciable, net	4,980,458	10,267,438	15,247,896
Total assets	<u>11,190,109</u>	<u>13,656,001</u>	<u>24,846,110</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	<u>834,530</u>	<u>21,089</u>	<u>855,619</u>
LIABILITIES			
Accounts and other payables	566,320	36,630	602,950
Accrued liabilities	88,660	15,224	103,884
Unearned revenue	83,697	-	83,697
Accrued interest	11,325	-	11,325
Interfund balances	(64,672)	64,672	-
Customer deposits payable	-	134,831	134,831
Long-term liabilities:			
Due within one year	50,000	48,015	98,015
Due in more than one year	1,410,000	2,034,232	3,444,232
Net pension liability	2,196,296	109,500	2,305,796
Total liabilities	<u>4,341,626</u>	<u>2,443,104</u>	<u>6,784,730</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related	<u>368,115</u>	<u>30,051</u>	<u>398,166</u>
NET POSITION			
Net investment in capital assets	4,201,531	9,968,002	14,169,533
Restricted for:			
Sales Tax	1,731,024	-	1,731,024
Capital improvements	471,049	-	471,049
Public works	450,561	-	450,561
Other purposes	2,613	-	2,613
Debt service	83,154	382,356	465,510
Unrestricted	374,966	853,577	1,228,543
Total net position	<u>\$ 7,314,898</u>	<u>\$ 11,203,935</u>	<u>\$ 18,518,833</u>

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

CITY OF JEANERETTE, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2023

Activities	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		Total
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental activities:							
General government	\$ 1,701,796	\$ 9,458	\$ 631,177	\$ 2,994,343	\$ 1,933,182	\$ -	\$ 1,933,182
Public safety:							
Police	654,655	-	33,472	-	(621,183)	-	(621,183)
Fire	164,597	-	-	-	(164,597)	-	(164,597)
Highways and streets	528,714	-	2,775	-	(525,939)	-	(525,939)
Interest	33,976	-	-	-	(33,976)	-	(33,976)
Total governmental activities	<u>3,083,738</u>	<u>9,458</u>	<u>667,424</u>	<u>2,994,343</u>	<u>587,487</u>	<u>-</u>	<u>587,487</u>
Business-type activities:							
Water and sewer	<u>1,759,577</u>	<u>1,642,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(116,984)</u>	<u>(116,984)</u>
Total	<u>\$ 4,843,315</u>	<u>\$ 1,652,051</u>	<u>\$ 667,424</u>	<u>\$ 2,994,343</u>	<u>587,487</u>	<u>(116,984)</u>	<u>470,503</u>
General revenues:							
Taxes -							
Property taxes					757,954	-	757,954
Sales and use taxes					1,007,895	-	1,007,895
Franchise taxes					255,004	-	255,004
Other taxes					123,767	-	123,767
License and permits					76,905	-	76,905
Non-employer pension contribution					44,756	1,196	45,952
Interest and investment earnings					82,689	15,727	98,416
Miscellaneous					375,057	106,062	481,119
Transfers					(1,506,222)	1,506,222	-
Total general revenues and transfers					<u>1,217,805</u>	<u>1,629,207</u>	<u>2,847,012</u>
Change in net position					1,805,292	1,512,223	3,317,515
Net position, beginning					<u>5,509,606</u>	<u>9,691,712</u>	<u>15,201,318</u>
Net position, ending					<u>\$ 7,314,898</u>	<u>\$ 11,203,935</u>	<u>\$ 18,518,833</u>

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

FUND FINANCIAL STATEMENTS (FFS)

CITY OF JEANERETTE, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2023

	General	1% Sales Tax	Sewer Treatment Plant Upgrade	Other Governmental Funds	Total
ASSETS					
Cash and cash equivalents	\$ 1,845,191	\$ 882,187	\$ 500,000	\$ 1,532,350	\$ 4,759,728
Taxes receivable	14,454	-	-	-	14,454
Due from other funds	67,646	446	80,435	14,555	163,082
Due from other governmental units	93,725	-	468,730	-	562,455
Other receivables	64,800	-	-	-	64,800
Prepaid expenses	87,525	-	-	8,202	95,727
Total assets	<u>\$2,173,341</u>	<u>\$ 882,633</u>	<u>\$ 1,049,165</u>	<u>\$ 1,555,107</u>	<u>\$ 5,660,246</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 3,544	\$ -	\$ 562,776	\$ -	\$ 566,320
Payroll liabilities	68,186	-	-	958	69,144
Other liabilities	2,840	-	-	-	2,840
Compensated absences payable	15,711	-	-	1,937	17,648
Due to other funds	68,801	14,241	15,340	28	98,410
Total liabilities	<u>159,082</u>	<u>14,241</u>	<u>578,116</u>	<u>2,923</u>	<u>754,362</u>
Deferred inflows of resources					
Unavailable tax revenues	13,550	83,697	-	-	97,247
Fund balances:					
Nonspendable	87,525	-	-	8,202	95,727
Restricted	-	784,695	471,049	1,543,982	2,799,726
Committed	122,631	-	-	-	122,631
Unassigned	1,790,553	-	-	-	1,790,553
Total fund balances	<u>2,000,709</u>	<u>784,695</u>	<u>471,049</u>	<u>1,552,184</u>	<u>4,808,637</u>
Total liabilities and fund balances	<u>\$2,173,341</u>	<u>\$ 882,633</u>	<u>\$ 1,049,165</u>	<u>\$ 1,555,107</u>	<u>\$ 5,660,246</u>

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

CITY OF JEANERETTE, LOUISIANA

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

Total fund balances for governmental funds		\$	4,808,637
Capital assets, net			5,611,531
Compensated absences			972
Pension:			
Net pension liability	\$	(2,196,296)	
Deferred inflows of resources		(368,115)	
Deferred outflows of resources		<u>834,530</u>	(1,729,881)
Long-term liabilities:			
Bonds payable		(1,460,000)	
Accrued interest payable		<u>(11,325)</u>	(1,471,325)
Certain receivables are not available to pay for current period's expenditures and, therefore, are not reported in the funds			<u>94,964</u>
Total net position of governmental activities		\$	<u><u>7,314,898</u></u>

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

CITY OF JEANERETTE, LOUISIANA

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

	General	1% Sales Tax	Sewer Treatment Plant Upgrade	Other Governmental Funds	Total
Revenues:					
Taxes	\$ 864,614	\$ 575,940	\$ -	\$ 570,631	\$2,011,185
Licenses and permits	76,905	-	-	-	76,905
Intergovernmental	2,124,166	-	1,388,189	149,412	3,661,767
Fines and forfeits	9,458	-	-	-	9,458
Miscellaneous	441,490	4,153	-	12,103	457,746
Total revenues	<u>3,516,633</u>	<u>580,093</u>	<u>1,388,189</u>	<u>732,146</u>	<u>6,217,061</u>
Expenditures:					
Current -					
General government	1,342,699	-	11,492	80,574	1,434,765
Public safety					
Police	654,655	-	-	-	654,655
Fire	164,597	-	-	-	164,597
Highways and streets	528,714	-	-	-	528,714
Capital outlay	196,174	-	-	143,399	339,573
Interest	-	-	-	33,976	33,976
Debt service	-	-	-	50,000	50,000
Total expenditures	<u>2,886,839</u>	<u>-</u>	<u>11,492</u>	<u>307,949</u>	<u>3,206,280</u>
Excess of revenues over expenditures	629,794	580,093	1,376,697	424,197	3,010,781
Other financing sources (uses):					
Transfers in	811,465	-	521,119	35,400	1,367,984
Transfers out	(521,119)	(482,400)	(1,426,767)	(182,000)	(2,612,286)
Total other financing sources (uses)	<u>290,346</u>	<u>(482,400)</u>	<u>(905,648)</u>	<u>(146,600)</u>	<u>(1,244,302)</u>
Net change in fund balances	920,140	97,693	471,049	277,597	1,766,479
Fund balances, beginning	<u>1,080,569</u>	<u>687,002</u>	<u>-</u>	<u>1,274,587</u>	<u>3,042,158</u>
Fund balances, ending	<u>\$ 2,000,709</u>	<u>\$ 784,695</u>	<u>\$ 471,049</u>	<u>\$ 1,552,184</u>	<u>\$ 4,808,637</u>

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

CITY OF JEANERETTE, LOUISIANA

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

Net change in fund balances of governmental funds		\$ 1,766,479
Capital assets:		
Capital outlay	\$ 339,573	
Depreciation expense	(341,850)	
Transfer of asset	<u>(261,920)</u>	(264,197)
Loss on disposition of asset		(750)
Change in bond payments		50,000
Change in ad valorem taxes		133,435
Change in allowance for uncollectable taxes		(85,119)
The effect of the change in net pension liability and deferred outflows/inflows of resources:		
Change in pension expense	160,688	
Nonemployer pension contribution revenue recognized	<u>44,756</u>	<u>205,444</u>
Change in net position of governmental activities		<u>\$ 1,805,292</u>

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

CITY OF JEANERETTE, LOUISIANA

Statement of Net Position
 Proprietary Fund - Enterprise Fund
 June 30, 2023

ASSETS

Current assets:	
Cash and cash equivalents	\$ 839,229
Accounts receivable, net	234,661
Due from other funds	1,664
Prepaid expenses	<u>14,675</u>
Total current assets	<u>1,090,229</u>
Noncurrent assets:	
Restricted cash and cash equivalents	517,187
Capital assets:	
Non-depreciable	1,782,811
Depreciable, net	<u>10,267,438</u>
Total noncurrent assets	<u>12,567,436</u>
Total assets	<u>13,657,665</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related	<u>21,089</u>
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LIABILITIES

Current liabilities:	
Accounts and other payables	36,630
Other liabilities	9,694
Accrued liabilities	5,530
Due to other funds	66,336
Revenue bonds payable from restricted assets	<u>48,015</u>
Total current liabilities	<u>166,205</u>
Noncurrent liabilities:	
Customers' deposits payable	134,831
Revenue bonds	2,034,232
Net pension liability	<u>109,500</u>
Total noncurrent liabilities	<u>2,278,563</u>
Total liabilities	<u>2,444,768</u>

DEFERRED INFLOWS OF RESOURCES

Pension related	<u>30,051</u>
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NET POSITION

Net investment in capital assets	9,968,002
Restricted for debt service	382,356
Unrestricted	<u>853,577</u>
Total net position	<u>\$ 11,203,935</u>

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

CITY OF JEANERETTE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position
 Proprietary Fund - Enterprise Fund
 Year Ended June 30, 2023

Operating revenues:	
Charges for services	
Water sales	\$ 712,119
Sewer service charges	463,764
Garbage revenue	346,681
Connections and installation	23,621
Penalties	95,775
Miscellaneous	633
	<u>1,642,593</u>
Operating expenses:	
Salaries and benefits	89,494
Payroll taxes	3,376
Group insurance	5,988
Retirement	6,704
Supplies and repairs	87,692
Utilities and telephone	170,637
Office expnse	20,860
Insurance	40,297
Chemicals	37,640
Consulting and testing fees	47,424
Depreciation expense	505,752
Garbage service contract	403,263
Bad debts	24,481
Professional fees	260,110
Miscellaneous	5,800
Total operating expenses	<u>1,709,518</u>
Operating loss	<u>(66,925)</u>
Nonoperating revenues (expenses):	
Interest income	15,727
Interest expense	(50,059)
Other income	106,062
Non-employer pension contributions	1,196
Total nonoperating revenues	<u>72,926</u>
Income before transfers	6,001
Transfers in	1,836,717
Transfers out	(330,495)
Total transfers	<u>1,506,222</u>
Change in net position	1,512,223
Net position, beginning	<u>9,691,712</u>
Net position, ending	<u>\$ 11,203,935</u>

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

CITY OF JEANERETTE, LOUISIANA

Statement of Cash Flows
Proprietary Fund - Enterprise Fund
For the Year Ended June 30, 2023

Cash flows from operating activities:	
Receipts from customers	\$ 1,647,544
Payments to suppliers	(1,097,209)
Payments to employees	<u>(114,630)</u>
Net cash provided by operating activities	<u>435,705</u>
Cash flows from noncapital financing activities:	
Cash paid by other funds	(188,689)
Other receipts	<u>107,258</u>
Net cash used by noncapital financing activities	<u>(81,431)</u>
Cash flows from capital and related financing activities:	
Principal paid on bonds and notes	(46,889)
Interest and fiscal charges paid on bonds	(50,059)
Acquisition of capital assets	<u>(49,726)</u>
Net cash used by capital and related financing activities	<u>(146,674)</u>
Cash flows from investing activities:	
Interest on investments	<u>15,727</u>
Net change in cash and cash equivalents	223,327
Cash and cash equivalents, beginning of period	<u>1,133,089</u>
Cash and cash equivalents, end of period	<u>\$ 1,356,416</u>

(continued)

CITY OF JEANERETTE, LOUISIANA

Statement of Cash Flows (continued)
 Proprietary Fund - Enterprise Fund
 For the Year Ended June 30, 2023

Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	\$ (66,925)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	505,752
(Increase) decrease in current assets	
Accounts receivable, net	11,419
Prepaid	(2,162)
Inflows - pension balances	(17,469)
Increase (decrease) in current liabilities	
Accounts payable	(32,250)
Other payables	(3,385)
Salaries payable	555
Retainage payable	36,630
Customer deposits	(4,306)
Net pension liability	20,116
Outflows - pension balances	<u>(12,270)</u>
Net cash provided by operating activities	<u>\$ 435,705</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:	
Cash and cash equivalents, beginning of period -	<u>\$ 1,133,089</u>
Cash and cash equivalents, end of period -	
Cash and interest-bearing deposits - unrestricted	839,229
Cash and interest-bearing deposits - restricted	<u>517,187</u>
Total cash and cash equivalents	<u>1,356,416</u>
Net change	<u>\$ 223,327</u>

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

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Jeanerette (the 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. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

A financial reporting entity consists of (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, "Defining the Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. A potential component unit must have separate corporate powers that distinguish it as being legally separate from the primary government. These include the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued in its own name without recourse to a State or local government, and the right to buy, sell, lease, and mortgage property in its own name.
2. The primary government must be financially accountable for a potential component unit. Financial accountability may exist as a result of the primary government appointing a voting majority of the potential component unit's governing body; their ability to impose their will on the potential component unit by significantly influencing the programs, projects, activities, or level of services performed or provided by the potential component unit; or the existence of a financial benefit or burden. In addition, financial accountability may also exist as a result of a potential component unit being fiscally dependent on the primary government.

In some instances, the potential component unit should be included in the reporting entity (even when the criteria in No. 2 above are not met) if exclusion would render the reporting entity's financial statements incomplete or misleading.

Based on the foregoing criteria, the City has no component units.

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

The following organizations are related organizations, which have not been included in the reporting entity:

1. Jenerette Volunteer Department – The Jeanerette Volunteer Fire Department is governed by a group of volunteer citizens. The Jeanerette Volunteer Fire Department is not fiscally dependent on the City: however, the City includes certain revenues received and expenditures paid for the Fire Department as part of its General Fund.
2. Jeanerette City Court – The Jeanerette City Court is administrated by an independently elected official. Although the City does provide facilities and some of its financing, no control is exercised over its operations.
3. Bicentennial Park and Museum Board – The Mayor and Board of Alderman are responsible for appointing the members of the Board, but the City’s accountability for this organization does not extend beyond making these appointments.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities displays information about the City, 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 are typically 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.

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. Fund financial statements report detailed information about the City.

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

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

1. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
2. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total of 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. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other funds are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the general fund.

Special Revenue Fund – 1% Sales Tax

The 1% Sales Tax fund is used to account for the receipt and use of proceeds of the City's 1% sales and use tax.

Capital Projects Fund – Sewer Treatment Plant Upgrade

This fund is currently being used to account for the receipt and use of proceeds from the Office of Community Development, Department of Environmental Quality and Division of Administration Facility Planning and Control. The funds are being used to perform needed improvements to the City's sewer system.

Proprietary Fund –

Enterprise Fund

The Enterprise fund is 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

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

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's Major fund is the Utility Fund.

Additionally, the City reports the following fund types:

Governmental Fund Types

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue source (other than expendable trusts of major capital projects) that are legally restricted to expenditures for specific purposes.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds

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 and trust funds).

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

In 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 2 below.

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

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

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

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

Basis of Accounting

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

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

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

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

Cash and Cash Equivalents

For purposes of the statements of net position, cash and cash equivalents include all demand accounts, saving 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 when purchased.

Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the municipality’s investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. GASB Statement No. 31, allows the City to report at amortized cost money market investments and participating interest-bearing

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

investment contracts that have a remaining maturity at time of purchase of one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations. Interest earning investment contracts include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts. Investments of the City are reported at fair market value which approximates cost.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds.” Short-term interfund loans are reported as “interfund receivables and payables.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes. Business-type activities report customer’s utility service receivables as their major receivables. Uncollectible utility service receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. Unbilled utility service receivable resulting from utility services rendered between the date of meter reading and billing and the end of the month are recorded at year-end.

Prepaid Items

The City records prepaid assets for any significant expenditure that can be allocable to future periods in both the government-wide and fund financial statements.

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 acquisition 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 July 1, 2001, governmental funds’ infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

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

Buildings	40 Years
Equipment	5-7 Years
Utility System and Improvements	25 Years
Infrastructure	20-50 Years

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

Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid. Vacation credits earned by employees range from 4 hours per month to 14 hours per month depending upon length of service. Two-thirds (2/3) of vacation credits earned during an employment year must be taken that year. Only one third (1/3) of accumulated vacation time may be carried over to the following year. Employees may accumulate a maximum of 120 sick days, any sick leave credit due to an employee whose service with the City is terminated by reason of resignation discharge is cancelled.

Restricted Assets

Restricted assets include cash and interest-bearing deposits that are legally restricted as to their use. The restricted assets are related to the revenue bond 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 are reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation and revenue bonds payable.

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

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expenses/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Equity Classification

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

- a. Net investment in capital assets – 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.
- b. Restricted net position – Consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Constraints may be 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. The City reported \$1,731,024 of restricted net position, which is restricted by enabling legislation.
- c. Unrestricted net position – Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in either of the other two categories of net position.

In the fund statements, governmental fund equity is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statements.

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

Fund balances of the governmental funds are classified as follows:

Nonspendable – amounts that cannot be spent because they are either not in a spendable form (such as prepaid amounts) or are legally or contractually required to be maintained intact.

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.

Committed – amounts that can be spent only for specific purposes determined by a formal action of the council members. The council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by council members.

Assigned – amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. Only council members or the City’s finance committee may assign amounts for specific purposes.

Unassigned – all other amounts not included in other spendable classifications.

Fund balances components other than unassigned fund balances consist of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>
Fund Financial Statements:			
General Fund:			
Prepaid	\$ 87,525	\$ -	\$ -
Public safety	-	-	122,631
1% Sales Tax:			
Sales Tax	-	784,695	-
Sewer Treatment Plant Upgrade:			
Capital improvements	-	471,049	-
Other Governmental Funds:			
Prepaid	8,202	-	-
Sales Tax	-	946,329	-
Public works	-	450,561	-
Other purposes	-	2,613	-
Debt service	-	144,479	-
Total	<u>\$ 95,727</u>	<u>\$ 2,799,726</u>	<u>\$ 122,631</u>

When an expenditure is incurred for 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 Board members or the finance committee has provided otherwise in its commitment or assignment actions.

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial 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.

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 Restriction of Use</u>
Ad Valorem Tax	See Note 3
Sales Tax	See Note 4

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

G. Use of Estimates

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

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

H. Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources to pensions, and pension expense has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Non-employer contributions are recognized as revenues in the government-wide and propriety fund financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

(2) Cash and Cash Equivalents

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. The City may also invest in shares of any homestead and building and loan association in any amount not exceeding the federally insured amount.

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 the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. The City does not have a policy for custodial credit risk; however, under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance, or the pledge of securities owned by the pledging financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. These securities are held in the name of the pledging financial institution in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) are as follows:

Bank balances	<u>\$ 4,713,027</u>
Deposits are secured as follows:	
Federal deposit insurance	\$ 422,031
Uninsured and collateral held by the pledging bank, not in the City's name	<u>4,290,996</u>
Total	<u>\$ 4,713,027</u>

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

State statutes authorize the City to invest in Louisiana Asset Management Pool (LAMP), U.S. Treasury notes and bonds, U.S. agency securities, and other governmental debt obligations with limited exceptions as noted in LA-R.S. 32.2955. Investments in time certificates of deposit can be placed with state banks, national banks or federal credit unions as permitted in state statute. The City has deposits with LAMP as follows:

Description	Approximate Fair Value
Governmental Activities:	
Louisiana Asset Management Pool (LAMP)	\$ 1,310,591
Business-Type Activities:	
Louisiana Asset Management Pool (LAMP)	<u>265,540</u>
Total	<u><u>\$ 1,576,131</u></u>

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA-R.S. 33.2955.

LAMP is a governmental investment pool that reports at fair value. The following facts are relevant for investment pools:

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

The investments in LAMP are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and board of directors. LAMP is not registered with the SEC as an investment company. An annual audit of LAMP is conducted by an independent certified public accountant. The Legislative Auditor of the State of Louisiana has full access to the records of LAMP. LAMP issues financial reports which can be obtained by writing: LAMP, Inc., 650 Poydras, Suite 2200, New Orleans, LA 70130.

(3) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed.

The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Iberia Parish.

For the year ended June 30, taxes of 38.03 mills were levied on property with assessed valuations totaling \$16,043,749 and were dedicated as follows:

General Corporate Purposes	29.28 mills
Street Improvements	3.75 mills
Water System Improvements	5.00 mills

(4) Sales and Use Tax

A. Sales and Use Tax

Proceeds of 1% sales and use tax levied by the City (2023 collections, \$575,940; 2022 collections, \$542,399; and 2021 collections, \$513,017) dedicated to the following purposes:

Constructing, acquiring, extending, improving, operating and/or maintaining drainage facilities, street lighting facilities, sidewalks, sewers and sewerage disposal works, recreational facilities, public buildings and/or fire department stations and equipment, including fire engines; purchasing and acquiring equipment and furnishings for the aforesaid public works, buildings, improvements and facilities; and maintaining and operating the municipal police department and garbage collection and disposal facilities, including the purchase of equipment therefore, title to which improvements shall be in the public name; or for any one or more of said purposes; and such tax to be subject to findings funding into bonds by the City into the manner authorized by Louisiana Revised Statutes of 1950.

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

B. Sales and Use Tax – 1973

Proceeds of a 1/4% sales and uses tax levied by the City beginning in 1973 (2023 collections, \$143,985; 2022 collections, \$135,600; and 2021 collections, \$128,254) are dedicated to the following purposes:

Constructing, acquiring, extending, improving, operating and/or maintaining sewers and sewerage disposal works and waterworks facilities, and purchasing and acquiring the necessary land, equipment and furnishings for the aforesaid public works, improvements and facilities.

C. Sales and Use Tax – 1985

Proceeds of a 1/4% sales and uses tax levied by the City beginning in 1985 (2023 collections, \$143,985; 2022 collections, \$135,600 and 2021 collections, \$128,254) beginning in April 1985 are dedicated to and may be used for any lawful corporate purpose.

D. Sales and Use Tax – 2004

Proceeds of a 1/4% sales and uses tax levied by the City beginning in 2004 (2023 collections, \$143,985; 2022 collections, \$135,600; and 2021 collections, \$128,254) beginning in April 2004 are dedicated to and may be used for any lawful corporate purpose.

(5) Receivables

The aging of the accounts receivable in the enterprise fund is as follows:

Current	\$ 105,666
Over 30 days	15,621
Over 60 days	7,997
Over 90 days	211,386
Less allowances for uncollectible accounts	<u>(106,009)</u>
Total	<u>\$ 234,661</u>

(6) Restricted Assets – Enterprise Fund

Restricted assets were applicable to the following

Revenue bond depreciation reserves	\$ 335,163
Revenue bond maintenance and reserve fund	47,193
Customer deposits	<u>134,831</u>
Total restricted assets	<u>\$ 517,187</u>

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

(7) Accounts and Other Payables

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Accounts payable	\$ 566,320	\$ -	\$ 566,320
Retainage payable	-	36,630	36,630
Totals	<u>\$ 566,320</u>	<u>\$ 36,630</u>	<u>\$ 602,950</u>

(8) Capital Assets

Capital asset activity was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 578,049	\$ -	\$ -	\$ -	\$ 578,049
Construction in progress	271,469	43,475	-	(261,920)	53,024
Total	849,518	43,475	-	(261,920)	631,073
Other capital assets:					
Land Improvements	11,946,678	-	-	-	11,946,678
Buildings	7,321,840	62,088	-	-	7,383,928
Equipment, furniture and fixtures	2,548,503	234,010	19,200	-	2,763,313
Total	<u>22,666,539</u>	<u>339,573</u>	<u>19,200</u>	<u>(261,920)</u>	<u>22,724,992</u>
Less accumulated depreciation					
Land Improvements	10,826,903	39,054	-	-	10,865,957
Buildings	4,025,781	200,666	-	-	4,226,447
Equipment, furniture and fixtures	1,937,377	102,130	18,450	-	2,021,057
Total accumulated depreciation	<u>16,790,061</u>	<u>341,850</u>	<u>18,450</u>	<u>-</u>	<u>17,113,461</u>
Governmental activities, capital assets, net	<u>\$ 5,876,478</u>	<u>\$ (2,277)</u>	<u>\$ 750</u>	<u>\$ (261,920)</u>	<u>\$ 5,611,531</u>

Depreciation expense of \$341,850 was charged to general government function.

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Business-type activities:					
Capital assets not being depreciated:					
Land	\$ 71,602	\$ -	\$ -	\$ -	\$ 71,602
Construction in progress	<u>-</u>	<u>1,449,289</u>	<u>-</u>	<u>261,920</u>	<u>1,711,209</u>
Total	71,602	1,449,289	-	261,920	1,782,811
Capital assets being depreciated:					
Water System	15,603,539	45,234	-	-	15,648,773
Sewer System	5,650,034	-	-	-	5,650,034
Machinery and Equipment	<u>268,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268,088</u>
Total	<u>21,593,263</u>	<u>1,494,523</u>	<u>-</u>	<u>261,920</u>	<u>23,349,706</u>
Less accumulated depreciation					
Water System	8,443,000	343,063	-	-	8,786,063
Sewer System	2,109,465	153,331	-	-	2,262,796
Machinery and Equipment	<u>241,240</u>	<u>9,358</u>	<u>-</u>	<u>-</u>	<u>250,598</u>
Total accumulated depreciation	<u>10,793,705</u>	<u>505,752</u>	<u>-</u>	<u>-</u>	<u>11,299,457</u>
Business-type activities capital assets, net	<u>\$ 10,799,558</u>	<u>\$ 988,771</u>	<u>\$ -</u>	<u>\$ 261,920</u>	<u>\$ 12,050,249</u>

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

Business-Type Activities		
Water		\$ 343,063
Sewer		153,331
Machinery and equipment		<u>9,358</u>
Total depreciation expense - Business-Type Activities		<u>\$ 505,752</u>

(9) Long-Term Debt

The following is a summary of long-term debt:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Direct placements and direct borrowings:					
Governmental Activities:					
General Obligation					
Bonds, Series 2021	<u>\$ 1,510,000</u>	<u>\$ -</u>	<u>\$ (50,000)</u>	<u>\$ 1,460,000</u>	<u>\$ 50,000</u>
Business-Type Activities:					
USDA Revenue Bond	<u>\$ 2,129,136</u>	<u>\$ -</u>	<u>\$ (46,889)</u>	<u>\$ 2,082,247</u>	<u>\$ 48,015</u>

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

Bonds payables are comprised of the following individual issues:

Governmental Activities:

General Obligation Bonds:

\$1,550,000 - 2021 General Obligation Bonds are due in annual installments of \$40,000 to \$85,000 through 3/1/2045; interest 2.25% payable from the levy of a specific ad valorem tax

Total
\$ 1,460,000

Business-Type Activities:

USDA Revenue Bond

\$2,463,000 - Revenue Bond due in monthly installments a \$8,079 through 7/1/2053; with interest at 2.375%; payable from sewer revenues

\$ 2,082,247

The debt is due as follows:

Year Ending June 30,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 50,000	\$ 32,850	\$ 48,015	\$ 48,933	\$ 98,015	\$ 81,783
2025	55,000	31,275	49,168	47,780	104,168	79,055
2026	55,000	30,488	50,348	46,600	105,348	77,088
2027	55,000	29,250	51,557	45,391	106,557	74,641
2028	55,000	28,013	52,795	44,153	107,795	72,166
2029 - 2033	305,000	120,375	283,610	201,130	588,610	321,505
2034 - 2038	340,000	84,602	319,333	165,407	659,333	250,009
2039 - 2043	380,000	44,777	359,555	125,185	739,555	169,962
2044 - 2048	165,000	5,626	404,843	79,897	569,843	85,523
2049 - 2053	-	-	455,835	28,905	455,835	28,905
2054	-	-	7,188	14	7,188	14
Totals	<u>\$ 1,460,000</u>	<u>\$ 407,256</u>	<u>\$ 2,082,247</u>	<u>\$ 833,395</u>	<u>\$ 3,542,247</u>	<u>\$ 1,240,651</u>

In the event of default on the above bonds, the bondholder may take actions as deemed necessary and appropriate as permitted by law to cause the City to comply with its obligations under the debt and compel performance.

Bond Covenants:

The various bond indentures identified above contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage. The City is in compliance with all such significant limitations and restrictions for the year ended June 30, 2023.

CITY OF JEANERETTE, LOUISIANA

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(10) Employee Retirement

The City is a participating employer in several cost-sharing defined benefit pension plans. These plans are administered by the following public employee retirement systems: the Municipal Employees' Retirement System of Louisiana (MERS), the Municipal Police Employees' Retirement System of Louisiana (MPERS), and Firefighters' Retirement System (FRS).

Each of the retirement systems issue an annually publicly available stand-alone report on their financial statements and required supplementary information. These reports may be obtained on each retirement system's website or on the Louisiana Legislative Auditor's website as follows:

Municipal Employees' Retirement System – www.mersla.com

Municipal Police Employees' Retirement System – www.mpersla.com

Firefighters' Retirement System – www.ffret.com

Louisiana Legislative Auditor – www.la.la.gov

Plan description:

Municipal Employees' Retirement System of Louisiana (MERS)

Municipal Employees' Retirement System of Louisiana (MERS) was originally established by Act 356 of 1954 regular session of the Legislature of the State of Louisiana. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the City are members of Plan A.

The System provides retirement benefits to employees of all incorporated villages, towns, and cities within the State which do not have their own retirement system, and which elect to become members of the System.

Eligibility Requirements: Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week. Those individuals paid jointly by a participating employer and the City are not eligible for membership in the System with exceptions as outlined in the statutes.

Any person eligible for membership whose first employment making him eligible for membership in the System occurred on or after January 1, 2013, shall become a member of the MERS Plan A Tier 2 or MERS Plan B Tier 2 of the System as a condition of employment.

Retirement Benefits: Benefit provisions are authorized within Act 356 of the 1954 regular session and amended by LRS 11:1756-11:1785. The following brief description of the plan and its benefits is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any member of the System who was hired before January 1, 2013, can retire providing the member meets one of the following criteria:

1. Any age with thirty (30) years of creditable service.

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Notes to Basic Financial Statements

2. Age 60 with a minimum of ten (10) or more years of creditable service.

Any member of the System shall be eligible for retirement if he meets one of the following requirements:

1. Age 67 with seven (7) or more years of creditable service.
2. Age 62 with ten (10) or more years of creditable service.
3. Age 55 with thirty (30) or more years of creditable service.
4. Any age with twenty-five (25) years of creditable service, exclusive of military service and unused annual sick leave, with an actuarially reduced early benefit.

The monthly amount of the retirement allowance for any member shall consist of an amount equal to two percent of the member's monthly average final compensation multiplied by his years of creditable service. Final average compensation is the average monthly earnings during the highest sixty consecutive months, or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits: Upon death of any member with five (5) or more years of creditable service, not eligible for retirement, the plan provides for benefits for the surviving spouse as outlined in the statutes.

Any member who is eligible for normal retirement at time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

Deferred Retirement Option Plan (DROP) Benefits: In lieu of terminating employment and accepting a service retirement allowance, any member who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable, but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund. Interest is earned when the member has completed DROP participation. Interest earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of MERS has been terminated for at least one full year.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the board of trustees. If a participant dies during participation in the DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the

CITY OF JEANERETTE, LOUISIANA

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three years, payments into the DROP fund cease and the person resumes active contributing membership in System.

Disability Benefits: A member shall be eligible to retire and receive a disability benefit if he has at least ten years of creditable service, is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member be paid a disability benefit equal to the lesser of (1) an amount equal to two percent of his final average compensation multiplied by his years of creditable service, but not less than thirty percent of his final compensation, or (2) an amount equal to what the member's normal retirement benefit would be based on the member's current final compensation, but assuming the member remained in continuous service until his earliest normal retirement age and using those retirement benefit computation factors which would be applicable to the member's normal retirement.

Cost of Living Increases: The System is authorized under state law to grant a cost-of-living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the System to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

Deferred Benefits: The System provides for deferred benefits for members who terminate before being eligible for retirement. Once a member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

Municipal Police Employees' Retirement System of Louisiana (MPERS)

Eligibility Requirements: Membership in the (MPERS) is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. The System provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

Membership Prior to January 1, 2013: A member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit.

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Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service, not to exceed 100% of final salary.

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

Membership Commencing January 1, 2013: Member eligibility for regular retirement, early retirement, disability and survivor benefits are based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55.

Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

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

Cost of Living Adjustments: The Board of Trustees is authorized to provide annual cost-of-living adjustments (COLA) computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

No regular retiree, survivor or beneficiary shall be eligible to receive a cost-of-living adjustment until benefits have been received at least one full fiscal year and the payment of such COLA, when authorized, shall not be effective until the lapse of at least one-half of the fiscal year. Members who elect early retirement are not eligible for a cost-of-living adjustment until they reach regular retirement age.

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Notes to Basic Financial Statements

A COLA may only be granted if funds are available from interest earnings in excess of normal requirements, as determined by the actuary.

Deferred Retirement Option Plan: A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in the System is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty-six months or less. If employment is terminated after the three-year period, the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into the System shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service. For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of the System's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on the System's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account.

If the member elects a money market investment return, the funds are transferred to a government money market account and earn interest at the money market rate.

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

Firefighters' Retirement System (FRS)

Benefit provisions are authorized within Act 434 of 1979 and amended by LRS 11:2251-11:2272. The following is a brief description of the plan and its benefits and is provided for general informational purposes only. Participants should refer to the appropriate statutes for more complete information.

Eligibility Requirements: Any person who becomes an employee as defined in R.S. 11:2252 on and after January 1, 1980, shall become a member as a condition of employment. Membership in the System is a condition of employment for any full-time firefighters, eligible employees of the retirement system, or any person in a position as defined in the municipal fire and police civil service system that earns at least \$375 per month, excluding state supplemental pay, and are employed by a fire department of any municipality, parish, or fire district of the State of Louisiana, except for Orleans Parish and the City of Baton Rouge.

No person who has attained age 50 or over shall become a member of the System unless the person becomes a member by reason of a merger or unless the System received an application

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for membership before the applicant attained the age of 50. No person who has not attained the age of 18 years shall become a member of the System.

Any person who has retired from service under any retirement system or pension fund maintained basically for public officers and employees of the state, its agencies or political subdivisions, and who is receiving retirement benefits therefrom may become a member of this System, provided the person meets all other requirements for membership. Service credit from the retirement system or pension plan from which the member is retired shall not be used for reciprocal recognition of service with this System, or for any other purpose in order to attain eligibility or increase the amount of service credit in this System.

Retirement Benefits: Employees with 20 or more years of service who have attained age 50, or employees who have 12 years of service who have attained age 55, or 25 years of service at any age are entitled to annual pension benefits equal to 3.333% of their average final compensation based on the 36 consecutive months of highest pay multiplied by their total years of service, not to exceed 100%. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity.

If employees terminate before rendering 12 years of service, they forfeit the right to receive the portion of their accumulated plan benefits attributable to their employer's contributions.

Benefits are payable over the employees' lives in the form of a monthly annuity. An employee may elect an unreduced benefit or any of seven options at retirement.

Disability benefits: A member who acquires a disability, and who files for disability benefits while in service, and who upon medical examination and certification as provided for in Title 11, is found to have a total disability solely as the result of injuries sustained in the performance of his official duties, or for any cause, provided the member has at least five years of creditable service and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:2258(B).

Death Benefits: Benefits shall be payable to the surviving eligible spouse or designated beneficiary of a deceased member as specified in R.S. 11:2256(B) & (C).

Deferred Retirement Option Plan Benefits: After completing 20 years of creditable service and age 50 or 25 years at any age, a member may elect to participate in the deferred retirement option plan (DROP) for up to 36 months.

Upon commencement of participation in DROP, employer and employee contributions to the System cease. The monthly retirement benefits that would have been payable is paid into the member's DROP account. Upon termination of employment, a participant in the program has several options to receive their DROP benefit. A member may (1) elect to roll over all or a portion of their DROP balance into another eligible qualified plan, (2) receive a lump-sum payment from the account, (3) receive single withdrawals at the discretion of the member, (4) receive monthly or annual withdrawals, or (5) receive an annuity based on the DROP account balance. These withdrawals are in addition to his regular monthly benefit.

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If employment is not terminated at the end of the 36 months, the participant resumes regular contributions to the System. No payments may be made from the deferred retirement option plan account until the participant retires.

Initial Benefit Option Plan: Effective June 16, 1999, members eligible to retire and who do not choose to participate in DROP may elect to receive, at the time of retirement, an initial benefit option (IBO) in an amount up to 36 months of benefits, with an actuarial reduction of their future benefits. Such amounts may be withdrawn or remain in the IBO account earning interest at the same rate as the DROP account.

Cost of Living Adjustments (COLAs): Under the provisions of R.S. 11:246 and 11:2260(A)(7), the board of trustees is authorized to grant retired members and widows of members who have retired an annual cost of living increase of up to 3% of their current benefit, and all retired members and widows who are 65 years of age and older a 2% increase in their original benefit. In order for the board to grant either of these increases, the System must meet certain criteria detailed in the statute related to funding status and interest earnings (R.S. 11:243). In lieu of these COLAs, pursuant to 11:241, the board may also grant an increase based on a formula equal to up to \$1 times the total number of years of credited service accrued at retirement or at death of the member or retiree plus the number of years since retirement or since death of the member or retiree to June 30th preceding the payment of benefit increase.

Funding Policy:

Employer Contributions: According to state statute, contribution requirements for all employers are actuarially determined each year for MERS, MPERS, and FRS. The contribution rates in effect for the year for the City were as follows:

Municipal Employees' Retirement System of Louisiana	29.50%
Municipal Police Employees' Retirement System of Louisiana	
Hired prior to 1/1/2013	29.75%
Hazardous Duty Members hired after 1/1/2013	29.75%
Non Hazardous Duty Members hired after 1/1/2014	29.75%
Earnable compensation is below poverty limit	32.25%
Firefighters Retirement System of Louisiana	33.75%

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In accordance with state statute, the System receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities. None-employer contributions are recognized as revenue and excluded from pension expense. The City recognized non-employer contributions as follows:

Municipal Employees' Retirement System of Louisiana	\$ 23,928
Municipal Police Employees' Retirement System of Louisiana	17,224
Firefighters Retirement System of Louisiana	<u>4,800</u>
	<u>\$ 45,952</u>

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The following schedule lists the City's proportionate share of the net pension liability allocated by each of the pension plans based on the measurement dates. The City uses this measurement to record its net pension liability and associated amounts in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at the measurement date for each plan, along with the change compared to prior year rates. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, determined by an actuarial valuation as of the measurement date.

	Net Pension Liability (Asset)	Measurement Rate		Increase (Decrease)
		Current	Previous	
MERS	\$ 1,395,466	0.336%	0.357%	-0.021%
MPERS	791,431	0.077%	0.083%	-0.006%
FRS	<u>118,899</u>	0.017%	0.018%	-0.001%
Total	<u>\$ 2,305,796</u>			

The following schedule lists each pension plan's recognized pension expense of the City for the year:

Municipal Employees' Retirement System of Louisiana	\$ 32,608
Municipal Police Employees' Retirement System of Louisiana	73,796
Firefighters Retirement System of Louisiana	<u>15,602</u>
	<u>\$ 122,006</u>

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The City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows			
	MERS	MPERS	FRS	Total
Differences between expected and actual experiences	\$ 1,648	\$ 3,903	\$ 711	\$ 6,262
Changes of assumptions	13,519	27,300	9,804	50,623
Net difference between projected and actual earnings on pension plan investments	232,200	141,295	26,934	400,429
Change in proportion and differences between employer contributions and proportionate share of contributions	-	76,282	30,902	107,184
Employer contributions subsequent to the measurement date	<u>201,141</u>	<u>74,303</u>	<u>15,677</u>	<u>291,121</u>
Total	<u>\$ 448,508</u>	<u>\$ 323,083</u>	<u>\$ 84,028</u>	<u>\$ 855,619</u>

	Deferred Inflows			
	MERS	MPERS	FRS	Total
Differences between expected and actual experiences	\$ 5,343	\$ 6,450	\$ 5,604	\$ 17,397
Changes of assumptions	-	5,887	-	5,887
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Change in proportion and differences between employer contributions and proportionate share of contributions	219,504	140,677	14,701	374,882
Employer contributions subsequent to the measurement date	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 224,847</u>	<u>\$ 153,014</u>	<u>\$ 20,305</u>	<u>\$ 398,166</u>

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Deferred outflows of resources related to pensions resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent period as follows:

Municipal Employees' Retirement System of Louisiana	\$ 201,141
Municipal Police Employees' Retirement System of Louisiana	74,303
Firefighters Retirement System of Louisiana	<u>15,677</u>
	<u>\$ 291,121</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>Total</u>
2023	\$ (56,740)	\$ 28,732	\$ 8,656	\$ (19,352)
2024	(17,282)	30,948	15,972	29,638
2025	(14,812)	(38,030)	13,492	(39,350)
2026	111,354	74,116	11,475	196,945
2027	-	-	(318)	(318)
2028	-	-	(1,231)	(1,231)
Total	<u>\$ 22,520</u>	<u>\$ 95,766</u>	<u>\$ 48,046</u>	<u>\$ 166,332</u>

Actuarial Methods and Assumptions:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees’ past periods of service, less the amount of the pension plan’s fiduciary net position.

A summary of the actuarial methods and assumptions used in determining the total pension liability are as follows:

	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>
Valuation Date	June 30, 2022	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment Rate of Return	6.85% net of pension plan investment expense, including inflation	6.75% net of investment expense	6.90% per annum, net of investment expense, including inflation
Expected Remaining Service Lives	3 years	4 years	7 years, close period
Projected Salary Increases	6.4% for 1-4 years of service; 4.5% with more than 4 years of service	Varies from 12.30% in 1st 2 years to 4.70% with more than 2 years of service	14.10% in the first two years of service and 5.20% with 3 or more years of service; includes inflation and merit increases

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Mortality:

Municipal Employees' Retirement System (MERS) –

Annuitant beneficiary mortality: PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.

Employee mortality: PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.

Disabled lives mortality: PubG-2010(B) Disables Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.

Municipal Police Employees' Retirement System (MPERS) –

Annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 sale.

Disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used.

For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used.

Firefighters' Retirement System (FRS) –

For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.

For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees.

For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees.

In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense 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. Best estimates of arithmetic real rates of return for

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

each major asset class included in the System's target asset allocation are summarized in the following table:

Asset Class	Target Allocation		
	MERS	MPERS	FRS
Equity	53.00%	55.50%	56.00%
Fixed income	38.00%	30.50%	26.00%
Alternatives	9.00%	14.00%	18.00%
Totals	100.00%	100.00%	100.00%

Asset Class	Long-Term Expected Portfolio Real Rate of Return		
	MERS	MPERS	FRS
Equity	2.31%	3.60%	25.27%
Fixed income	1.65%	0.85%	4.34%
Alternatives	0.39%	0.95%	18.45%
Other	0.00%	0.00%	6.28%
Totals	4.35%	5.40%	54.34%

Inflation	2.50%	2.66%	2.50%
Expected Arithmetic Nominal Return	6.85%	8.06%	56.84%

The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of System's actuary. Based on those assumptions, System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in the Discount Rate: The following table presents the City's proportionate share of net pension liability, using the discount rate of each retirement system, as well as what the City's proportionate share of net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate:

	Discount Rate	Change from Prior Year	1% Decrease	Current Rate	1% Increase
MERS	6.85%	0.00%	\$ 1,856,242	\$ 1,395,466	\$ 1,006,125
MPERS	6.75%	0.00%	\$ 1,107,852	\$ 791,431	\$ 527,115
FRS	6.90%	0.00%	\$ 175,898	\$ 118,899	\$ 71,358

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

(11) Litigation and Claims

The City is subject to various lawsuits and claims, many of which arise in the normal course of business. Although their outcome is not presently determinable, it is the opinion of legal counsel and management that resolution of these matters will not have a material effect on the financial condition of the City.

The City receives grants for specific purposes that are subject to review and audit by governmental agencies. Such audits could result in a request for reimbursement by the grantor of expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of the City, such allowances, if any, will not be significant.

(12) Risk Management

The City is exposed to risks of loss in the areas of health care, general and auto liability, property hazards, and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year. The City is insured up to policy limits of each of the above risks. Settled claims have not exceeded the commercial coverage in any of the previous three fiscal years.

(13) Interfund Transactions

Interfund balances consist of the following:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental Activities:		
General Fund	\$ 67,646	\$ 68,801
1% Sales Tax Fund	446	14,241
Sewer Treatment Fund	80,435	15,340
Other Governmental Funds	14,555	28
Total Governmental Activities	<u>163,082</u>	<u>98,410</u>
Business-Type Activities:		
Utility Fund	<u>1,664</u>	<u>66,336</u>
Total	<u>\$ 164,746</u>	<u>\$ 164,746</u>

CITY OF JEANERETTE, LOUISIANA

Notes to Basic Financial Statements

The amounts due from the General Fund to various other funds are for reimbursements owed for expenditures paid for those funds. Transfers consisted of the following:

	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Activities:		
General Fund	\$ 811,465	\$ 521,119
1% Sales Tax Fund	-	482,400
Sewer Treatment Fund	521,119	1,426,767
Other Governmental Funds	<u>35,400</u>	<u>182,000</u>
Total Governmental Activities	1,367,984	2,612,286
Business-Type Activities:		
Utility Fund	<u>1,836,717</u>	<u>330,495</u>
Total - Fund Financial	<u>\$ 3,204,701</u>	<u>\$ 2,942,781</u>
Add: Government-Wide Asset Transfer	<u>-</u>	<u>261,920</u>
Total - Government-Wide	<u>\$ 3,204,701</u>	<u>\$ 3,204,701</u>

(14) On-behalf Payments

The State of Louisiana paid the City's policeman, Fire Chief and the City Marshall, \$39,283, \$7,200, and \$35,919, respectively of supplemental pay during the year ended June 30. That amount is included in the accompanying financial statements as intergovernmental revenues and expense.

(15) Subsequent Events

The City entered into a lease agreement with Cabot Corporation that will generate \$4,200,000 in lease revenue over the next 10 years.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF JEANERETTE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 806,000	\$ 806,000	\$ 864,614	\$ 58,614
Licenses and permits	65,000	79,100	76,905	(2,195)
Intergovernmental	33,150	33,150	2,124,166	2,091,016
Fines and forfeits	424,600	424,600	9,458	(415,142)
Miscellaneous	<u>1,344,200</u>	<u>1,413,452</u>	<u>441,490</u>	<u>(971,962)</u>
Total revenues	<u>2,672,950</u>	<u>2,756,302</u>	<u>3,516,633</u>	<u>760,331</u>
Expenditures:				
Current -				
General government	2,415,155	2,401,074	1,342,699	1,058,375
Public safety				
Police	724,340	663,040	654,655	498,443
Fire	211,850	168,750	164,597	(359,964)
Highways and streets	507,405	447,630	528,714	(81,084)
Capital outlay	<u>-</u>	<u>-</u>	<u>196,174</u>	<u>(196,174)</u>
Total expenditures	<u>3,858,750</u>	<u>3,680,494</u>	<u>2,886,839</u>	<u>919,596</u>
Excess (deficiency) of revenues over expenditures	<u>(1,185,800)</u>	<u>(924,192)</u>	<u>629,794</u>	<u>1,679,927</u>
Other financing sources (uses):				
Transfers in	1,194,800	1,202,800	811,465	(391,335)
Transfers out	<u>-</u>	<u>-</u>	<u>(521,119)</u>	<u>(521,119)</u>
Total other financing sources (uses)	<u>1,194,800</u>	<u>1,202,800</u>	<u>290,346</u>	<u>(912,454)</u>
Net change in fund balance	9,000	278,608	920,140	767,473
Fund balance, beginning	<u>1,080,569</u>	<u>1,080,569</u>	<u>1,080,569</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,089,569</u>	<u>\$ 1,359,177</u>	<u>\$ 2,000,709</u>	<u>\$ 767,473</u>

CITY OF JEANERETTE, LOUISIANA
1% Sales Tax Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 500,000	\$ 500,000	\$ 575,940	\$ 75,940
Miscellaneous	300	300	4,153	3,853
Total revenues	500,300	500,300	580,093	79,793
Excess of revenues over expenditures	500,300	500,300	580,093	79,793
Other financing uses:				
Transfers out	(600,000)	(450,000)	(482,400)	(32,400)
Net change in fund balance	(99,700)	50,300	97,693	47,393
Fund balance, beginning	687,002	687,002	687,002	-
Fund balance, ending	\$ 587,302	\$ 737,302	\$ 784,695	\$ 47,393

CITY OF JEANERETTE, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2023

* Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Municipal Employees' Retirement System					
2015	0.462%	\$ 1,185,763	\$ 827,131	143.4%	73.99%
2016	0.538%	\$ 1,920,288	\$ 1,049,325	183.0%	66.18%
2017	0.571%	\$ 2,340,528	\$ 771,604	303.3%	62.11%
2018	0.528%	\$ 2,207,792	\$ 789,189	279.8%	62.49%
2019	0.457%	\$ 1,891,491	\$ 834,004	226.8%	63.94%
2020	0.452%	\$ 1,886,992	\$ 834,004	225.7%	64.68%
2021	0.403%	\$ 1,743,990	\$ 835,959	226.2%	64.52%
2022	0.357%	\$ 999,158	\$ 770,996	141.3%	77.82%
2023	0.336%	\$ 1,395,466	\$ 707,034	196.2%	67.87%
Municipal Police Employees' Retirement System					
2015	0.127%	\$ 794,390	\$ 400,730	198.2%	75.11%
2016	0.084%	\$ 661,295	\$ 429,074	154.1%	70.73%
2017	0.085%	\$ 798,658	\$ 431,216	185.2%	66.04%
2018	0.093%	\$ 809,467	\$ 385,606	209.9%	70.08%
2019	0.093%	\$ 783,252	\$ 288,899	271.1%	71.89%
2020	0.066%	\$ 596,602	\$ 137,538	433.8%	71.01%
2021	0.065%	\$ 598,321	\$ 137,538	305.7%	70.94%
2022	0.083%	\$ 440,692	\$ 195,692	174.7%	84.09%
2023	0.077%	\$ 791,431	\$ 252,217	331.1%	70.80%
Firefighters' Retirement System					
2015	0.179%	\$ 79,633	\$ 49,911	159.5%	76.02%
2016	0.018%	\$ 99,744	\$ 33,905	294.2%	72.45%
2017	0.012%	\$ 81,716	\$ 32,755	249.5%	68.16%
2018	0.000%	\$ -	\$ -	0.0%	73.55%
2019	0.000%	\$ -	\$ -	0.0%	74.76%
2020	0.017%	\$ 11,186	\$ 36,153	30.9%	73.96%
2021	0.018%	\$ 124,941	\$ 36,153	278.4%	72.61%
2022	0.018%	\$ 64,108	\$ 44,874	141.3%	86.78%
2023	0.017%	\$ 118,899	\$ 45,374	252.2%	74.68%

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

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

CITY OF JEANERETTE, LOUISIANA

Schedule of Employer Contributions
For the Year Ended June 30, 2023

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
Municipal Employees' Retirement System					
2015	\$ 155,087	\$ 155,087	\$ -	\$ 827,131	18.75%
2016	\$ 181,207	\$ 181,207	\$ -	\$ 917,503	19.75%
2017	\$ 152,392	\$ 139,492	\$ 12,900	\$ 771,604	18.08%
2018	\$ 179,540	\$ 218,042	\$ (38,502)	\$ 789,189	27.63%
2019	\$ 206,416	\$ 202,081	\$ 4,335	\$ 834,004	24.23%
2020	\$ 217,349	\$ 221,030	\$ (3,681)	\$ 835,959	26.44%
2021	\$ 213,951	\$ 213,951	\$ -	\$ 770,996	27.75%
2022	\$ 208,575	\$ 208,575	\$ -	\$ 707,034	29.50%
2023	\$ 201,141	\$ 201,141	\$ -	\$ 681,711	29.51%
Municipal Police Employees' Retirement System					
2015	\$ 132,241	\$ 132,241	\$ -	\$ 394,749	33.50%
2016	\$ 71,127	\$ 71,127	\$ -	\$ 212,319	33.50%
2017	\$ 131,521	\$ 106,651	\$ 24,870	\$ 431,216	24.73%
2018	\$ 126,787	\$ 87,882	\$ 38,905	\$ 385,606	22.79%
2019	\$ 88,836	\$ 89,143	\$ (307)	\$ 288,899	30.86%
2020	\$ 44,356	\$ 44,356	\$ -	\$ 137,538	32.25%
2021	\$ 63,600	\$ 63,600	\$ -	\$ 195,692	32.50%
2022	\$ 85,123	\$ 85,123	\$ -	\$ 252,217	33.75%
2023	\$ 74,303	\$ 74,303	\$ -	\$ 237,769	31.25%
Firefighters' Retirement System					
2015	\$ 14,100	\$ 14,100	\$ -	\$ 49,911	28.25%
2016	\$ 11,488	\$ 11,488	\$ -	\$ 39,275	29.25%
2017	\$ 9,253	\$ -	\$ 9,253	\$ 32,755	0.00%
2018	\$ -	\$ -	\$ -	\$ -	0.00%
2019	\$ -	\$ -	\$ -	\$ -	0.00%
2020	\$ 11,892	\$ 9,598	\$ 2,294	\$ 36,153	26.55%
2021	\$ 12,453	\$ 12,444	\$ 9	\$ 44,874	27.73%
2022	\$ 14,633	\$ 14,633	\$ -	\$ 45,374	32.25%
2023	\$ 15,677	\$ 15,677	\$ -	\$ 47,149	33.25%

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

CITY OF JEANERETTE, LOUISIANA

Notes to Required Supplementary Information

(1) Budgets and Budgetary Accounting

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

- a. The City Clerk prepares a proposed budget for the fiscal year and submits it to the Mayor and Council no later than fifteen days prior to the beginning of each fiscal year.
- b. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
- e. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Council.
- f. All budgetary appropriations lapse at the end of each fiscal year.
- g. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as finally amended by the Council.

CITY OF JEANERETTE, LOUISIANA

Notes to Required Supplementary Information

Retirement Systems

- 1) Changes of benefit terms – There were no changes of benefit terms for either plan.
- 2) Changes of assumptions –

MERS						
Year Ended June 30	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase	
					Lower Range	Upper Range
2015	7.500%	7.500%	2.875%	3	-	5.00%
2016	7.500%	7.500%	2.875%	3	-	5.00%
2017	7.400%	7.400%	2.775%	3	-	5.00%
2018	7.275%	7.275%	2.600%	3	-	5.00%
2019	7.000%	7.000%	2.500%	3	4.50%	6.40%
2020	6.950%	6.950%	2.500%	3	4.50%	6.40%
2021	6.850%	6.850%	2.500%	3	4.50%	6.40%
2022	6.850%	6.850%	2.500%	3	4.50%	6.40%
2023	6.850%	6.850%	2.500%	3	4.50%	6.40%

MPERS						
Year Ended June 30,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase	
					Lower Range	Upper Range
2015	7.500%	7.500%	2.875%	4	4.25%	9.75%
2016	7.500%	7.500%	2.875%	4	4.25%	9.75%
2017	7.325%	7.325%	2.700%	4	4.25%	9.75%
2018	7.200%	7.200%	2.600%	4	4.25%	9.75%
2019	7.125%	7.125%	2.500%	4	4.25%	9.75%
2020	6.950%	6.950%	2.500%	4	4.70%	12.30%
2021	6.750%	6.750%	2.500%	4	4.70%	12.30%
2022	6.750%	6.750%	2.500%	4	4.70%	12.30%
2023	6.750%	6.750%	2.500%	4	4.70%	12.30%

FRS						
Year Ended June 30,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase	
					Lower Range	Upper Range
2015	7.50%	7.50%	2.875%	7	4.75%	15.00%
2016	7.50%	7.50%	2.875%	7	4.75%	15.00%
2017	7.40%	7.40%	2.775%	7	4.75%	15.00%
2018	7.30%	7.30%	2.700%	7	4.75%	15.00%
2019	7.15%	7.15%	2.500%	7	4.50%	14.75%
2020	7.00%	7.00%	2.500%	7	5.20%	14.10%
2021	6.90%	6.90%	2.500%	7	5.20%	14.10%
2022	6.90%	6.90%	2.500%	7	5.20%	14.10%
2023	6.90%	6.90%	2.500%	7	5.20%	14.10%

SUPPLEMENTARY INFORMATION

CITY OF JEANERETTE, LOUISIANA

Schedules of Compensation
Year Ended June 30, 2023

A detail of compensation paid to the Council for the year ended was as follows:

Garland Bourgeois	\$ 5,100
Clarence Clark	5,100
Ray Duplechain	4,510
Louis Lancon	590
Dorthy Moore	5,100
Wille Ward	<u>5,100</u>
Total	<u>\$ 25,500</u>

A detail of compensation, benefits, and other payments paid to Mayor Carol Bourgeois for the year ended was as follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 29,772
Car allowance	<u>3,600</u>
Total	<u>\$ 33,372</u>

CITY OF JEANERETTE, LOUISIANA

Justice System Funding Schedule - Receiving Entity
 As Required by Act 87 of the 2020 Regular Legislative Session
 For the Year Ended June 30, 2023

Cash Basis Presentation	First Six Month Period Ended <u>12/31/2022</u>	Second Six Month Period Ended <u>06/30/2023</u>
Receipts From:		
Jeanerette City Court, Criminal Fines - Other	\$ <u>6,788</u>	\$ <u>2,788</u>
Ending Balance of Amounts Assessed but Not Received	<u>-</u>	<u>-</u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

1973 1/4% Sales Tax Fund

To account for the receipt and use of proceeds of the City's 1/4% sales and use tax levied since 1973.

1985 1/4% Sales Tax Fund

To account for the receipt and use of proceeds of the City's 1/4% sales and use tax levied since April 1985.

2004 1/4% Sales Tax Fund

To account for the receipt and use of proceeds of the City's 1/4% sales and use tax levied since April 2004.

Drug Interdiction Fund

To account for receipt and use of a grant received from the Federal Government through an interagency agreement for the Police Department Task Force.

Drainage Mosquito Fund

To account for the proceeds from the Iberia Parish Government to maintain drainage ways to control mosquito population.

Capital Project Funds

Street Improvement

To account for capital improvements within the City. Improvements are funded by federal grants and general fund monies.

Debt Service Funds

2005 General Obligation Bonds Fund

To accumulate monies for the General Obligation Bonds, Series 2005. Debt service is financed by specifically dedicated ad valorem tax levies.

2004 Water Plant Project

To accumulate monies for the General Obligation Bonds, Series 2004, which was used to construct the Water Treatment Plant, this fund is also used to record, Ad Valorem Taxes related to servicing the debt.

CITY OF JEANERETTE, LOUISIANA
Nonmajor Governmental Funds

Combining Balance Sheet
June 30, 2023

	Special Revenue Funds			Debt Service Funds			Capital Projects Funds	Total Nonmajor Governmental Funds	
	1973 1/4% Sales Tax	1985 1/4% Sales Tax	2004 1/4% Sales Tax	Drainage- Mosquito Control	Drug Interdiction	2005 General Obligation Refunding Bonds	Water Plant Project		Street Improvement 2016
ASSETS									
Cash and interest-bearing deposits	\$ 301,732	\$ 251,260	\$ 379,096	\$ 215,115	\$ 2,613	\$ 107,745	\$ 36,503	\$ 238,286	\$ 1,532,350
Due from other funds	4,747	4,747	4,747	-	-	-	231	83	14,555
Prepaid expenses	-	-	-	8,202	-	-	-	-	8,202
Total assets	<u>\$ 306,479</u>	<u>\$ 256,007</u>	<u>\$ 383,843</u>	<u>\$ 223,317</u>	<u>\$ 2,613</u>	<u>\$ 107,745</u>	<u>\$ 36,734</u>	<u>\$ 238,369</u>	<u>\$ 1,555,107</u>
Liabilities:									
Accrued salaries and related benefits	-	-	-	2,895	-	-	-	-	2,895
Due to other funds	-	-	-	28	-	-	-	-	28
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,923</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,923</u>
Fund balances:									
Nonspendable	-	-	-	8,202	-	-	-	-	8,202
Restricted	306,479	256,007	383,843	212,192	2,613	107,745	36,734	238,369	1,543,982
Total fund balances	<u>306,479</u>	<u>256,007</u>	<u>383,843</u>	<u>220,394</u>	<u>2,613</u>	<u>107,745</u>	<u>36,734</u>	<u>238,369</u>	<u>1,552,184</u>
Total liabilities and fund balances	<u>\$ 306,479</u>	<u>\$ 256,007</u>	<u>\$ 383,843</u>	<u>\$ 223,317</u>	<u>\$ 2,613</u>	<u>\$ 107,745</u>	<u>\$ 36,734</u>	<u>\$ 238,369</u>	<u>\$ 1,555,107</u>

CITY OF JEANERETTE, LOUISIANA
Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2023

	Special Revenue Funds				Debt Service Funds		Capital Projects Fund	Total Nonmajor Governmental Funds	
	1973 1/4% Sales Tax	1985 1/4% Sales Tax	2004 1/4% Sales Tax	Drainage Mosquito Control	Drug Interdiction	2005 General Obligation Refunding Bonds	Water Plant Project		Street Improvement 2016
Revenues									
Taxes	\$ 143,985	\$ 143,985	\$ 143,985	\$ -	\$ -	\$ -	\$ 79,250	\$ 59,426	\$ 570,631
Intergovernmental	-	-	-	149,412	-	-	-	-	149,412
Interest	3,112	1,819	2,802	1,946	-	887	22	1,515	12,103
Total revenues	<u>147,097</u>	<u>145,804</u>	<u>146,787</u>	<u>151,358</u>	<u>-</u>	<u>887</u>	<u>79,272</u>	<u>60,941</u>	<u>732,146</u>
Expenditures									
General governemnt	-	-	-	70,891	-	-	-	9,683	80,574
Capital outlay	-	-	-	143,399	-	-	-	-	143,399
Interest	-	-	-	-	-	-	33,976	-	33,976
Debt service	-	-	-	-	-	-	50,000	-	50,000
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>214,290</u>	<u>-</u>	<u>-</u>	<u>83,976</u>	<u>9,683</u>	<u>307,949</u>
Excess (deficiency) of revenues over expenditures	<u>147,097</u>	<u>145,804</u>	<u>146,787</u>	<u>(62,932)</u>	<u>-</u>	<u>887</u>	<u>(4,704)</u>	<u>51,258</u>	<u>424,197</u>
Other financing sources (uses):									
Transfers in	-	-	-	35,400	-	-	-	-	35,400
Transfers out	(130,000)	(26,000)	(26,000)	-	-	-	-	-	(182,000)
Total other financing sources (uses)	<u>(130,000)</u>	<u>(26,000)</u>	<u>(26,000)</u>	<u>35,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(146,600)</u>
Net change in fund balances	17,097	119,804	120,787	(27,532)	-	887	(4,704)	51,258	277,597
Fund balances, beginning	<u>289,382</u>	<u>136,203</u>	<u>263,056</u>	<u>247,926</u>	<u>2,613</u>	<u>106,858</u>	<u>41,438</u>	<u>187,111</u>	<u>1,274,587</u>
Fund balances, ending	<u>\$ 306,479</u>	<u>\$ 256,007</u>	<u>\$ 383,843</u>	<u>\$ 220,394</u>	<u>\$ 2,613</u>	<u>\$ 107,745</u>	<u>\$ 36,734</u>	<u>\$ 238,369</u>	<u>\$ 1,552,184</u>

CITY OF JEANERETTE, LOUISIANA

Statement of Net Position
 June 30, 2023
 With Comparative Totals for the Year Ended June 30, 2022

	Governmental Activities	Business Activities	Total	
			2023	2022
ASSETS				
Cash and cash equivalents	\$ 4,759,728	\$ 839,229	\$ 5,598,957	\$ 4,414,624
Receivables, net	160,668	234,661	395,329	426,337
Due from other governmental units	562,455	-	562,455	337,676
Prepaid expenses	95,727	14,675	110,402	97,227
Restricted assets:				
Cash and cash equivalents	-	517,187	517,187	314,768
Capital assets:				
Non-depreciable	631,073	1,782,811	2,413,884	921,120
Depreciable, net	4,980,458	10,267,438	15,247,896	15,754,916
Total assets	<u>11,190,109</u>	<u>13,656,001</u>	<u>24,846,110</u>	<u>22,266,668</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related	<u>834,530</u>	<u>21,089</u>	<u>855,619</u>	<u>261,207</u>
LIABILITIES				
Accounts and other payables	566,320	36,630	602,950	397,750
Accrued liabilities	88,660	15,224	103,884	91,258
Unearned revenue	83,697	-	83,697	723,334
Accrued interest	11,325	-	11,325	11,325
Interfund balances	(64,672)	64,672	-	-
Customer deposits payable	-	134,831	134,831	139,137
Long-term liabilities:				
Due within one year	50,000	48,015	98,015	100,967
Due in more than one year	1,410,000	2,034,232	3,444,232	3,538,169
Net pension liability	2,196,296	109,500	2,305,796	1,497,950
Total liabilities	<u>4,341,626</u>	<u>2,443,104</u>	<u>6,784,730</u>	<u>6,499,890</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related	<u>368,115</u>	<u>30,051</u>	<u>398,166</u>	<u>826,667</u>
NET POSITION				
Net investment in capital assets	4,201,531	9,968,002	14,169,533	13,075,575
Restricted for:				
Sales Tax	1,731,024	-	1,731,024	-
Capital improvements	471,049	-	471,049	-
Public works	450,561	-	450,561	-
Other purposes	2,613	-	2,613	1,071,471
Debt service	83,154	382,356	465,510	1,521,325
Unrestricted	374,966	853,577	1,228,543	(467,053)
Total net position	<u>\$ 7,314,898</u>	<u>\$ 11,203,935</u>	<u>\$ 18,518,833</u>	<u>\$ 15,201,318</u>

CITY OF JEANERETTE, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2023
With Comparative Totals for the Year Ended June 30, 2022

Activities	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		Total	
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	2023	2022
Governmental activities:								
General government	\$ 1,701,796	\$ 9,458	\$ 631,177	\$ 2,994,343	\$ 1,933,182	\$ -	\$ 1,933,182	\$ (384,586)
Public safety:								
Police	654,655	-	33,472	-	(621,183)	-	(621,183)	(581,471)
Fire	164,597	-	-	-	(164,597)	-	(164,597)	(95,335)
Highways and streets	528,714	-	2,775	-	(525,939)	-	(525,939)	(631,533)
Interest	33,976	-	-	-	(33,976)	-	(33,976)	(44,381)
Total governmental activities	<u>3,083,738</u>	<u>9,458</u>	<u>667,424</u>	<u>2,994,343</u>	<u>587,487</u>	<u>-</u>	<u>587,487</u>	<u>(1,737,306)</u>
Business-type activities:								
Water and sewer	<u>1,759,577</u>	<u>1,642,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(116,984)</u>	<u>(116,984)</u>	<u>11,084</u>
Total	<u>\$ 4,843,315</u>	<u>\$ 1,652,051</u>	<u>\$ 667,424</u>	<u>\$ 2,994,343</u>	<u>587,487</u>	<u>(116,984)</u>	<u>470,503</u>	<u>(1,726,222)</u>
General revenues:								
Taxes -								
Property taxes					757,954	-	757,954	684,268
Sales and use taxes					1,007,895	-	1,007,895	1,028,844
Franchise taxes					255,004	-	255,004	244,799
Other taxes					123,767	-	123,767	118,930
Grants and contributions restricted to specific programs -								
Federal sources					-	-	-	1,156,210
State sources					-	-	-	6,587
License and permits					76,905	-	76,905	-
Gain on disposition of capital assets					-	-	-	1,498
Non-employer pension contribution					44,756	1,196	45,952	50,287
Interest and investment earnings					82,689	15,727	98,416	9,965
Miscellaneous					375,057	106,062	481,119	192,825
Transfers					(1,506,222)	1,506,222	-	-
Total general revenues and transfers					<u>1,217,805</u>	<u>1,629,207</u>	<u>2,847,012</u>	<u>3,494,213</u>
Change in net position					1,805,292	1,512,223	3,317,515	1,767,991
Net position, beginning					<u>5,509,606</u>	<u>9,691,712</u>	<u>15,201,318</u>	<u>13,433,327</u>
Net position, ending					<u>\$ 7,314,898</u>	<u>\$ 11,203,935</u>	<u>\$ 18,518,833</u>	<u>\$15,201,318</u>

CITY OF JEANERETTE, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2023

With Comparative Totals for the Year Ended June 30, 2022

	General	1% Sales Tax	Sewer Treatment Plant Upgrade	Other Governmental Funds	Total	
					2023	2022
ASSETS						
Cash and cash equivalents	\$1,845,191	\$ 882,187	\$ 500,000	\$ 1,532,350	\$ 4,759,728	\$ 3,596,303
Taxes receivable	14,454	-	-	-	14,454	14,454
Due from other funds	67,646	446	80,435	14,555	163,082	226,862
Due from other governmental units	93,725	-	468,730	-	562,455	337,676
Other receivables	64,800	-	-	-	64,800	132,703
Prepaid expenses	87,525	-	-	8,202	95,727	84,714
Total assets	<u>\$2,173,341</u>	<u>\$ 882,633</u>	<u>\$ 1,049,165</u>	<u>\$ 1,555,107</u>	<u>\$ 5,660,246</u>	<u>\$ 4,392,712</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 3,544	\$ -	\$ 562,776	\$ -	\$ 566,320	\$ 365,500
Payroll liabilities	68,186	-	-	958	69,144	74,175
Deferred Revenue	-	-	-	-	-	639,637
Other liabilities	2,840	-	-	-	2,840	-
Compensated absences payable	15,711	-	-	1,937	17,648	-
Due to other funds	68,801	14,241	15,340	28	98,410	173,995
Total liabilities	<u>159,082</u>	<u>14,241</u>	<u>578,116</u>	<u>2,923</u>	<u>754,362</u>	<u>1,253,307</u>
Deferred inflows of resources						
Unavailable tax revenues	<u>13,550</u>	<u>83,697</u>	<u>-</u>	<u>-</u>	<u>97,247</u>	<u>97,247</u>
Fund balances:						
Nonspendable	87,525	-	-	8,202	95,727	84,714
Restricted	-	784,695	471,049	1,543,982	2,799,726	1,954,315
Committed	122,631	-	-	-	122,631	58,058
Unassigned	1,790,553	-	-	-	1,790,553	945,071
Total fund balances	<u>2,000,709</u>	<u>784,695</u>	<u>471,049</u>	<u>1,552,184</u>	<u>4,808,637</u>	<u>3,042,158</u>
Total liabilities and fund balances	<u>\$2,173,341</u>	<u>\$ 882,633</u>	<u>\$ 1,049,165</u>	<u>\$ 1,555,107</u>	<u>\$ 5,660,246</u>	<u>\$ 4,392,712</u>

CITY OF JEANERETTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds

For the Year Ended June 30, 2023

With Comparative Totals for the Year Ended June 30, 2022

	General	1% Sales Tax	Sewer Treatment Plant Upgrade	Other Governmental Funds	Total	
					2023	2022
Revenues:						
Taxes	\$ 864,614	\$ 575,940	\$ -	\$ 570,631	\$ 2,011,185	\$ 1,939,422
Licenses and permits	76,905	-	-	-	76,905	79,646
Intergovernmental	2,124,166	-	1,388,189	149,412	3,661,767	1,809,965
Fines and forfeits	9,458	-	-	-	9,458	8,870
Miscellaneous	441,490	4,153	-	12,103	457,746	343,499
Total revenues	<u>3,516,633</u>	<u>580,093</u>	<u>1,388,189</u>	<u>732,146</u>	<u>6,217,061</u>	<u>4,181,402</u>
Expenditures:						
Current -						
General government	1,342,699	-	11,492	80,574	1,434,765	1,308,797
Public safety						
Police	654,655	-	-	-	654,655	590,499
Fire	164,597	-	-	-	164,597	132,288
Highways and streets	528,714	-	-	-	528,714	423,128
Capital outlay	196,174	-	-	143,399	339,573	905,639
Interest	-	-	-	33,976	33,976	94,910
Debt service	-	-	-	50,000	50,000	1,888,972
Total expenditures	<u>2,886,839</u>	<u>-</u>	<u>11,492</u>	<u>307,949</u>	<u>3,206,280</u>	<u>5,344,233</u>
Excess (deficiency) of revenues over expenditures	629,794	580,093	1,376,697	424,197	3,010,781	(1,162,831)
Other financing sources (uses)						
Loan proceeds	-	-	-	-	-	1,550,000
Transfers in	811,465	-	521,119	35,400	1,367,984	938,822
Transfers out	(521,119)	(482,400)	(1,426,767)	(182,000)	(2,612,286)	(717,015)
Total other financing sources (uses)	<u>290,346</u>	<u>(482,400)</u>	<u>(905,648)</u>	<u>(146,600)</u>	<u>(1,244,302)</u>	<u>1,771,807</u>
Net change in fund balances	920,140	97,693	471,049	277,597	1,766,479	608,976
Fund balances, beginning	<u>1,080,569</u>	<u>687,002</u>	<u>-</u>	<u>1,274,587</u>	<u>3,042,158</u>	<u>2,433,182</u>
Fund balances, ending	<u>\$ 2,000,709</u>	<u>\$ 784,695</u>	<u>\$ 471,049</u>	<u>\$ 1,552,184</u>	<u>\$ 4,808,637</u>	<u>\$ 3,042,158</u>

CITY OF JEANERETTE, LOUISIANA

Statement of Net Position
 Proprietary Fund - Enterprise Fund
 June 30, 2023

With Comparative Totals for the Year Ended June 30, 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 839,229	\$ 730,645
Accounts receivable, net	234,661	246,080
Due from other funds	1,664	-
Prepaid expenses	<u>14,675</u>	<u>12,513</u>
Total current assets	<u>1,090,229</u>	<u>989,238</u>
Noncurrent assets:		
Restricted cash and cash equivalents	517,187	402,445
Capital assets:		
Non-depreciable	1,782,811	71,602
Depreciable, net	<u>10,267,438</u>	<u>10,727,956</u>
Total noncurrent assets	<u>12,567,436</u>	<u>11,202,003</u>
Total assets	<u>13,657,665</u>	<u>12,191,241</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension related	<u>21,089</u>	<u>3,620</u>
LIABILITIES		
Current liabilities:		
Accounts and other payables	36,630	32,250
Other liabilities	9,694	13,079
Accrued liabilities	5,530	4,975
Due to other funds	66,336	52,867
Revenue bonds payable from restricted assets	<u>48,015</u>	<u>50,967</u>
Total current liabilities	<u>166,205</u>	<u>154,138</u>
Noncurrent liabilities:		
Customers' deposits payable	134,831	139,137
Revenue bonds	2,034,232	2,078,169
Net pension liability	<u>109,500</u>	<u>89,384</u>
Total noncurrent liabilities	<u>2,278,563</u>	<u>2,306,690</u>
Total liabilities	<u>2,444,768</u>	<u>2,460,828</u>
DEFERRED INFLOWS OF RESOURCES		
Pension related	<u>30,051</u>	<u>42,321</u>
NET POSITION		
Net investment in capital assets	9,968,002	8,670,422
Restricted for debt service	382,356	-
Unrestricted	<u>853,577</u>	<u>1,021,290</u>
Total net position	<u>\$ 11,203,935</u>	<u>\$ 9,691,712</u>

CITY OF JEANERETTE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position
 Proprietary Fund - Enterprise Fund
 Year Ended June 30, 2023
 With Comparative Totals for the Year Ended June 30, 2022

	<u>2023</u>	<u>2022</u>
Operating revenues:		
Charges for services		
Water sales	\$ 712,119	\$ 728,334
Sewer service charges	463,764	478,236
Garbage revenue	346,681	344,948
Connections and installation	23,621	26,821
Penalties	95,775	98,628
Miscellaneous	633	1,345
	<u>1,642,593</u>	<u>1,678,312</u>
Operating expenses:		
Salaries and benefits	89,494	87,893
Payroll taxes	3,376	3,279
Group insurance	5,988	5,437
Retirement	6,704	(5,755)
Supplies and repairs	87,692	98,556
Utilities and telephone	170,637	127,698
Office expnse	20,860	21,235
Insurance	40,297	27,563
Chemicals	37,640	54,626
Consulting and testing fees	47,424	44,543
Depreciation expense	505,752	535,294
Garbage service contract	403,263	360,588
Equipment Rental	-	25,302
Bad debts	24,481	4,124
Professional fees	260,110	222,494
Miscellaneous	5,800	7,175
Total operating expenses	<u>1,709,518</u>	<u>1,620,052</u>
Operating income (loss)	<u>(66,925)</u>	<u>58,260</u>
Nonoperating revenues (expenses):		
Interest income	15,727	946
Interest expense	(50,059)	(47,176)
Other income	106,062	115,231
Non-employer pension contributions	1,196	2,398
Total nonoperating revenues	<u>72,926</u>	<u>71,399</u>
Income before transfers	6,001	129,659
Transfers in	1,836,717	522,375
Transfers out	(330,495)	(371,807)
Total transfers	<u>1,506,222</u>	<u>150,568</u>
Change in net position	1,512,223	280,227
Net position, beginning	<u>9,691,712</u>	<u>9,411,485</u>
Net position, ending	<u>\$ 11,203,935</u>	<u>\$ 9,691,712</u>

CITY OF JEANERETTE, LOUISIANA

Statement of Cash Flows
 Proprietary Fund - Enterprise Funds
 For the Year Ended June 30, 2023
 With Comparative Totals for the Year Ended June 30, 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Receipts from customers	\$ 1,647,544	\$ 1,679,637
Payments to suppliers	(1,097,209)	(1,018,281)
Payments to employees	<u>(114,630)</u>	<u>(125,177)</u>
Net cash provided by operating activities	<u>435,705</u>	<u>536,179</u>
Cash flows from noncapital financing activities:		
Cash paid to other funds	(188,689)	119,449
Other receipts	<u>107,258</u>	<u>118,974</u>
Net cash provided (used) by noncapital financing activities	<u>(81,431)</u>	<u>238,423</u>
Cash flows from capital and related financing activities:		
Principal paid on bonds and notes	(46,889)	(49,772)
Interest and fiscal charges paid on bonds	(50,059)	-
Acquisition of capital assets	<u>(49,726)</u>	<u>(372,375)</u>
Net cash used by capital and related financing activities	<u>(146,674)</u>	<u>(422,147)</u>
Cash flows from investing activities:		
Interest on investments	<u>15,727</u>	<u>947</u>
Net change in cash and cash equivalents	223,327	353,402
Cash and cash equivalents, beginning of period	<u>1,133,089</u>	<u>779,687</u>
Cash and cash equivalents, end of period	<u>\$ 1,356,416</u>	<u>\$ 1,133,089</u>

CITY OF JEANERETTE, LOUISIANA

Statement of Cash Flows (continued)
 Proprietary Fund - Enterprise Funds
 For the Year Ended June 30, 2023
 With Comparative Totals for the Year Ended June 30, 2022

	<u>2023</u>	<u>2022</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ (66,925)	\$ 11,084
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	505,752	535,294
Bad Debt	-	4,124
(Increase) decrease in current assets		
Accounts receivable, net	11,419	(16,519)
Prepaid	(2,162)	(4,727)
Inflows - pension balances	(17,469)	15,065
Increase (decrease) in current liabilities		
Accounts payable	(32,250)	32,250
Other payables	(3,385)	-
Salaries payable	555	(2,189)
Retainage payable	36,630	-
Customer deposits	(4,306)	713
Net pension liability	20,116	(67,575)
Outflows - pension balances	<u>(12,270)</u>	<u>30,004</u>
Net cash provided by operating activities	<u>\$ 435,705</u>	<u>\$ 537,524</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:		
Cash and cash equivalents, beginning of period -	<u>\$ 1,133,089</u>	<u>\$ 779,687</u>
Cash and cash equivalents, end of period -		
Cash and interest-bearing deposits - unrestricted	839,229	818,321
Cash and interest-bearing deposits - restricted	<u>517,187</u>	<u>314,768</u>
Total cash and cash equivalents	<u>1,356,416</u>	<u>1,133,089</u>
Net change	<u>\$ 223,327</u>	<u>\$ 353,402</u>

OTHER INFORMATION

CITY OF JEANERETTE, LOUISIANA

Schedule of Insurance in Force
June 30, 2023

<u>Description of Coverage</u>	<u>Coverage Amount</u>
Workmen's Compensation - Employer's Liability	\$ 1,000,000
Surety Bonds - Crime - Employee Theft Incl. Faithful Performance	\$ 200,000
Public Officials Errors and Omissions	\$ 1,000,000
Comprehensive General Liability, Bodily Injury, and Property Damage	\$ 1,000,000
Comprehensive Automobile Liability	\$ 1,000,000
Fire, Lightning, and Extended Coverage - Buildings and Contents, All Risks Except Flood and Earthquake	\$ 2,000,000
Equipment Breakdown	\$ 6,025,291
Inland Marine - Scheduled City owner Equipment	\$ 368,627
Fire Department	
General Liability	\$ 1,000,000
Auto Liability	\$ 1,000,000
Management Liability	\$ 1,000,000

CITY OF JEANERETTE, LOUISIANA
Utility Fund

Schedule of Number of Customers
For the Year Ended June 30, 2023

Records maintained by the City indicated the following number of customers were being serviced during the month of June, were as follows:

<u>Department</u>	<u>Residential</u>	<u>Commercial</u>
Water (metered)	1,791	128
Sewerage	1,676	103
Sanitation	1,630	-

Commercial customers are responsible for providing their sanitation needs

CITY OF JEANERETTE, LOUISIANA
Utility Fund

Schedule of Water and Sewerage Rates
For the Year Ended June 30, 2023

Water Rates

Residential (inside corporate limits):

\$16.50 per month for the first 2,000 gallons
\$ 4.00 per thousand or part thereof over 2,000 gallons.

Residential (outside corporate limits):

\$17.50 per month for the first 2,000 gallons
\$ 7.00 per thousand or part thereof over 2,000 gallons.

Commercial or industrial users (inside corporate limits):

\$22.00 per month for the first 2,000 gallons
\$ 5.00 per thousand or part thereof over 2,000 gallons.

Commercial or industrial users (outside corporate limits):

\$24.00 per month for the first 2,000 gallons
\$ 7.00 per thousand or part thereof over 2,000 gallons.

Sewerage Rates

Residential:

A basic rate of \$14.50 for the first 2,000 gallons, then \$2.50 per 1,000 gallons.

Commercial:

A basic rate of \$15.50 for the first 2,000 gallons, then \$3.00 per 1,000 gallons.

**INTERNAL CONTROL, COMPLIANCE
AND
OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable Carol Bourgeois, Mayor,
and Members of the Board of Aldermen
City of Jeanerette, Louisiana

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Jeanerette, Louisiana (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise City's basic financial statements and have issued our report thereon dated December 28, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of current and prior year audit findings and management's corrective action plan as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* which is described in the accompanying schedule of current and prior year audit findings and management's corrective action plan 2023-002.

City of Jeanerette, Louisiana's Response to Findings

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

Purpose of this Report

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

Abbeville, Louisiana
December 28, 2023

CITY OF JEANERETTE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
And Management's Corrective Action Plan
Year Ended June 30, 2023

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

A. Internal Control Over Financial Reporting

2023-001 Material Adjustments to the Financial Statements

Fiscal year finding initially occurred: 2022

CONDITION: During the performance of audit procedures, audit adjustments were proposed to correct misstatements that, individually and in the aggregate, were material to the City's financial statements.

CRITERIA: Internal control is a process – effected by those charged with governance, management, and other personnel – designed to provide reasonable assurance about the achievement of the entity's objectives with regard to the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations.

The identification by the auditor of a material misstatement of the financial statements under audit in circumstances that indicate that the misstatement would not have been detected by the City's internal control is an indicator of a material weakness in internal control.

CAUSE: The cause of the condition is failure by management to design and implement effective internal controls such that there is a reasonable possibility that a material misstatement will be prevented or detected and corrected on a timely basis by management or employees, in the normal course of performing their assigned functions.

EFFECT: The effect of the condition is that financial statements may contain a material misstatement that is not detected and corrected.

RECOMMENDATION: The City should develop and implement procedures to ensure that material misstatements in the financial statements are identified and corrected in a timely manner.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The City has an outside CPA firm retained to assist with this issue.

CITY OF JEANERETTE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
And Management's Corrective Action Plan (continued)
Year Ended June 30, 2023

B. Compliance

2023-002 Local Government Budget Act

Fiscal year finding initially occurred: 2022

CONDITION: Expenditures and other sources exceeded the budget by greater than five percent in the 1% Sales Tax Fund.

CRITERIA: LSA-RS 39:1311 et seq, Budgetary Authority and Control, provides for amending the budget when total revenue plus projected revenue are failing to meet total budgeted revenues by 5% or more, or when total expenditures and other sources plus projected expenditures exceed budgeted expenditures by 5% or more.”

CAUSE: The condition is a result of failure to properly amend the budget as required by state statutes.

EFFECT: The City may not prevent and/or detect compliance violations due to under receipt or over expending of the appropriated budget and errors or irregularities on a timely basis.

RECOMMENDATION: The City should implement procedures to ensure that budgets are amended when required.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Management will properly monitor the City's monthly expenditures to make sure the City remains within its fiscal budget.

CITY OF JEANERETTE, LOUISIANA

Schedule of Current and Prior Year Audit Findings
And Management's Corrective Action Plan (Continued)
Year Ended June 30, 2023

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

2022-001 Material Adjustments to the Financial Statements

CONDITION: During the performance of audit procedures, audit adjustments were proposed to correct misstatements that, individually and in the aggregate, were material to the City's financial statements.

RECOMMENDATION: The City should develop and implement procedures to ensure that material misstatements in the financial statements are identified and corrected in a timely manner.

CURRENT STATUS: Unresolved. See Finding 2023-001.

2022-003 Theft of Assets

CONDITION: During the current fiscal year, it was discovered that beginning on a date prior to June 30, 2022, an employee of the City Fire Department initiated personal transactions using a City issued fuel card. The total unauthorized transactions were calculated to be \$4,640.42. This matter was investigated by the City Police Department and turned over to the District Attorney for prosecution.

RECOMMENDATION: The City should evaluate internal controls over fuel cards to ensure they are reviewed by management on a timely basis.

CURRENT STATUS: Resolved.

B. Compliance and Other Matters

2022-002 Local Government Budget Act

CONDITION: Revenues in the General Fund failed to meet the budgeted revenues by greater than five percent.

RECOMMENDATION: The City should implement procedures to ensure that budgets are amended when required.

CURRENT STATUS: Partially resolved.

City of Jeanerette
Jeanerette, Louisiana

Statewide Agreed-Upon Procedures

Fiscal period July 1, 2022 through June 30, 2023

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Mr. Carol Bourgeois, Mayor
and City of Jeanerette
and the Louisiana Legislative Auditor:

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

Board or Finance Committee

- 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) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Bank Reconciliations

3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations include written evidence that a member of management or a 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 it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections (excluding electronic funds transfers)

4. Obtain 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. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - a) Employees responsible for cash collections do not share cash drawers/registers;
 - b) Each employee responsible for collecting cash is not also 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; and
 - 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, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedures #3 (select the next deposit date chronologically if no deposits were made on the dates randomly selected 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.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.
 - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

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

- 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 procedure #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, then 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 or 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; and
 - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- [Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.]
- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and
 - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
 - 11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

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

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. 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 whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g. each card should have 10 transactions subject to inspection). 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). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

15. 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 and 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, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
 - 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 Policies and Procedures (procedure #1g); and
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

16. 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 whether 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 whether 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 and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment, the documented approval); and
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

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

Ethics

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

Debt Service

23. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued as required by Article VII, Section 8 of the Louisiana Constitution.
24. 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 (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Fraud Notice

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled. As required by R.S. 24:523.
26. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Prevention of Sexual Harassment

29. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #17, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S 42:343.
30. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

31. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements;
 - b) Number of sexual harassment complaints received by the agency;
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - e) Amount of time it took to resolve each complaint.

Findings:

No exceptions were found as a result of procedures list above with the exception of:

Policies & Procedures:

The City does not have policies and procedures addressing contracting.

The City does not have policies and procedures addressing travel and travel-related expense reimbursements.

The City does not have policies and procedures addressing continuing disclosure, debt reserve requirements, or debt service requirements.

The City does not have policies and procedures addressing information technology disaster recovery/business continuity.

The City does not have policies and procedures addressing annual employee sexual harassment training or annual sexual harassment reporting.

Information Technology Disaster Recovery/Business Continuity:

We performed the procedures and discussed the results with management.

Management's Response:

The City concurs with the exceptions and are working to address the deficiencies identified.

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Abbeville, Louisiana
December 28, 2023

CITY OF JEANERETTE

Compliance Examination Engagement

For the Year Ended June 30, 2023

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT

Mr. Carol Bourgeois Jr., Mayor
And the Members of the City Council
City of Jeanerette, Louisiana

We have examined the City of Jeanerette, Louisiana's (hereinafter "City") compliance with the compliance requirements "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds" of the CSLFRF section of the 2021 OMB Compliance Supplement, including Addendum 1 and Addendum 2 (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") during the year ended June 30, 2023. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in the "Requirements for an Alternative CSLFRF Compliance Examination Engagement." Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, the City complied, in all material respects, with the specified requirements referenced above during the year ended June 30, 2023.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud, and noncompliance with provisions of laws, regulations, contracts or grant agreements that have a material effect on the City's compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on the City's compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

Intended Purpose

The purpose of this examination report is solely to express an opinion on whether the City complied, in all material respects with the specified requirements referenced above during the year ended June 30, 2023. Accordingly, this report 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

Abbeville, Louisiana
December 28, 2023