

CITY OF SLIDELL, LOUISIANA

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2023**

Submitted by:

Department of Finance

Blair Ellinwood
Director

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INTRODUCTORY SECTION



The City of Slidell

P.O. Box 828, Slidell, Louisiana 70459
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GREG CROMER
MAYOR

December 8, 2023

To the Honorable Mayor Greg Cromer, Members of the Slidell City Council and
Citizens of the City of Slidell:

State law requires that all governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that deadline, we hereby issue the annual comprehensive financial report of the City of Slidell, Louisiana (the "City") for the fiscal year ended June 30, 2023.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Ericksen Krentel, L.L.P., a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2023 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards. These reports are included in the Single Audit Section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Slidell, the largest municipality in St. Tammany Parish, was founded in 1888. The City's system of government is established by its Home Rule Charter, which was adopted in 1978. The Louisiana Constitution prohibits the state legislature from enacting any law affecting the structure, organization, or distribution of the power and functions of any local subdivision that operates under a Home Rule Charter.

The City has a Mayor-Council form of government. The governing council is responsible, among other things, for passing ordinances and adopting the budget. The Mayor is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members and the Mayor serve four-year terms and are limited to two consecutive terms. Seven of the council members are elected by district. The Mayor and the two remaining council members are elected at large.

The City provides a full range of services including police protection, water and sewer services; airport facilities; the construction and maintenance of highways, streets, drainage and infrastructure; recreational activities and cultural events. The financial reporting entity consists of the primary government and other organizations for which the primary government is financially accountable. The City is financially accountable for three legally separate economic development districts. The Fremaux Economic Development District, the Camellia Square Economic Development District, and the Northshore Square Economic Development District are reported separately within the City's financial statements. Additional information on these legally separate entities can be found in the notes to the financial statements (see Note 17).

The annual budget serves as the foundation for the City's financial planning and control. All departments of the City are required to submit requests for appropriation to the Mayor on or before mid-January each year. The Mayor uses these requests as the starting point for developing a proposed budget. The Mayor then presents this proposed budget to the council for review by April 1st. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than June 30th. Operating budgets are prepared by fund and by department. Department heads may make transfers of appropriations within a department, as authorized by the Mayor. The transfer of appropriations between departments requires the approval of the governing council. The Mayor also recommends to the City Council a capital improvement program for the next five years and a capital budget by project for the first year of the program. The City Council is obligated to approve a capital budget program and adopts the capital budget concurrently with the annual operating budget. Transfers between capital project line items require approval by the City Council. Unexpended capital appropriations carry over for a total of three years or until re-appropriated.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, Sales Tax Fund, Grants and Donations Fund, Public Safety Fund, and American Rescue Plan Fund this comparison is presented on pages 72 through 78 as part of the basic financial statements for the governmental funds. For other governmental funds with an appropriated annual budget, this comparison is presented in the governmental fund subsection of this report, which is presented on pages 88 through 90.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local economy

Slidell (population: approximately 29,000) is located in the southeastern portion of St. Tammany Parish - about 20 miles from New Orleans. The City is uniquely located at the intersection of 3 interstates - Interstate 10, 12 and 59. The City is primarily a residential area that continues to benefit from population growth and commercial development. Due to its proximity to New Orleans, residents have access to broad and diverse employment opportunities. The City's transportation accessibility, low business costs, availability of labor, superb school system, low crime rate, and first-rate medical facilities encourage continued growth.

Slidell has traditionally served as a retail center for the unincorporated areas of southeastern St. Tammany Parish which contributes to the City's major source of revenue, sales tax. For fiscal years ending 2020, 2021 and 2022, the City experienced a sales tax growth rate of 4.12%, 18.71% and 8.77%, respectively. The City experienced a decrease of 2.13% in fiscal year 2023. City anticipates sales tax to level out in fiscal year 2024.

The average unemployment rate in St. Tammany Parish and the New Orleans metropolitan area is 3.32% and 4.30%, respectively.

Long-term financial planning

Twenty years ago the City embarked on a \$30 million capital improvement program that included issuance of general obligation bonds for drainage projects, sales tax revenue bonds for street projects, and utility revenue bonds for water and sewer projects. With the end of debt service on those bonds, the City embarked on another large scale capital improvement plan of a similar magnitude. In 2010 and 2016 the city issued \$10 million and \$12 million, respectively, in General Obligation Bonds for streets, bridges and drainage improvements. The 2020 and 2021 budgets include funding in the Utility Fund to provide debt service for issuance of \$18.9 million in utility revenue bonds. The City entered into a loan agreement in 2018 for a 0.95% interest rate loan from the DEQ Clean Drinking Water Revolving Loan Fund Program to finance \$10 million in improvements to the wastewater treatment plant and to fund \$6.4 million in improvements to sewer lift stations. As of June 30, 2023, \$13,172,381 has been drawn on this line of credit. The City has also been given approval from the EPA Clean Drinking Water Revolving Loan Fund Program for a 2.45% interest rate loan to fund \$2.6 million for water system distribution improvements. The City closed on this loan in 2021. As of June 30, 2022, \$2,566,268 has been drawn on this line of credit.

The City has been awarded a \$10 million watershed initiative. This funding will be utilized to upgrade several culverts and increase the size of a channel that runs towards a pump station, retrofitting it with an earthen bottom to allow infiltration, but with reinforced slopes to protect from erosion. It will

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Slidell for its annual comprehensive financial report (ACFR) for the fiscal year ended June 30, 2022. This is the thirty-fifth consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that the current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted.

Blair Ellinwood
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Slidell
Louisiana**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

**CITY OF SLIDELL, LOUISIANA
PRINCIPAL ELECTED OFFICIALS
JUNE 30, 2023**

MAYOR

Greg Cromer – Mayor

COUNCIL MEMBERS

William Borchert – Councilman-at-Large

Jeff Burgoyne – Councilman-at-Large

Leslie Denham – District A

David Dunham – District B

Megan Haggerty – District C

Nick DiSanti – District D

Kenneth Tamborella – District E

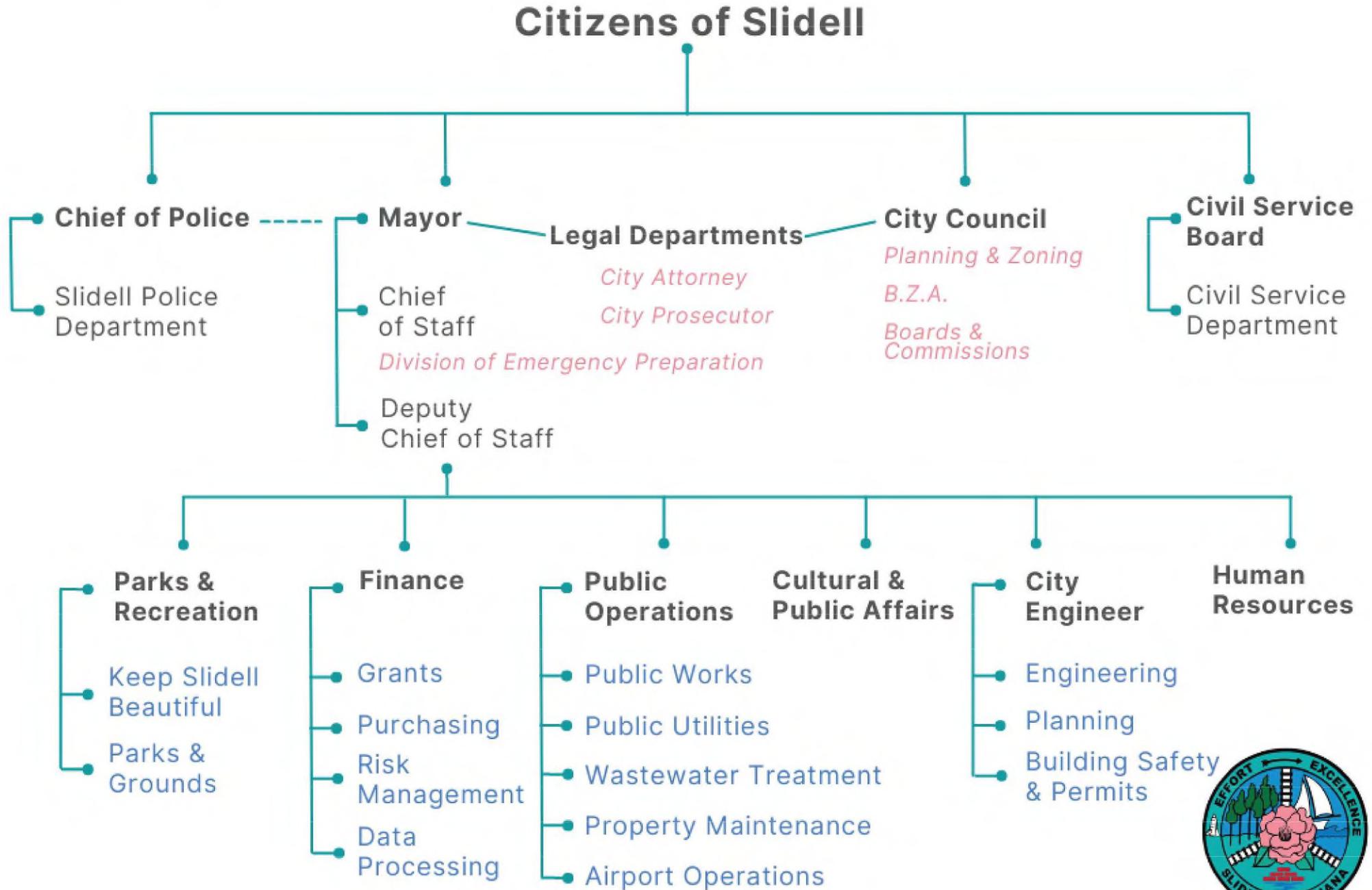
Trey Brownfield – District F

Cynthia King – District G

CHIEF OF POLICE

Randy Fandal – Chief of Police

Government of the City of Slidell
 Organization Plan



FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Slidell, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Slidell, Louisiana (the "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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Slidell, Louisiana, 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 of Slidell, Louisiana 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.



To the Honorable Mayor and Members of the City Council
City of Slidell, Louisiana
December 8, 2023

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 of Slidell, Louisiana'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.

Auditors' 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 of Slidell, Louisiana'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 of Slidell, Louisiana'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.



To the Honorable Mayor and Members of the City Council
City of Slidell, Louisiana
December 8, 2023

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net OPEB liability and related ratios, schedule of employer contributions, schedule of proportionate share of the net pension liability and schedule of contributions - retirement plan on pages 5 through 14 and 80 through 83 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Slidell, Louisiana's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



To the Honorable Mayor and Members of the City Council
City of Slidell, Louisiana
December 8, 2023

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but 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 8, 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 the City's internal control over financial reporting and compliance.

Mandeville, Louisiana
December 8, 2023

Ericksen Krentel, LLP
Certified Public Accountants

REQUIRED SUPPLEMENTARY INFORMATION - PART I

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023

Our discussion and analysis of the City of Slidell's (the "City") financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the transmittal letter on pages I through V and the City's financial statements, which begin on page 15.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 15 and 16) provide information about the activities of the City as a whole and present a long-term view of the City's finances.

Fund financial statements start on page 17. For governmental activities, these statements report how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as an agent for the benefit of those outside of the government.

The Statement of Net Position and the Statement of Activities

Our analysis of the City as a whole begins on page 7. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's financial activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. As such, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in them. You can think of the City's net position—the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources—as one way to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall financial health of the City.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities—Most of the City's basic services are reported here, including the police, public works, and parks departments, and general administration. Sales and use taxes, property taxes, franchise fees, and state and federal grants finance most of these activities.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

- **Business-type activities**—The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water and sewer system and airport are reported here.

Fund Financial Statements

Our analysis of the City's major funds begins on page 9. The fund financial statements begin on page 17 and provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City establishes other funds to help it control and manage money for particular purposes or to account for it to meet legal responsibilities for using certain taxes, grants, and other money. The City's two kinds of funds—governmental and proprietary—use different accounting approaches.

- **Governmental funds**—Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.
- **Proprietary funds**—When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

Reporting the City's Fiduciary Responsibilities

The City also holds certain assets in a fiduciary capacity for individuals, organizations and others. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position on page 26. We exclude these assets from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 28 of this report.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary basis reporting for the General Fund, Sales Tax Fund, Grants and Donations Fund, Public Safety Fund, and American Rescue Plan Fund, and changes in net OPEB liability and related ratios, employer contributions, proportionate share of net pension liability, and contributions-retirement plan. Required supplementary information can be found on pages 72 to 82 of this report.

The combining statements of non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 86 to 87 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$232.4 million at the close of fiscal year 2023 as compared to \$227.4 million at the close of fiscal year 2022.

Table 1
Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 55,869	\$ 79,706	\$ 27,658	\$ 26,754	\$ 113,527	\$ 106,460
Capital assets	163,987	166,179	72,268	66,618	236,255	232,797
Total assets	249,857	245,885	99,925	93,372	349,782	339,257
Total deferred outflows of resources	15,253	9,632	2,039	1,893	17,293	11,525
Long-term liabilities	81,885	69,806	27,586	19,998	109,470	89,804
Other liabilities	15,399	12,491	2,338	4,579	15,738	17,070
Total liabilities	95,284	82,297	29,924	24,577	125,208	106,874
Total deferred inflows of resources	7,741	14,890	1,707	2,591	9,448	17,481
Net investment in capital assets	156,239	158,904	55,780	58,281	212,019	217,185
Restricted	13,644	12,048	785	785	14,629	12,833
Unrestricted	(7,999)	(12,622)	13,769	9,031	5,771	(3,591)
Total net position	\$ 162,085	\$ 158,330	\$ 70,334	\$ 68,097	\$ 232,419	\$ 226,427

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

Table 2
Changes in Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	\$ 5,778	\$ 5,632	\$ 12,777	\$ 11,007	\$ 18,555	\$ 16,639
Operating grants	2,753	3,765	-	-	2,753	3,765
Capital grants	4,987	7,330	101	469	5,088	7,799
General revenues:						
Sales tax	27,684	28,136	-	-	27,684	28,136
Property tax	5,234	5,000	2,565	2,412	7,798	7,412
Other tax	2,545	2,287	-	-	2,545	2,287
Other general revenue	3,096	49	2,203	125	5,299	174
Total revenues	52,078	52,199	17,645	14,013	69,722	66,212
Program Expenses						
General government	13,596	13,633	-	-	13,596	13,633
Public works	14,695	16,693	-	-	14,695	16,693
Public safety	16,512	11,281	-	-	16,512	11,281
Recreation and culture	3,829	2,915	-	-	3,829	2,915
Judicial system	801	572	-	-	801	572
Interest on long-term debt	391	485	-	-	391	485
Utilities	-	-	12,261	10,866	12,261	10,866
Airport	-	-	1,647	1,729	1,647	1,729
Total expenses	49,823	45,579	13,908	12,595	63,731	58,174
Excess before transfers	2,255	6,620	3,737	1,418	5,991	8,036
Transfers	1,500	1,108	(1,500)	(1,108)	-	-
Increase in net assets	\$ 3,755	\$ 7,728	\$ 2,237	\$ 310	\$ 5,991	\$ 8,036
Ending net position from						
Statement of Activities	\$ 162,085	\$ 158,330	\$ 70,334	\$ 68,097	\$ 232,419	\$ 226,427

By far the largest portion of the City's net position (91.22%) reflects its net investment in capital assets (e.g. infrastructure, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens, consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (6.29%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is \$5.77 million.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

At the end of the current fiscal year and the prior fiscal year, the City is able to report positive balances in all three categories of net position for its separate business-type activities and is able to report positive balances in two of three categories for governmental activities.

The City's net position increased \$5.991 million during the current fiscal year.

Governmental Activities

Governmental activities increased the City's net position by \$3.755 million in 2023.

Total revenue from governmental activities decreased \$121 thousand or 0.23% in 2023. Revenue from sales tax (\$28.14 million in 2022) decreased by \$452 thousand million primarily due to the slowing down of the economy. Grant funding (operating and capital) decreased by \$3.35 million in grant funding primarily due to a decrease in FEMA funding, as the City closes out Hurricane Katrina projects. Other general revenues increased by \$3.05 million primarily due to the increase in interest rates.

Total expenses for governmental activities increased by \$4.24 million or 9.31% in 2023. Program expenses for public safety increased by \$5.23 million due to the addition of long-term transactions in the government wide conversion (changes in net other post-employment benefits liability and net pension liability). Public works decreased by \$1.20 or 11.97% in 2023 when compared to 2022 primarily due to a decrease in grants and contributions having no public works expenditures.

Business-type Activities

Business-type activities increased the City's net position by \$2.24 million in 2023.

Total revenue for business-type activities increased by \$3.63 million in 2023. The charges for service increased by \$748 thousand primarily due to a 5% CPI increase to the base water and sewer billing rate. Other general revenues increased by \$2.08 million due to changes in net other post-employment benefits liability and net pension liability.

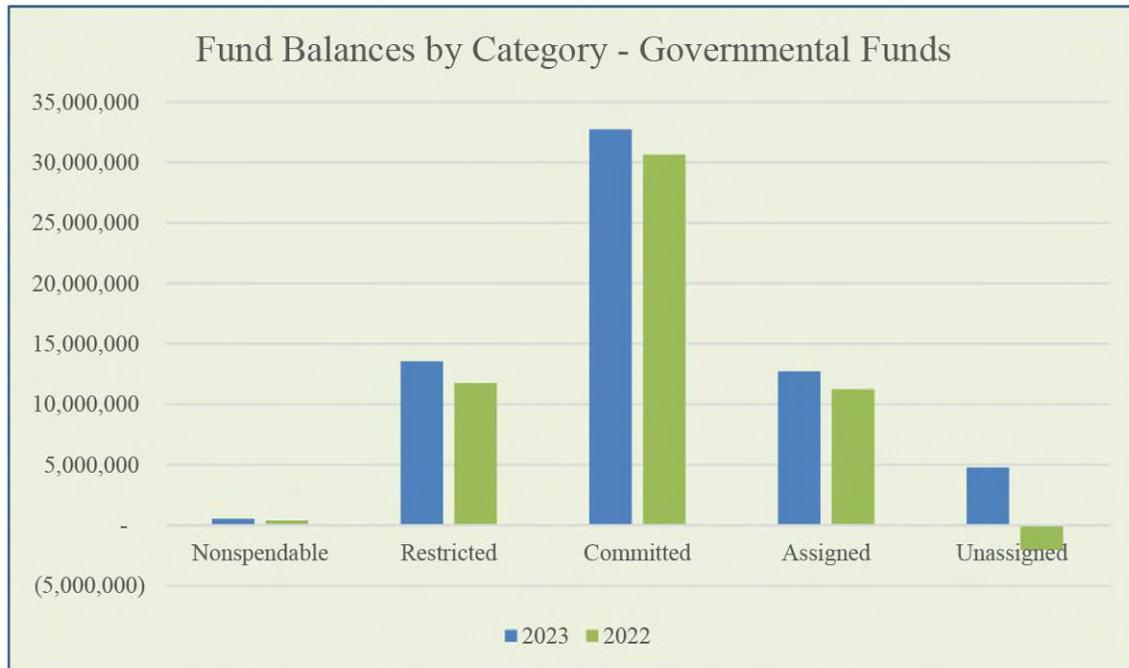
Total program expenses for business-type activities increased by \$1.31 million or 10.43%. Salaries, wages and related benefits increased by \$948 thousand due to the implementation of a new pay scale that gave on average employees a 6.42% raise. Repairs and maintenance costs increased by \$278 thousand due to aging fixed assets.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

As of the end of the current fiscal year, the City’s governmental funds reported combined ending fund balances of \$64.287 million, an increase of \$12.35 million from 2022. Governmental fund revenues exceeded expenditures by \$11.13 million and the net transfer from other funds was \$1.21.



Of the total fund balance amount, \$50.22 million or 78.11% is reported as unrestricted fund balance, either committed, assigned, or unassigned. The unrestricted fund balance includes \$32.72 million in committed funds which are formally dedicated by City Council ordinance for specific purposes. As of June 30, 2023, \$18.85 million is committed for capital outlay, \$10.78 million is committed for contingencies, and \$3.09 million is committed for operating reserves. Approximately \$12.63 million, or 19.65%, are funds which are assigned for specific purposes in accordance with an ordinance of the City Council and other assignments based on the purpose of the individual governmental fund. Assigned fund purposes include assignments for public safety, public improvements, and compensated absences. The General Fund has \$6.94 million in unassigned fund balance, which is available for spending at the government’s discretion. The Grants and Donations Fund has an unassigned deficit fund balance of \$1.64 million. The remainder of fund balance is either non-spendable (0.82%) or restricted (21.07%). Restricted fund balance of \$13.54 million is primarily restricted to debt service and capital outlay for unexpended bond proceeds.

Fund balance in the General Fund increased by \$3.49 million during the current fiscal year.

Total revenue in the General Fund increased by \$3.05 million or 43.72% in 2023. Revenue from other revenues increased by \$2.58 million primarily due to increase in interest rates. Revenue from franchise fees increased by \$242 thousand or 10.94%. Licenses and permits increased \$201 thousand primarily due to an increase in the number of occupational licenses issued.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

Total expenditures in the General Fund increased by \$485 thousand or 8.11% in 2023 primarily due to the implementation of a new pay scale that gave on average employees a 6.42% raise.

Transfers from the General Fund decreased by \$3.05 primarily due to the City, in fiscal year 2022, established a self-insurance fund and differences in General Fund support of City Capital Project Fund in accordance with budgetary authorizations.

Fund balance in the Sales Tax Fund decreased \$314 thousand in the current fiscal year.

Revenue in the Sales Tax Fund decreased by \$2.11 million in 2023. Beginning July 1, 2013, a portion of the sales tax revenue stream that was previously recorded in the Sales Tax Fund was rededicated by voter approval to be used for police department operations. Accordingly, sales tax revenue is recorded in both the Sales Tax Fund and the Public Safety Fund. The Sales Tax Fund recorded sales tax revenue of \$14.86 million and \$16.97 million in 2023 and 2022, respectively. The Public Safety Fund recorded sales tax revenue of \$12.82 million and \$11.16 million in 2023 and 2022, respectively. Overall, total revenue from sales tax collections decreased \$451 thousand or 1.61% in 2023.

Expenditures in the Sales Tax Fund decreased \$617 thousand or 5.16% from 2022 to 2023. Capital expenditures decreased \$1.897 million or 73.15%. Fluctuations in capital expenditures from one year to the next are common. Capital appropriations are for a minimum three-year period because capital projects often require time for design and engineering before more cost intensive construction occurs. General government, public works, and recreation and culture expenditures increased by 1.37%, 24.14% and 14.50% primarily due to the implementation of a new pay scale for employees that gave on average employees a 6.42% raise. Public works additionally increased due to an increase in repairs and maintenance due to aging equipment.

The Public Safety Fund was established in 2014 to account for the City's police department, which is primarily funded by a portion of re-dedicated 1987 sales and use tax. The balance of funding comes from an operating transfer from the General Fund, property tax, state supplemental pay, fines and service charges. The growth in sales tax revenue is discussed above. Operating expenditures in the Public Safety Fund increased by \$938 thousand or 6.75% primarily due to a shortage of staffing in fiscal year 2022 when compared to 2023 along with the implementation of a new pay scale for civilian police department employees that gave on average employees a 6.42% raise.

The Grants and Donations Fund accounts for various grants and donations that are not accounted for in other funds. Total revenues were \$9.79 million and total expenditures were \$6.03 million resulting in a net increase in fund balance of \$3.72 million for the 2023 fiscal year-end. Reimbursements that are not received within 60 days after fiscal year end are recorded as a deferred inflow on the balance sheet of governmental funds. The City recorded \$2.49 million and \$6.27 million for deferred inflows related to grants as of June 30, 2023 and 2022, respectively.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

The American Rescue Plan Fund was created to account for funding received under the American Rescue Plan Act of 2021. The City received \$4.76 million and has allocated the funding for the following projects: water meter replacement, aeration blowers, governmental software, and police software. Most projects will begin in fiscal year 2024.

The General Obligation Bonds 2016 Fund was created in 2017 to account for the proceeds and uses of General Obligation Bonds, Series 2016. The proceeds of the bonds are dedicated to street, bridge and drainage improvements. In 2023, revenue from interest income totaled \$230 thousand and expenditures totaled \$409 thousand primary for street repairs.

The City Capital Construction Fund was created to record all capital projects funded by sales tax, general revenues and insurance proceeds. In 2023, the revenue from insurance settlement totaled \$286 thousand as a result of Hurricane Ida claims. Expenditures totaled \$2.82 million which included \$1.63 to updating the tennis courts, \$506 thousand on drainage and concert work, \$328 thousand to updating John Slidell gym and park. As of June 30, 2023, \$50 thousand of the settlement has been spent to repairing the police evidence building, fences and parks.

General Fund Budgetary Highlights

The City Council revised the 2023 original adopted budget for the General Fund twice. The first budget amendment utilized prior year surplus to increase capital expenditures by \$5.88 million. It also, reallocated previously dedicated funding on projects that have been completed to new projects in the amount of \$2.51 million. This included closed projects in the Sales Tax Fund, City Capital Fund, Public Works Capital Fund, GOB 2010 and GOB 2016. The second budget amendment increased interest revenues by \$110 thousand and moved employee health insurance costs of \$13 thousand between the finance department and human resources department due to a change in staffing levels.

By budgetary policy, revenue and expenditure estimates are prepared with a conservative bias. Overall, General Fund revenue in 2023 experienced a positive variance of 55.74% from the final adopted budget. Actual expenditures of \$6.47 million were \$687 thousand less than the final adopted budget primarily due the conservative bias in expenditure forecasting.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the City had \$233.8 million invested in a broad range of capital assets, including police and public works equipment, buildings, park facilities, roads, drainage, bridges, airport facilities, wastewater treatment plant, water lines, and sewer lines (See Table 3). This amount represents a net increase (including additions and deductions) of \$1.04 million from last year.

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

Table 3
Capital Assets at Year-end
(Net of Depreciation, In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2023	2022	2023	2022	2023	2022
Land	\$ 22,397	\$ 21,977	\$ 76	\$ 76	\$ 22,473	\$ 22,053
Building and building improvements	30,064	30,082	870	958	30,934	31,040
Land improvements	4,537	3,640	2,409	2,712	6,946	6,352
Machinery and equipment	2,928	2,826	1,687	2,155	4,614	4,981
Vehicles	900	929	152	152	1,052	1,081
Right-of-use vehicles	251	-	800	-	1,051	-
Infrastructure	95,822	91,041	48,456	44,341	144,278	135,382
Construction-in-progress	6,238	15,684	17,301	16,224	23,539	31,908
Total net position	<u>\$ 163,137</u>	<u>\$ 166,179</u>	<u>\$ 71,749</u>	<u>\$ 66,618</u>	<u>\$ 234,887</u>	<u>\$ 232,797</u>

Capital asset additions for governmental activities (\$7.87 million) in 2023 include \$5.31 million for construction-in-progress, \$3.11 million for street rehabilitation primarily funded by General Obligation Bonds and grants, \$1.83 million for recreation projects and remaining for building repairs. Capital additions for business-type activities (\$8.061 million) in 2023 include \$6.38 million for construction-in-progress primarily for wastewater treatment plant improvements and upgrades to lift stations funded by utility revenue bonds.

More detailed information about the City's capital assets is presented in Note 4 to the financial statements.

Debt

At year-end, the City had \$29.52 million in bonds and notes outstanding versus \$23.02 million last year as shown in Table 4.

Table 4
Outstanding Debt, at Year-end
(In Thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2023	2022	2023	2022	2023	2022
General obligation bonds (backed by property tax)	\$ 13,550	\$ 14,675	\$ -	\$ -	\$ 13,550	\$ 14,675
Revenue bonds and notes (backed by specific tax and fee revenue)	-	-	15,974	8,345	15,974	8,345
Total outstanding debt	<u>\$ 13,550</u>	<u>\$ 14,675</u>	<u>\$ 15,974</u>	<u>\$ 8,345</u>	<u>\$ 29,524</u>	<u>\$ 23,020</u>

CITY OF SLIDELL, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
JUNE 30, 2023

In 2023, principal additions were \$0 and \$8.52 million in the governmental and business type activities and principal reductions were \$1.13 million and \$891 thousand in the governmental and business-type activities, respectively. Standards & Poor Global Ratings assigned its "AA" rating and stable outlook to the City's General Obligation Bonds. The State limits the amount of general obligation debt that cities can issue to 35% of the assessed value of all taxable property within the City's corporate limits. The City's outstanding general obligation debt (\$13.55 million) is significantly below this \$105.43 million state-imposed limit.

The City is self-insured with excess coverage for workers' compensation, general liability, auto liability, and employee medical. Claims and judgments of \$2.69 million and \$3.56 million were outstanding for the years ended 2023 and 2022, respectively. Other obligations include compensated absences (\$1.62 million), net other post-employment benefit liability (\$38.70 million) and net pension liability (\$35.29 million).

More detailed information about the City's long-term liabilities is presented in Notes 6, 7, 8, 12 and 13 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Original Adopted Budget 2024

Total budgeted revenues for operations in 2024 are \$64.68 million, and budgeted expenditures for departmental operations, debt service, grant related expenditures and capital outlay/reserves are \$50.08 million, \$3.05million, \$8.71 million, and \$2.84 million, respectively.

Sales tax revenue which represents 45.43% of recurring revenue in the 2024 budget is budgeted with a conservative bias and is monitored very carefully throughout the year. Although the 2024 budget for sales tax revenue was estimated to approximate 2023 budgeted sales tax revenue, actual revenue for the first four months of 2024 is 2.36% less than the first four months of 2023. This decrease is attributed to slowing down of purchasing by consumers. Property tax rates are 26.09 mills in 2023 and 2024 budget respectively. Collections from various utility fees and charges were projected to grow in accordance with the annual rate adjustment based on the increase in the consumer price index. All other revenue and expenditure projections were budgeted with a conservative bias.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director's Office at 2045 Second Street, Slidell, Louisiana or by phone at (985)-646-4316.

BASIC FINANCIAL STATEMENTS

CITY OF SLIDELL, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2023

	PRIMARY GOVERNMENT			COMPONENT UNITS		
	Governmental Activities	Business-type Activities	Total	Fremaux EDD	Northshore Square EDD	Camellia Square EDD
ASSETS:						
Cash and cash equivalents	\$ 62,199,118	\$ 24,405,930	\$ 86,605,048	\$ -	\$ -	\$ -
Investments	2,260,647	-	2,260,647	-	-	-
Receivables, net of allowances for uncollectibles						
Taxes	3,133,955	45,242	3,179,197	133,511	19,085	35,290
Water, sewerage, and garbage	-	1,178,215	1,178,215	-	-	-
Unbilled receivables	-	783,935	783,935	-	-	-
Other	55,541	190,110	245,651	-	-	-
Inventory	186,963	202,883	389,846	-	-	-
Prepaid items	399,676	34,700	434,376	-	-	-
Due from other funds	19,201	(19,201)	-	-	(63)	-
Due from other governments	4,165,845	25,360	4,191,205	-	-	-
Due from local entities	5,458	-	5,458	-	-	-
Restricted assets						
Cash and cash equivalents	12,329,746	785,124	13,114,870	1,269,742	181,481	48,937
Investments	300,000	-	300,000	-	-	-
Lease receivable						
Current portion	815,109	25,330	840,439	-	-	-
Long-term portion	850,176	518,128	1,368,304	-	-	-
Capital assets not being depreciated	28,635,357	17,376,210	46,011,567	-	-	-
Capital assets being depreciated, net of accumulated depreciation	134,501,909	54,373,254	188,875,163	-	-	-
Total assets	249,856,701	99,925,310	349,782,011	1,405,255	209,503	82,227
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred charges on refundings	205,177	3,722	208,899	-	-	-
Pensions	11,919,222	1,426,182	13,345,404	-	-	-
Other post employment benefits	5,150,905	609,451	5,760,356	-	-	-
Total deferred outflows of resources	17,275,304	2,039,355	19,314,659	-	-	-
LIABILITIES:						
Accounts payable and other current liabilities	12,474,799	2,338,117	14,812,916	62,985	220	383
Due to other governments	924,698	-	924,698	57	-	62
Non-current liabilities						
Leases						
Due within one year	52,769	166,094	218,863	-	-	-
Due in more than one year	198,028	634,731	832,759	-	-	-
Bonds payable						
Due within one year	1,206,803	1,012,000	2,218,803	(70,441)	-	-
Due in more than one year	12,928,430	14,961,639	27,890,079	8,540,000	-	-
Compensated absences and claims						
Due within one year	2,280,064	43,263	2,323,327	-	-	-
Due in more than one year	1,865,140	122,140	1,987,280	-	-	-
Other noncurrent liabilities						
Net other post employment benefits liability	32,396,196	6,306,130	38,702,326	-	-	-
Net pension liability	30,957,296	4,339,720	35,297,016	-	-	-
Total liabilities	95,284,223	29,923,844	125,208,067	8,552,701	220	445
DEFERRED INFLOWS OF RESOURCES:						
Leases	1,599,051	547,979	2,147,030	-	-	-
Other post employment benefits	5,271,258	1,026,084	6,297,342	-	-	-
Pensions	879,668	142,844	1,022,512	-	-	-
Total deferred inflows of resources	7,750,977	1,716,907	9,467,884	-	-	-
NET POSITION:						
Net investment in capital assets	156,259,316	55,779,537	212,038,853	-	-	-
Restricted for						
Debt service	2,692,680	785,124	3,477,804	1,067,522	-	-
Streets and drainage	10,851,861	-	10,851,861	-	-	-
Workers compensation	300,000	-	300,000	-	-	-
Unrestricted	(7,999,052)	13,769,253	5,770,201	(8,216,970)	200,283	81,782
Total net position (deficit)	\$ 162,084,805	\$ 70,333,914	\$ 232,418,719	\$ (7,149,448)	\$ 209,283	\$ 81,782

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position					
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-type Activities	Total	Frenaux EDD	Northshore Square EDD	Camellia Square EDD
PRIMARY GOVERNMENT:										
Governmental Activities:										
General government	\$ 13,595,859	\$ 4,169,992	\$ 1,545,338	\$ -	\$ (7,880,619)	\$ -	\$ (7,880,619)	\$ -	\$ -	\$ -
Public works	14,694,682	4,150	-	4,493,820	(10,286,712)	-	(10,286,712)	-	-	-
Public safety	16,511,773	1,269,878	1,085,761	94,997	(14,071,127)	-	(14,071,127)	-	-	-
Recreation and culture	3,828,543	68,426	121,953	489,386	(3,148,778)	-	(3,148,778)	-	-	-
Judicial system	891,372	274,423	-	-	(526,949)	-	(526,949)	-	-	-
Interest on long-term debt	390,671	-	-	-	(390,671)	-	(390,671)	-	-	-
Total governmental activities	49,522,900	5,777,779	2,753,052	4,987,213	(36,304,856)	-	(36,304,856)	-	-	-
Business-type Activities:										
Utilities										
Water	4,512,117	4,876,303	-	34,160	-	398,346	398,346	-	-	-
Sewer	5,214,942	5,179,243	-	-	-	(35,699)	(35,699)	-	-	-
Solid waste disposal	2,533,680	1,449,886	-	-	-	(1,083,794)	(1,083,794)	-	-	-
Airport	1,647,495	1,271,608	-	66,479	-	(309,408)	(309,408)	-	-	-
Total business-type activities	13,908,234	12,777,040	-	100,639	-	(1,030,555)	(1,030,555)	-	-	-
Total primary government	\$ 63,731,134	\$ 18,554,819	\$ 2,753,052	\$ 5,087,852	(36,304,856)	(1,030,555)	(37,335,411)	-	-	-
COMPONENT UNITS:										
Frenaux EDD	519,376	-	-	-	-	-	(519,376)	-	-	-
Northshore Square EDD	5,600	-	-	-	-	-	-	(5,600)	-	-
Camellia Square EDD	194,409	-	-	-	-	-	-	-	-	(194,409)
Total component units	\$ 719,385	\$ -	\$ -	\$ -	-	-	(519,376)	(5,600)	-	(194,409)
General Revenues										
Taxes:										
Ad Valorem					5,233,868	2,564,565	7,798,433	-	-	-
Sales and use					27,684,164	-	27,684,164	829,754	119,442	157,285
Franchise					2,451,090	-	2,451,090	-	-	-
Beer and tobacco					71,286	-	71,286	-	-	-
Other					22,669	-	22,669	-	-	34,262
Other general revenues					36,080	2,191,697	2,227,777	-	-	-
Investment earnings					2,923,193	11,433	2,934,626	41,877	4,607	1,129
Miscellaneous					137,170	-	137,170	-	-	-
Transfers					1,500,346	(1,500,346)	-	-	-	-
Total general revenues and transfers					40,059,866	3,267,349	43,327,215	871,631	115,049	192,676
Change in net position					3,755,010	2,236,794	5,991,804	352,255	109,449	(1,733)
Net position (deficit) - beginning of year, as restated					158,329,795	68,097,120	226,426,915	(7,561,703)	90,834	83,515
Net position (deficit) - end of year					\$ 162,084,805	\$ 70,333,914	\$ 232,418,719	\$ (7,149,448)	\$ 200,283	\$ 81,782

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

ASSETS

	Special Revenue							Capital Projects City Capital Construction Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Sales Tax Fund	Public Safety Fund	Grants and Donations Fund	American Rescue Plan Fund	General Obligation Bonds 2016 Fund	Debt Service Fund			
CURRENT ASSETS										
Cash and cash equivalents	\$ 11,277,650	\$ 21,441,126	\$ 7,286,041	\$ -	\$ -	\$ 87,997	\$ 401,678	\$ 10,269,240	\$ 7,711,425	\$ 55,415,160
Investments	-	-	-	-	-	-	2,260,647	-	-	2,260,647
Receivables, net of allowances for uncollectibles										
Taxes	744,229	2,333,345	26,026	-	-	-	30,355	-	-	3,133,955
Leases	-	-	-	-	-	-	-	-	1,665,297	1,665,297
Other	4,694	1,179	27,414	-	-	-	-	5,003	17,831	55,541
Due from other funds	2,052,482	-	-	45,527	-	-	-	-	-	2,098,019
Due from local entities	3,456	-	-	-	-	-	-	-	-	3,456
Due from other governments	25,154	40,251	65,630	3,292,873	-	-	-	-	742,757	4,165,845
Inventory	186,962	-	-	-	-	-	-	-	-	186,962
Prepaid items	238,542	43,805	57,520	9,844	-	-	-	-	675	350,441
Restricted assets										
Cash	39,464	-	-	644,370	4,606,281	6,565,116	-	-	447,990	12,324,221
Investments	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 14,579,015	\$ 23,759,705	\$ 7,463,690	\$ 3,992,624	\$ 4,606,281	\$ 6,674,113	\$ 2,692,680	\$ 10,214,243	\$ 10,593,986	\$ 84,572,567

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

LIABILITIES										
Accounts, salaries, and other payables	\$ 3,956,671	\$ 757,190	\$ 63,029	\$ 1,440,109	\$ 4,596,449	\$ 104,423	\$ -	\$ 1,361,947	\$ 241,420	\$ 12,331,506
Due to other funds	-	26,346	-	1,705,020	-	-	-	-	349,462	2,078,818
Due to other governments	-	924,698	-	-	-	-	-	-	-	924,698
Total liabilities	\$ 3,956,671	\$ 1,487,232	\$ 63,029	\$ 3,145,129	\$ 4,596,449	\$ 104,423	\$ -	\$ 1,361,947	\$ 590,882	\$ 15,435,022
DEFERRED INFLOWS OF RESOURCES										
Unavailable revenue - leases	-	-	-	-	-	-	-	-	1,599,071	1,599,071
Unavailable revenue - intergovernmental	-	40,251	35,489	2,491,319	-	-	-	-	768,548	3,435,607
Total deferred inflows of resources	-	\$ 40,251	\$ 35,489	\$ 2,491,319	-	-	-	-	\$ 2,367,599	\$ 4,934,654
FUND BALANCES										
Nonspendable										
Inventory	186,962	-	-	-	-	-	-	-	-	186,962
Prepaid items	238,542	43,805	57,520	9,844	-	-	-	-	675	340,601
Restricted for										
Debt service	-	-	-	-	-	-	2,692,680	-	-	2,692,680
Streets and drainage	-	-	-	-	9,832	6,569,690	-	-	4,272,359	10,651,861
Committed to										
Capital outlay	-	4,837,662	3,314,691	-	-	-	-	4,852,296	1,551,321	18,456,160
Contingencies	1,952,724	5,975,403	1,274,815	-	-	-	-	-	1,574,523	10,777,464
Operating reserves	566,606	1,820,000	700,000	-	-	-	-	-	-	3,086,606
Assigned to										
Compensated absences	694,000	-	-	-	-	-	-	-	-	694,000
Public improvements, facilities & equipment	-	9,554,352	-	-	-	-	-	-	367,663	9,922,015
Public safety	-	-	2,918,036	-	-	-	-	-	-	2,918,036
Unassigned	6,944,812	-	-	(1,641,824)	-	-	-	-	(441,016)	4,862,022
Total fund balances	10,833,144	22,241,222	7,367,312	(1,641,824)	9,832	6,569,690	2,692,680	8,552,296	7,627,805	64,267,957
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,579,015	\$ 23,759,705	\$ 7,463,690	\$ 3,992,624	\$ 4,606,281	\$ 6,674,113	\$ 2,692,680	\$ 10,214,243	\$ 10,593,986	\$ 84,572,567

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because

Funds balances, total governmental funds		\$ 64,287,857
Right-of-use assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		250,797
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		162,886,469
Deferred outflows of resources related to net pension liability are not reported in governmental funds		11,919,222
Deferred outflows of resources related to other postemployment benefit liability are not reported in governmental funds.		3,130,905
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Accrued interest payable	(142,664)	
Claims	(1,417,600)	
Compensated absences	(1,451,725)	
Other postemployment benefits liability	(32,396,196)	
Pension liability	(30,957,296)	
Bonds, notes, and loans payable (net of premiums, discounts and deferred charges)	<u>(14,135,233)</u>	
		<u>(80,500,714)</u>
The focus of governmental funds is on short-term financing; however, some assets will not be available to pay for current-period expenditures. Those assets are offset by unavailable revenue - intergovernmental in the governmental funds and are thus not included in fund balance.		3,538,784
Lease liabilities used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		(250,797)
Deferred inflows of resources related to net pension liability are not reported in governmental funds		(870,668)
Deferred inflows of resources related to other postemployment benefit liability are not reported in governmental funds.		(5,271,258)
Internal service funds are used by management to account for the accumulation of resources for and payment of employee health insurance claims, administration costs for processing medical claims and the cost of excess insurance premiums and, therefore, are not reported in the governmental funds		
Cash and cash equivalents	3,885,958	
Prepaid expenses	49,233	
Restricted assets		
Cash and cash equivalents	\$ 5,525	
Investments	<u>300,000</u>	
Total restricted assets	305,525	
Accounts payable and other current liabilities	<u>(1,276,508)</u>	
		<u>2,964,208</u>
Net position of governmental activities		<u>\$ 162,084,805</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue						Debt Service Fund	Capital Projects	Total Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Sales Tax Fund	Public Safety Fund	Grants and Donations Fund	American Rescue Plan Fund	General Obligation Bonds 2016 Fund		City Capital Construction Fund		
REVENUES:										
Taxes and assessments:										
Sales taxes	\$ -	\$ 14,859,895	\$ 12,624,269	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,484,164
Ad valorem	1,460,336	577,551	1,478,295	-	-	-	1,720,683	-	-	5,238,869
Franchise	2,451,090	-	-	-	-	-	-	-	-	2,451,090
Beer and tobacco	71,266	-	-	-	-	-	-	-	-	71,266
Other	22,669	-	-	-	-	-	-	-	-	22,669
Licenses and permits	2,776,896	-	-	-	-	-	-	-	-	2,776,896
Intergovernmental revenues:										
Federal and state grants	7,843	16,940	360,440	9,687,837	91,606	-	-	-	1,694,442	11,698,198
Other state and local governmental revenues	-	-	1,045,338	-	-	-	-	-	-	1,045,338
State supplemental pay	-	-	660,044	-	-	-	-	-	-	660,044
Fines and forfeitures	274,423	-	-	-	-	-	-	-	-	274,423
Service charges	247,152	68,426	260,250	-	-	-	-	-	1,144,786	1,660,616
Contributions	-	11,400	-	104,460	-	-	-	-	-	119,860
Other revenues, primarily interest net	2,715,697	4,210	17,546	-	9,832	269,790	(7,697)	266,296	14,716	3,271,694
Total revenues	19,027,362	17,537,522	16,523,187	9,796,297	101,438	269,790	1,712,966	266,296	3,073,948	57,269,846
EXPENDITURES:										
Current:										
General government	4,177,531	3,523,650	457,913	3,158,664	91,606	-	16,239	462,496	1,230,311	13,118,470
Public works	1,226,701	4,860,608	-	-	-	-	-	366,996	5,056	6,459,331
Public safety	-	-	13,421,179	186,483	-	-	-	-	-	13,607,664
Recreation and culture	387,154	2,298,911	-	30,084	-	-	-	43,448	-	2,721,597
Judicial system	682,234	-	-	-	-	-	-	-	75,000	758,234
Debt service:										
Principal retirement	-	-	18,720	-	-	-	1,125,000	-	-	1,143,720
Interest and fiscal charges	-	-	3,533	-	-	-	402,947	-	-	406,480
Bond issuance cost	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	696,007	943,076	2,605,677	-	408,668	-	2,316,874	404,768	7,976,042
Total expenditures	6,473,670	11,339,174	14,841,741	6,952,910	91,606	408,668	1,544,186	3,689,794	1,713,165	46,134,914
Excess (deficiency) of revenues over (under) expenditures	3,553,712	4,198,348	1,681,446	3,763,387	9,832	(137,878)	168,800	(3,403,498)	1,340,783	11,134,932
OTHER FINANCING SOURCES (USES):										
Inception of lease	-	-	269,517	-	-	-	-	-	-	269,517
Bond issuance	-	-	-	-	-	-	-	-	-	-
Bond escrow agent payment	-	-	-	-	-	-	-	-	-	-
Transfers in	1,028,940	521,192	-	-	-	42,125	-	4,583,096	164,706	6,340,049
Transfers (out)	(1,089,857)	(4,093,125)	-	(42,125)	-	-	-	-	(213,232)	(5,399,939)
Total other financing sources (uses)	(56,917)	(3,571,933)	269,517	(42,125)	-	42,125	-	4,583,096	(49,126)	1,214,617
Net change in fund balances	3,496,795	666,415	1,950,963	3,721,262	9,832	(135,753)	168,800	1,179,588	1,291,657	12,349,549
Fund balances - beginning of year, as restated	7,086,349	21,564,617	3,414,349	(5,363,086)	-	6,709,443	2,523,866	7,622,708	6,333,846	51,938,308
Fund balances - end of year	\$ 10,583,144	\$ 22,231,032	\$ 5,365,312	\$ (1,641,824)	\$ 9,832	\$ 6,573,690	\$ 2,692,666	\$ 8,802,296	\$ 7,625,203	\$ 64,287,857

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, 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

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances, total governmental funds	\$	12,349,549
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay	\$ 7,875,048	
Depreciation expense	<u>(10,916,986)</u>	(3,041,938)
<p>Right-of-use assets are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as amortization expense.</p>		
Right-of-use assets	\$ 282,288	
Amortization expense	<u>(18,720)</u>	263,568
<p>The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is issued, whereas these amounts are amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		1,166,803
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Accrued interest expense	(11,397)	
Claims	(53,023)	
Compensated absences	(176,994)	
Amortization of deferred charges	40,071	
Other postemployment benefits	(612,203)	
Pensions	(1,751,173)	
Non-employer contributions for pensions	<u>676,414</u>	(1,888,305)
<p>Revenue is reported in the Statement of Activities at the time it is earned, without regard to timeliness of collection:</p>		
Unavailable revenue - intergovernmental for the current year	3,335,607	
Less unavailable revenue - intergovernmental for the prior year	<u>(8,661,877)</u>	(5,326,270)
<p>Internal Service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal Service fund is recorded with governmental activities.</p>		
		<u>231,603</u>
Change in net position of governmental activities	\$	<u><u>3,755,010</u></u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Utilities Fund	Airport Fund	Total	
<u>ASSETS:</u>				
Current assets				
Cash and cash equivalents	\$ 23,311,036	\$ 1,094,894	\$ 24,405,930	\$ 3,885,958
Receivables, net of allowances for uncollectibles:				
Taxes	45,242	-	45,242	-
Water, sewerage, and garbage	1,178,215	-	1,178,215	-
Unbilled receivables	783,935	-	783,935	-
Other receivables	149,046	41,064	190,110	-
Inventory	156,860	46,023	202,883	-
Prepaid expenses	25,524	9,266	34,790	49,233
Due from other governments	1,098	24,262	25,360	-
Due from other funds	-	-	-	-
Lease receivable, current portion	-	25,330	25,330	-
Total current assets	25,650,956	1,240,839	26,891,795	3,935,191
Noncurrent assets				
Restricted assets				
Cash and cash equivalents	785,124	-	785,124	5,525
Investments	-	-	-	300,000
Lease receivable, net of current portion	-	518,128	518,128	-
Right-of-use assets	800,286	-	800,286	-
Capital assets, net of accumulated depreciation	67,402,598	3,546,580	70,949,178	-
Total noncurrent assets	68,988,008	4,064,708	73,052,716	305,525
Total assets	94,638,964	5,305,547	99,944,511	4,240,716
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>				
Deferred charges on refundings	3,722	-	3,722	-
Pensions	1,389,716	36,466	1,426,182	-
Other post employment benefits	573,601	35,850	609,451	-
Total deferred outflows of resources	1,967,039	72,316	2,039,355	-
<u>LIABILITIES:</u>				
Current liabilities:				
Accounts payable	2,118,992	172,052	2,291,044	629
Interest payable	47,073	-	47,073	-
Due to other funds	19,201	-	19,201	-
Bonds payable, current portion	1,012,000	-	1,012,000	-
Lease liability, current portion	166,094	-	166,094	-
Compensated absences	34,843	8,420	43,263	-
Total current liabilities	3,398,203	180,472	3,578,675	629
Non-current liabilities:				
Bonds payable, net of current portion	14,961,649	-	14,961,649	-
Claims payable	-	-	-	1,275,879
Compensated absences	98,368	23,772	122,140	-
Lease liability - current portion	634,731	-	634,731	-
Net other post employment benefits liability	5,935,181	370,949	6,306,130	-
Net pension liability	4,273,307	66,413	4,339,720	-
Total noncurrent liabilities	25,903,236	461,134	26,364,370	1,275,879
Total liabilities	29,301,439	641,606	29,943,045	1,276,508

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2023

	<u>Business-Type Activities - Enterprise Funds</u>			Governmental
	<u>Utilities</u>	<u>Airport</u>	<u>Total</u>	Activities - Internal Service Fund
<u>DEFERRED INFLOWS OF RESOURCES:</u>				
Leases	-	547,979	547,979	-
Other post employment benefits	965,726	60,358	1,026,084	-
Pensions	119,945	12,899	132,844	-
Total deferred inflows of resources	<u>1,085,671</u>	<u>621,236</u>	<u>1,706,907</u>	<u>-</u>
<u>NET POSITION:</u>				
Net investment in capital assets	51,432,133	3,546,580	54,978,713	-
Restricted for:				
Debt service	785,124	-	785,124	-
Workers compensation	-	-	-	300,000
Unrestricted	<u>14,001,636</u>	<u>568,441</u>	<u>14,570,077</u>	<u>2,664,208</u>
Total net position	<u>\$ 66,218,893</u>	<u>\$ 4,115,021</u>	<u>\$ 70,333,914</u>	<u>\$ 2,964,208</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Utilities</u>	<u>Airport</u>	<u>Total</u>
<u>OPERATING REVENUES:</u>			
Charges for services			
Water	\$ 4,647,962	\$ -	\$ 4,647,962
Sewer	4,974,075	-	4,974,075
Solid waste disposal	1,449,886	-	1,449,886
Connection charges	180,454	-	180,454
Fuel	-	1,165,185	1,165,185
Tie down and rental revenues	-	105,978	105,978
Penalties	253,055	445	253,500
Insurance	-	-	-
Total operating revenues	<u>11,505,432</u>	<u>1,271,608</u>	<u>12,777,040</u>
<u>OPERATING EXPENSES:</u>			
Salaries, wages and related benefits	3,274,836	266,466	3,541,302
Solid waste disposal	2,675,246	2,400	2,677,646
Repairs and maintenance	1,261,799	48,287	1,310,086
Fuel	-	736,031	736,031
Materials and supplies	469,761	8,489	478,250
Utilities	689,315	27,580	716,895
Gas and oil	101,920	-	101,920
Insurance	596,543	64,913	661,456
Office expense	13,686	2,185	15,871
Certification and training	3,663	961	4,624
Professional fees	579,622	40,851	620,473
Other	110,177	3,969	114,146
Depreciation	2,435,467	445,363	2,880,830
Amortization	48,704	-	48,704
Total operating expenses	<u>12,260,739</u>	<u>1,647,495</u>	<u>13,908,234</u>
Operating income (loss)	(755,307)	(375,887)	(1,131,194)
<u>NON-OPERATING REVENUES (EXPENSES):</u>			
Ad valorem taxes assessed for sewerage maintenance	1,412,456	-	1,412,456
Ad valorem taxes assessed for garbage service	1,152,109	-	1,152,109
Federal grants	34,160	66,479	100,639
Interest income	3,737	7,696	11,433
Interest and fiscal charges	(146,441)	-	(146,441)
Other revenues (expenses)	1,987,607	350,531	2,338,138
Total non-operating revenues	<u>4,443,628</u>	<u>424,706</u>	<u>4,868,334</u>
Income (loss) before contributions and transfers	3,688,321	48,819	3,737,140
Transfers in	31,225	-	31,225
Transfers out	(1,531,571)	-	(1,531,571)
Change in net position	2,187,975	48,819	2,236,794
Net position - beginning of the year	<u>64,030,918</u>	<u>4,066,202</u>	<u>68,097,120</u>
Net position - end of the year	<u>\$ 66,218,893</u>	<u>\$ 4,115,021</u>	<u>\$ 70,333,914</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Business-Type Activities - Enterprise Funds</u>			Governmental
	<u>Utilities</u>	<u>Airport</u>	<u>Total</u>	Activities - Internal <u>Service Fund</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>				
Receipts from customers and users	\$ 11,377,277	\$ 1,259,512	\$ 12,636,789	\$ 1,263,365
Payments to suppliers	(8,790,442)	(818,464)	(9,608,906)	(1,624,778)
Payments to employees	(5,042,166)	(252,418)	(5,294,584)	(466,939)
Net cash provided (used) by operating activities	<u>(2,455,331)</u>	<u>188,630</u>	<u>(2,266,701)</u>	<u>(828,352)</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING</u>				
<u>ACTIVITIES:</u>				
Transfers, net	(1,500,346)	-	(1,500,346)	555,246
Net payments to other funds	19,202	-	19,202	-
Property tax assessed for sewer maintenance	1,412,456	-	1,412,456	-
Property tax assessed for garbage service	1,152,109	-	1,152,109	-
Other non-operating revenue	1,987,607	350,534	2,338,141	130,573
Net cash provided (used) by non-capital financing activities	<u>3,071,028</u>	<u>350,534</u>	<u>3,421,562</u>	<u>685,819</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING</u>				
<u>ACTIVITIES:</u>				
Capital contributions	34,160	66,479	100,639	-
Principal payments on outstanding bonds	(891,000)	-	(891,000)	-
Proceeds from issuance of debt	8,519,373	-	8,519,373	-
Inception of lease	800,824	-	800,824	-
Interest expense on outstanding bonds	(117,260)	(523,680)	(640,940)	-
Purchase of capital assets	(7,538,063)	-	(7,538,063)	-
Proceeds from sale of capital assets	-	1,074	1,074	-
Net cash provided (used) by capital and related financing activities	<u>808,054</u>	<u>(456,127)</u>	<u>351,907</u>	<u>-</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>				
Receipts of interest income	3,737	7,696	11,433	3,139
Net cash provided by investing activities	<u>3,737</u>	<u>7,696</u>	<u>11,433</u>	<u>3,139</u>
Net decrease in cash and cash equivalents	1,427,468	90,733	1,518,201	(139,394)
Cash and cash equivalents, beginning of year	22,668,692	1,004,161	23,672,853	4,030,877
Cash and cash equivalents, end of year	<u>\$ 24,096,160</u>	<u>\$ 1,094,894</u>	<u>\$ 25,191,054</u>	<u>\$ 3,891,483</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Business-Type Activities - Enterprise Funds</u>			Governmental
	<u>Utilities</u>	<u>Airport</u>	<u>Total</u>	Activities - Internal <u>Service Fund</u>
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>				
Operating income (loss)	\$ (755,307)	\$ (375,887)	\$ (1,131,194)	\$ 97,892
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	2,484,171	445,363	2,929,534	-
Change in asset and liabilities				
(Increase) decrease in customer receivable	163,012	-	163,012	-
(Increase) decrease in lease receivable	-	101,766	101,766	-
(Increase) decrease in intergovernmental receivable	8,052	(12,146)	(4,094)	-
(Increase) decrease in unbilled charges	(139,292)	-	(139,292)	-
(Increase) decrease in prepaid items	82,961	(8,291)	74,670	(1,934)
(Increase) decrease in inventory	9,769	10,547	20,316	-
(Increase) decrease in other receivables	(159,928)	20,515	(139,413)	13,062
(Increase) decrease in deferred outflows on pension benefits	(601,286)	(47,836)	(649,122)	-
(Increase) decrease in deferred outflows on OPEB	485,615	13,801	499,416	-
Increase (decrease) in accounts payable	(2,381,440)	114,947	(2,266,493)	(20,802)
Increase (decrease) in compensated absences	6,944	2,254	9,198	-
Increase (decrease) in claims payable	-	-	-	(916,570)
Increase (decrease) in net pension liability	(2,049,619)	88,586	(1,961,033)	-
Increase (decrease) in OPEB liability	1,113,489	(3,338)	1,110,151	-
Increase (decrease) in deferred inflows on leases	-	(122,230)	(122,230)	-
Increase (decrease) in deferred inflows on pension benefits	(631,582)	(50,247)	(681,829)	-
Increase (decrease) in deferred inflows on other post-employment benefits	(90,890)	10,826	(80,064)	-
Net cash provided by operating activities	<u>\$ (2,455,331)</u>	<u>\$ 188,630</u>	<u>\$ (2,266,701)</u>	<u>\$ (828,352)</u>
<u>Noncash investing, capital and financing activities:</u>				
Bond refunding premiums/discounts	<u>\$ (3,374)</u>	<u>\$ -</u>	<u>\$ (3,374)</u>	<u>\$ -</u>
<u>Reconciliation of cash and cash equivalents to statement of net position:</u>				
Cash and cash equivalents, unrestricted	\$ 23,311,036	\$ 1,094,894	\$ 24,405,930	\$ 3,885,958
Cash and cash equivalents, restricted	<u>785,124</u>	<u>-</u>	<u>785,124</u>	<u>5,525</u>
Cash and cash equivalents, end of year	<u>\$ 24,096,160</u>	<u>\$ 1,094,894</u>	<u>\$ 25,191,054</u>	<u>\$ 3,891,483</u>

The accompanying notes are an integral part of this statement

CITY OF SLIDELL, LOUISIANA
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2023

	Custodial Fund
	Animal Assistance League of Slidell
<u>ASSETS:</u>	
Cash and cash equivalents	\$ 342,381
Restricted cash	92,168
Total assets	\$ 434,549
<u>LIABILITIES:</u>	
Accounts payable	\$ 3,290
Total liabilities	3,290
<u>NET POSITION:</u>	
Restricted for individuals, organizations, and others	431,259
Total net position	431,259
Total liabilities and net position	\$ 434,549

CITY OF SLIDELL, LOUISIANA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2023

	Custodial Fund <u>Animal Assistance League of Slidell</u>
<u>ADDITIONS:</u>	
Donations	\$ <u>105,316</u>
Total additions	<u>105,316</u>
<u>DEDUCTIONS:</u>	
Public safety	<u>74,810</u>
Total deductions	<u>74,810</u>
Net increase in fiduciary net position	30,506
Net position (deficit) - beginning of year	<u>400,753</u>
Net position (deficit) - end of year	<u><u>\$ 431,259</u></u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of City of Slidell, Louisiana (the “City”) have been prepared in conformity with generally accepted accounting principles (GAAP); these financial statements present the City as the primary government. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government’s accounting policies are described below.

Reporting Entity

The City is a municipal corporation governed by an elected nine-member Council. As required by GAAP, these financial statements present the City as the primary government. GAAP requires the financial statements of the reporting entity to present the primary government (the Council) and its component units. Component units are defined as legally separate organizations for which the elected officials of the primary government (the Council) are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization’s governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. Discretely presented component units are presented in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Discretely Presented Component Units

Fremaux Economic Development District, State of Louisiana

The Fremaux Economic Development District, State of Louisiana (the “District”) was created by an ordinance of the City Council of the City on March 25, 2008, pursuant to the Louisiana Cooperative Economic Development Law. On the same date, the Council passed ordinance number 3461 levying an additional sales tax of one percent (1%) in the District and passed ordinance number 3462 levying a hotel occupancy tax of one percent (1%) in the District. On December 13, 2011, the City Council adopted ordinance number 3636 to reduce the levy from one percent (1%) to one-half of one percent (0.50%). The District encompasses 89 acres of land where a mixed-use development is being constructed in multiple phases. The purpose of the District is to issue sales tax and hotel occupancy increment revenue bonds to reimburse a developer for economic development in the District. The audited financial statements for this entity may be obtained by contacting the Finance Director’s Office at 2045 Second Street, Slidell, Louisiana or by phone at (985) 646-4316.

The City of Slidell appoints the District’s governing body and can impose its will on the District, however, the District does not meet any of the blending criteria as set forth in GASB No. 61. Accordingly, the District has been determined to be a discretely presented component unit of the City.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity - Discretely Presented Component Units (continued)

Camellia Square Economic Development District, State of Louisiana

The Camellia Square Economic Development District, State of Louisiana (the "District") was created by an ordinance of the City Council of the City on September 12, 2012, pursuant to the Louisiana Cooperative Economic Development Law. On May 14, 2013, the Council passed ordinance number 3686 levying an additional sales tax of one percent (1%) in the District. The Council passed ordinance number 3487 levying a hotel occupancy tax of two percent (2%). The purpose of the District is to reimburse a developer for economic development (a shopping center and hotel) within the District. Fund financial statements are included in the Other Supplementary Information section of this report for the Camellia Square Economic Development District. Separate financials are not issued for this district since the City performs administrative and accounting services for the District.

The City appoints the District's governing body and can impose its will on the District; however, the District does not meet any of the blending criteria as set forth in GASB No. 61. Accordingly, the District has been determined to be a discretely presented component unit of the City.

Northshore Square Economic Development District, State of Louisiana

The Northshore Square Economic Development District, State of Louisiana (the "District") was created by an ordinance of the City Council of the City on September 23, 2014, pursuant to the Louisiana Cooperative Economic Development Law. Ordinance number 3753 levied a one half of one percent (0.5%) sales and use tax beginning April 1, 2015 for the purpose of paying the costs of economic development projects. The purpose of the District is to finance economic development projects within the District. Fund financial statements are included in the Other Supplementary Information section of this report for the Northshore Square Economic Development District. Separate financials are not issued for this district since the City performs administrative and accounting services for the District.

The City appoints the District's governing body and can impose its will on the District, however, the District does not meet any of the blending criteria as set forth in GASB No. 61. Accordingly, the District has been determined to be a discretely presented component unit of the City.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all the nonfiduciary activities of the City. The effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's governmental fund types:

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

Special revenue funds - Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. These funds account for the revenues and expenditures related to federal, state, and local grant and entitlement programs and special district funds established for various educational objectives.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Governmental Fund Types (continued)

Debt service funds - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

Capital projects funds - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Sales Tax Fund* accounts for the bond proceeds and subsequent debt service and expenditures funded by the City's one percent 1963 sales and use tax and a portion of one percent 1987 sales and use tax, which are primarily dedicated for public improvements.

The *Public Safety Fund* accounts for the City's police department that is primarily funded by that portion of the 1987 one percent sales and use tax, which is dedicated to public safety.

The *Grants and Donations Fund* accounts for federal and other grant programs not accounted for elsewhere.

The *American Rescue Plan Fund* accounts for the proceeds of coronavirus fiscal recovery funds received from the U.S. Department of the Treasury.

The *General Obligation Bond 2016 Fund* accounts for the use of bond proceeds dedicated to improvements to the City's streets, bridges and drainage.

The *Debt Service Fund* accounts for the payments of General Obligation Bonds, Series 2010; Refunding Bonds, Series 2016; General Obligation Bonds, Series 2016; and Refunding Bonds, Series 2021. The bonds are secured through the City's ad valorem and sales and use taxes.

The *City Capital Fund* accounts for monies received from an outside agency and proceeds from the sales of City property

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Proprietary Fund Types

Proprietary funds account for activities similar to those found in the private sector where the determination of net income is necessary or useful for sound financial administration and are used to account for the School System's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The School System's proprietary funds consist of two enterprise funds and an internal service fund.

The City reports the following major proprietary funds:

The *Utility Fund* accounts for the operations of the water and sewerage systems and the solid waste disposal system.

The *Airport Fund* accounts for operations of the Slidell Municipal Airport.

The *Self-Insurance Fund* accounts for the accumulation of resources for and payment of employee health insurance claims, administration costs for processing medical claims and the cost of excess insurance premiums.

Fiduciary Fund Types

Fiduciary funds are used to account for assets held by the School System in a trustee or agency capacity. The City maintains one fiduciary fund type custodial fund. The custodial fund is established to account for all monies held by the City in an agency capacity. Disbursements are made only in accordance with the purpose for which assets are received.

The City reports the following fiduciary fund:

A *Custodial Fund* is used to account for the activities of the private, non-profit Animal Assistance League of Slidell. This fund accounts for assets held by the City in a fiduciary capacity for individuals, organizations and/or other funds.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Utility Fund and Airport Fund are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses

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

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Accounting

Budget Policies – The City legally adopts annual budgets for only the General Fund and Special Revenue Funds in accordance with state law. The Mayor and City Council approve, prior to the beginning of each year, an annual operating budget prepared on the modified accrual basis for general governmental activities, except state supplemental pay (\$660,044 in 2023) to police officers is not treated as budgeted revenues and expenditures of the Public Safety Fund. Payments under capital leases are treated as expenditures in the year of payment for budgetary purposes. At the end of the fiscal year, unexpended and unencumbered appropriations of these funds automatically lapse except for capital outlay appropriations, which lapse after three fiscal years.

During the year, the Mayor may authorize transfers between line items within a department without Council approval. Upon request by the Mayor, the Council may amend departmental or fund level appropriations during the year. The budget data reflected in the Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budgetary Basis, (see pages 72 to 78 and 88 to 90) includes the effect of such appropriation amendments approved by the City Council during the current year. These amendments may reappropriate committed funds rolling forward from the previous year for various capital projects as well as amend the distributions of operating funds already appropriated.

Cash and Cash Equivalents

For the purpose of the Statement of Net Position, cash includes all demand, savings accounts, and certificates of deposit of the City. For the purpose of the proprietary funds Statement of Cash Flows, all highly liquid investments (including certificates of deposit) with maturity of three months or less when purchased are considered to be cash equivalents.

The City is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the United States, or laws of the United States. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. State Law R.S. 39:1225 provides that the amount of the security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposits insured by the United States.

Investments

State Law R.S. 33:2955 allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book-entry-only securities guaranteed by the U.S. government; time certificates of deposit of any bank domiciled or having a branch office in the state of Louisiana; savings accounts or shares of certain savings and loan associations and savings banks, certain accounts of federally or state chartered credit unions, and certain mutual or trust fund institutions.

Investments are stated at fair value in accordance with the Governmental Accounting Standards Board Statement (GASB) No. 31 *Accounting and Financial Reporting for Certain Investments and for External Investment Pools.*

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

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.

The permanent reallocation of resources between funds of the City are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated. Interfund services provided and used are not eliminated in the process of consolidation.

Payment in Lieu of Taxes

Costs associated with general governmental operations of the City are initially recorded in the General Fund. A portion of these costs is applicable to the administration and operation of the Utility Fund.

In the Utility Fund, the payment in lieu of taxes is made to the General Fund based on rates the General Fund would have charged a third party for the services provided. The rates are determined based on the current franchise and property millage tax rates.

Inventories and Prepaids

Inventories are valued at cost using the average cost method. Inventories in the governmental funds consist of materials and supplies held for consumption and are accounted for using the consumption method whereby individual items are recorded as expenditures when they are consumed. Inventories in the governmental funds are equally offset by non-spendable fund balance, which indicates that although inventories are a component of net current assets, they do not constitute “available spendable resources.” Inventories in the proprietary funds consist of chemicals, repair materials, and spare parts. These inventories are also accounted for using the consumption method.

Payments made to vendors for services that will benefit periods beyond June 30, 2023, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure expense in the year in which it was consumed.

Restricted Assets

Restricted cash on the Balance Sheet of the General Fund totals \$39,464, which represents primarily cash being held for Federal Asset Forfeiture.

Restricted cash on the Balance Sheet of the Grants and Donations Fund totals \$644,370, which represents cash received through grants and donations that are restricted for future activity.

Restricted cash on the Balance Sheet of the American Rescue Plan Fund of \$4,606,281 represents unspent proceeds related to the American Rescue Plan.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Assets (continued)

Restricted cash on the Balance Sheet of the General Obligation Bonds 2016 Fund of \$6,588,116 represents unspent bond proceeds and interest earnings related to the Series 2016 General Obligation Bond. A corresponding amount of fund balance is restricted as these monies are legally segregated for a specific future use.

Restricted cash on the Balance Sheet of the General Obligation Bonds 2010 Fund of \$445,990 represents unspent bond proceeds and interest earnings related to the Series 2010 General Obligation Bond. A corresponding amount of fund balance is restricted as these monies are legally segregated for a specific future use.

Restricted assets on the Statement of Net Position of the Utility Fund of \$785,124 represents funds which are required to be maintained pursuant to ordinances relating to the Utilities Revenue Bonds and Certificates of Indebtedness.

Restricted investments on the Statement of Net Position of the Self-Insurance Fund represent a certificate of deposit of \$300,000 required to be maintained and held by the Workers Compensation Fund (a State of Louisiana agency) as collateral against the City's self-insured portion of workers' compensation claims. A corresponding amount of fund balance is restricted as these monies are legally segregated for a specific future use.

Other restricted assets include the Fremaux Bond Fund, Fremaux Debt Service Fund, Camelia Square Development Fund, Northshore Development Fund, and Animal Assistance Fund. These funds represent unspent funds in relation to those activities. The balances are as follows: Fremaux Bond Fund, \$202,220. Fremaux Debt Service Fund, \$1,067,522. Camelia Square Development Fund, \$48,937. Northshore Development Fund, \$181,481. Animal Assistance Fund, \$92,168.

Lease Assets

The City is a lessor for noncancellable leases of City land and property. The City recognizes a lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. Under the lease agreements, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The City uses the stated rate in the lease or its estimated incremental borrowing rate as the discount rate for the leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lease Liability

The City is a lessee for noncancellable leases of land and equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements only.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

1. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
2. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.
3. The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Accounts Receivable

Accounts receivable are reported net of an allowance for uncollectibles in business-type activities. Uncollectible amounts for customers' utility fees receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the collectability of the particular receivable.

The water, sewerage and garbage receivable balance at June 30, 2023 of \$3,699,489 in the Utility Fund is net of an allowance for doubtful accounts of \$2,521,274.

Capital Assets and Depreciation Expense

Capital assets, which include land and land improvements, buildings, equipment, and infrastructure assets (streets, roads, bridges, canals, and sewer and drainage systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major additions are capitalized as projects are constructed.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets and Depreciation Expense (continued)

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

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Depreciation on all capital assets, excluding land and construction in progress, is calculated on the straight-line method over the following estimated useful lives.

Land improvements	7 to 20 years
Buildings and building improvements	20 to 50 years
Street system	10 to 20 years
Drainage system	20 years
Office equipment	4 to 10 years
Machinery and equipment	10 years
Vehicles	4 years
Bridges	25 years
Water system	20 to 50 years
Sewerage system	10 to 50 years

Pensions

The City is a participating employer in three defined benefit pension plans as described in Note 3. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from each plans' fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value within each plan.

Deferred Outflows and Inflows of Resources

The Statement of Net Position includes a separate section for Deferred Outflows of Resources. This represents the consumption of net assets that applies to future periods. This category includes deferred charge on refunding reported on the government-wide Statement of Net Position. The deferred charge on refunding is the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or the refunding debt. This category also includes amounts related to pensions and other post-employment benefits for certain actuarially determined differences projected and actual investment earnings.

The Statement of Net Position also includes a separate section for Deferred Inflows of Resources. This represents the acquisition of net assets applies to future periods. Currently, this category includes revenue received in advance, and amounts related to pensions and other post-employment benefits for certain actuarially determined differences between projected and actual experience.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Inflows of Resources (continued)

Deferred Inflows of Resources in the Governmental Funds Balance Sheet include unavailable revenue. Unavailable revenue consists primarily of grant related receivables. The City considers revenues available if they are collected within 60 days of the end of the fiscal year.

Compensated Absences

Vacation and sick leave benefits are based on the number of years of service. Unused sick leave may be carried forward to subsequent years. Only 30 days of unused vacation may be carried forward to subsequent years. However, upon retirement or termination 30 days of earned vacation will be paid to City employees. In addition, 30 days of earned sick leave will be paid to City employees only upon retirement. Upon retirement, unused and unpaid sick leave and vacation leave are converted to time served for retirement credit. The liability for these compensated absences is recorded as long-term debt in the government-wide financial statements.

In the fund financial statements, the governmental funds report a liability for compensated absences for the amount that has matured as a result of employee resignations and retirements.

Compensated absences are liquidated by the funds in which the employees' salaries were reported. In prior years, the funds which have typically been used to liquidate compensated absences have been the General, Sales Tax, Public Safety, Utility and Airport Funds.

Other Post-Employment Benefits (OPEB)

The City provides certain health care and life insurance benefits for retired employees. The primary government recognizes the costs associated with providing these benefits as claims are paid. In the government-wide financial statements and proprietary fund types in the fund financial statements, other post-employment benefits are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Long-Term Debt

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Ad Valorem Taxes

Ad valorem taxes are levied based on a calendar year. The tax is due and becomes an enforceable lien on the property when the tax bills are mailed in early December. Although the bill states the property taxes are due on December 31st, penalties are assessed for any payment not received by January 15th. Taxes are billed and collected by the St. Tammany Sheriff's Office, which receives a fee per property tax bill for its services. Property tax revenues are recognized when levied to the extent that they are determined to be currently collectible. Any unpaid taxes are collected in connection with a tax sale held in June.

Equity Classifications

In the government-wide financial 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 and any related deferred outflows of resources and deferred inflows of resources.
- b. Restricted net position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation. Restricted for other purposes on the Statement of Net Position consist of grant related cash, workers compensation investments, and Economic Development District.
- c. Unrestricted net position - all other net position that do not meet the definition of "restricted" or "net investment in capital assets."

The equity of the fund financial statements is defined as fund balance and is classified in the following categories:

- a. Nonspendable Fund Balance - This represents amounts that cannot be spent due to form (e.g., inventories and prepaid amounts).
- b. Restricted Fund Balance - This represents amounts constrained for a specific purpose by external parties, such as grantors, creditors, contributors or laws and regulations of their governments.
- c. Committed Fund Balance - This represents the portion of a governmental fund's resources whose use is subject to a legally binding constraint that is imposed by the City Council that remains legally binding unless removed in the same manner. These constraints are set by the City Council through an ordinance.
- d. Assigned Fund Balance - This represents amounts constrained for the intent to be used for a specific purpose by the City Council or Finance Director that has been delegated authority to assign amounts by the City Council through an ordinance.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity Classifications (continued)

e Unassigned Fund Balance - This represents fund balance in the General Fund in excess of nonspendable, restricted, committed and assigned fund balance. If another governmental fund has a fund balance deficit, it is reported as a negative amount in unassigned fund balance.

When both restricted and unrestricted fund balances are available for use, it is the City's policy to use restricted resources first, then unrestricted as needed. When committed, assigned or unassigned fund balances are available for use, it is the City's policy to use committed resources first, then assigned resources and unassigned resources as they are needed.

Minimum Unrestricted Fund Balance Policy

Unrestricted fund balance is defined as total fund balance less non-spendable fund balance less restricted fund balance. The City has adopted the following minimum unrestricted fund balance policy:

General fund – The minimum unrestricted fund balance shall be 25% of operating revenue per the last audited financial statements of the City.

Special revenue funds primarily funded by sales tax – The minimum unrestricted fund balance shall be 25% of operating revenue per the last audited financial statements of the City plus funds committed to capital outlay.

DISA Building Fund – The minimum unrestricted fund balance shall be 60% of operating expenditures per the last audited financial statements of the City plus funds committed to capital outlay.

Replenishment – Should the minimum fund balance fall below the targeted levels defined above, the Mayor shall propose a plan to the Council for their approval to restore the fund balance to the target level within 24 months. If restoration to the minimum fund balance target cannot be accomplished within such a period without severe hardship to the City, the Council will establish a different time frame.

Deficit Fund Balances

The Grants and Donations Fund had a deficit fund balance of \$(1,641,824) at June 30, 2023. The deficit fund balance results primarily from expenditures incurred for which the related revenue is unavailable at June 30, 2023.

Encumbrances

The City uses encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation. Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Appropriations for operating expenditures lapse at the end of the year but appropriations for capital expenditures are carried forward. Unfilled purchase orders encumbering operating budgets are cancelled and they are only reissued upon reauthorization. Appropriations for capital expenditures are carried forward for three years. Encumbrances at year end do not constitute expenditures or liabilities.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

Subsequent Events

Subsequent events have been evaluated through December 8, 2023, the date the financial statements were available to be issued.

(2) CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents

The City had the following cash as of June 30, 2023:

	<u>Governmental</u>				
	Funds	Proprietary Funds	Fiduciary Funds	<u>Total</u>	
<u>Petty cash:</u>					
Unrestricted	\$ 1,325	\$ 600	\$ 6,050	\$ 7,975	
Restricted	<u>200</u>	<u>-</u>	<u>-</u>	<u>200</u>	
	1,525	600	6,050	8,175	
<u>Demand deposits:</u>					
Unrestricted	58,311,835	28,291,288	336,331	86,939,454	
Restricted	<u>12,324,021</u>	<u>790,649</u>	<u>92,168</u>	<u>13,206,838</u>	
	<u>70,635,856</u>	<u>29,081,937</u>	<u>428,499</u>	<u>100,146,292</u>	
Total cash and cash equivalents	<u>\$ 70,637,381</u>	<u>\$ 29,082,537</u>	<u>\$ 434,549</u>	<u>\$ 100,154,467</u>	

Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be recovered. The City's deposit policy for custodial credit risk conforms to state law, as described in Note 1. At June 30, 2023, the City's demand deposit bank balances of \$100,146,292 were entirely secured by federal deposit insurance and pledged securities held by the City's agent in the City's name.

Investments

As of June 30, 2023, the City had the following investments.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (In Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>Greater than 10</u>
U.S. Agencies	\$ 2,260,647	\$ 2,260,647	\$ -	\$ -	\$ -
Certificates of Deposit	<u>300,000</u>	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 2,560,647</u>	<u>\$ 2,560,647</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(2) CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (continued)

The fair value measurements of the investments noted above have been classified by the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on valuation inputs used to measure the fair value of investments.

The levels of the fair value hierarchy are as follows:

- a. Level 1 - investments reflect prices quoted in active markets.
- b. Level 2 - investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.
- c. Level 3 - investments reflect prices based upon unobservable sources.

There were no Level 2 or 3 inputs used by the City for the year ended June 30, 2023.

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its investment. The City is not exposed to custodial credit risk at June 30, 2023 since investments are held in the name of the City. The City's investment policy conforms to state law, as described in Note 1.

Concentration of credit risk relates to the amount of investments in any one entity. At June 30, 2023, the City had no investments in any one entity which exceeded five percent of total investments, except obligations of federally sponsored entities, which are implicitly guaranteed by the federal government.

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy conforms to state law, which includes a policy that limits investment maturities to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to maturity. This reduces exposure to fair value losses arising from increasing interest rates.

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2023, the City's investments are in obligations of or guaranteed by the U.S. government. The City's investment policy minimizes credit risk by limiting its investments to those which are either obligations of, guaranteed by, or collateralized by the U.S. government.

(3) INTERFUND TRANSACTIONS

Due To/From Other Funds

Due to/from other funds at June 30, 2023 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	CDBG Fund	\$ 349,462
Grants and Donations Fund	Sales Tax Fund	26,336
Grants and Donations Fund	Utility Fund	19,201
General Fund	Grants and Donations Fund	<u>1,703,020</u>
Total		<u>\$ 2,098,019</u>

The above due to/from other funds were short-term receivables or payables resulting from the normal course of the City's operations.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(3) INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers

Interfund transfers at June 30, 2023 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Funds:</u>		
General Fund	\$ 1,028,940	\$ 1,085,857
Sales Tax Fund	521,182	4,053,125
Grants and Donations Fund	-	42,125
City Capital Fund	4,583,086	-
General Obligation 2016 Bonds Fund	42,125	-
Non-major Other Funds	<u>164,706</u>	<u>213,832</u>
Total governmental funds	6,340,039	5,394,939
<u>Proprietary Funds:</u>		
Utility Fund	31,225	1,531,571
Internal Service Fund	<u>555,246</u>	<u>-</u>
Total proprietary funds	<u>586,471</u>	<u>1,531,571</u>
Total	<u>\$ 6,926,510</u>	<u>\$ 6,926,510</u>

Transfers are primarily used to move funds from:

The Sales Tax Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The General Fund to the Utility Fund to satisfy bond covenants to provide \$25 for maintenance of each fire hydrant.

The General Fund to the Public Safety Fund to finance public safety in accordance with budgetary authorization.

The Utility Fund to the General Fund to satisfy payments in lieu of taxes (see Note 1)

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(4) CAPITAL ASSETS AND DEPRECIATION

A summary of changes in governmental fund type fixed assets for the year ended June 30, 2023 is as follows:

	<u>6 30 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Completed Construction</u>	<u>6 30 2023</u>
<u>Governmental Activities</u>					
Capital assets not being depreciated:					
Land	\$ 21,977,563	\$ 419,790	\$ -	\$ -	\$ 22,397,353
Construction-in-progress	<u>15,684,413</u>	<u>5,312,277</u>	<u>-</u>	<u>(14,763,686)</u>	<u>6,238,004</u>
Total capital assets not being depreciated	<u>37,661,976</u>	<u>5,732,067</u>	<u>-</u>	<u>(14,763,686)</u>	<u>28,635,357</u>
Capital assets being depreciated:					
Buildings and building improvements	51,345,921	186,747	-	962,643	52,495,311
Land improvements	14,364,903	269,460	-	1,309,628	15,943,991
Street system	115,748,323	83,045	-	789,135	116,620,503
Drainage system	88,339,133	33,242	-	11,702,280	100,074,655
Office equipment	7,488,159	259,671	(5,322)	-	7,742,508
Machinery and equipment	8,254,406	566,224	(30,380)	-	8,790,250
Right-of-use leased vehicles	-	269,517	-	-	269,517
Vehicles	8,794,509	470,075	(243,852)	-	9,020,731
Bridges	<u>1,621,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,621,503</u>
Total capital assets being depreciated	<u>295,956,857</u>	<u>2,137,981</u>	<u>(279,554)</u>	<u>14,763,686</u>	<u>312,579,870</u>
Less accumulated depreciation for:					
Buildings and building improvements	21,263,958	1,167,585	-	-	22,431,543
Land improvements	10,725,463	681,193	-	-	11,406,656
Street system	68,266,028	4,113,834	-	-	72,379,862
Drainage system	45,704,588	3,660,713	-	-	49,365,301
Office equipment	6,894,865	327,481	(5,322)	-	7,217,024
Machinery and equipment	6,021,353	397,019	(30,380)	-	6,387,992
Right-of-use leased vehicles	-	18,720	-	-	18,720
Vehicles	7,866,203	498,223	(243,852)	-	8,120,574
Bridges	<u>697,174</u>	<u>52,214</u>	<u>-</u>	<u>-</u>	<u>749,388</u>
Total accumulated depreciation	<u>167,439,632</u>	<u>10,916,983</u>	<u>(279,554)</u>	<u>-</u>	<u>178,077,061</u>
Total capital assets being depreciated, net	<u>128,517,225</u>	<u>(8,779,002)</u>	<u>-</u>	<u>14,763,686</u>	<u>134,501,909</u>
Governmental activities capital assets, net	<u>\$166,179,201</u>	<u>\$ (3,041,936)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$163,137,266</u>

Construction-in-progress primarily consists of street and drainage system improvements which are financed by sales tax revenues and grants.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(4) CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

A summary of changes in proprietary fund type fixed assets as of June 30, 2023 follows:

	<u>6/30/2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>Completed Construction</u>	<u>6/30/2023</u>
Business-Type Activities:					
Capital assets not being depreciated:					
Land	\$ 75,658	\$ -	\$ -	\$ -	\$ 75,658
Construction-in-progress	16,224,021	6,381,862	-	(5,305,331)	17,300,552
Total capital assets not being depreciated	<u>16,299,679</u>	<u>6,381,862</u>	<u>-</u>	<u>(5,305,331)</u>	<u>17,376,210</u>
Capital assets being depreciated:					
Buildings and building improvements	2,061,959	-	-	-	2,061,959
Land improvements	11,222,747	-	-	-	11,222,747
Water system	26,472,582	45,156	-	3,306,683	29,824,421
Sewerage system	70,049,437	652,202	-	1,998,649	72,700,288
Office equipment	398,499	43,006	(4,295)	-	437,210
Right-of-use leased vehicles	-	848,900	-	-	848,900
Vehicles	2,331,425	-	-	-	2,331,425
Machinery and equipment	6,235,804	90,528	(110,554)	-	6,215,788
Total capital assets being depreciated	<u>118,772,453</u>	<u>1,679,792</u>	<u>(114,849)</u>	<u>5,305,332</u>	<u>125,642,728</u>
Less accumulated depreciation for:					
Buildings and building improvements	1,103,514	88,645	-	-	1,192,159
Land improvements	8,510,556	303,457	-	-	8,814,013
Water system	18,866,097	446,800	-	-	19,312,897
Sewerage system	33,163,344	1,592,621	-	-	34,755,965
Office equipment	374,155	13,754	-	-	387,909
Right-of-use leased vehicles	-	48,704	-	-	48,704
Vehicles	2,052,209	127,245	-	-	2,179,454
Machinery and equipment	4,383,930	308,218	(113,775)	-	4,578,373
Total accumulated depreciation	<u>68,453,805</u>	<u>2,929,444</u>	<u>(113,775)</u>	<u>-</u>	<u>71,269,474</u>
Total capital assets being depreciated, net	<u>50,318,648</u>	<u>(1,249,652)</u>	<u>(1,074)</u>	<u>5,305,332</u>	<u>54,373,254</u>
Business-Type Activities capital assets, net	<u>\$ 66,618,327</u>	<u>\$ 5,132,120</u>	<u>\$ (1,074)</u>	<u>\$ 1</u>	<u>\$ 71,749,464</u>

Construction-in-progress primarily consists of sewer improvements

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(5) CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

Depreciation and amortization expense was charged to functions/programs of the City as follows:

	<u>Depreciation Expense</u>	<u>Amortization Expense</u>	<u>Total</u>
<u>Governmental activities:</u>			
General government	\$ 520,961	\$ -	\$ -
Public works	8,279,247	-	8,279,247
Public safety	999,710	18,720	1,018,430
Recreation and culture	1,072,700	-	1,072,700
Judicial system	<u>25,645</u>	<u>-</u>	<u>25,645</u>
 Total governmental activities	 <u>\$ 10,898,263</u>	 <u>\$ 18,720</u>	 <u>\$ 10,396,022</u>
 <u>Business-type activities:</u>			
Utilities	\$ 2,435,467	\$ 48,704	\$ 2,484,171
Airport	<u>445,363</u>	<u>-</u>	<u>445,363</u>
 Total business-type activities	 <u>\$ 2,880,830</u>	 <u>\$ 48,704</u>	 <u>\$ 2,929,534</u>

(6) PENSION PLANS

Plans Description

The City provides pension benefits for all of its full-time employees through three separate cost-sharing, multiple-employer public employee retirement systems. All full-time City employees, except police, are members in the Municipal Employees' Retirement System of the State of Louisiana (the Municipal System). All full-time police are members of the Municipal and State Police Retirement System of Louisiana (the Police System). The City Court Judge is a member of the Louisiana State Employees' Retirement System (LASERS).

Prior to January 1, 2013, municipal employees participating in the Municipal System are entitled to a retirement benefit at or after age 60 with 10 years of creditable service or at any age with 25 years of creditable service. The retirement benefit is generally two percent of the member's final compensation multiplied by his years of creditable service. After 2013, municipal employees participating in the Municipal System are entitled to a retirement benefit at or after age 67 with 7 years of creditable service, at or after age 62 with 10 years of creditable service, at or after age 55 with 30 years of creditable service, or at any age with 25 years of creditable service with an actuarially reduced early benefit.

The retirement benefit is generally two percent of the member's final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts. The system also provides death and disability benefits as well as a deferred retirement option. Benefits are established by state legislation. The Municipal System issues a publicly available financial report that includes the financial statements and required supplementary information for the Municipal System. That report may be obtained by writing to the Municipal Employees' Retirement System of Louisiana, 7937 Office Park Blvd., Baton Rouge, Louisiana 70809.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Plans Description (continued)

Police participating in the Police System prior to January 1, 2013 for at least one year are 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. The retirement benefit is generally three and one - third percent of the members' average final compensation multiplied by their years of creditable service (not to exceed 100% of average final compensation). Police participating in the Police System after January 1, 2013, under the Hazardous Duty sub plan, 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 3% (generally) and 2½%, 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. The system also provides death and disability benefits as well as a deferred retirement option. Benefits are established by State legislation. The Police System issues a publicly available financial report that includes the financial statements and required supplementary information for the Police System. That report may be obtained by writing to the Municipal and State Police Retirement System of Louisiana, 8401 United Plaza Building, Room 235, Baton Rouge, Louisiana 70809.

For LASERS participants, the age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date, employer, and job classification. The majority of LASERS rank-and-file members may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service depending on their plan. The rank-and-file members hired between July 1, 2006 and June 30, 2015 may retire at age 60 upon completing 5 years of creditable service or those hired on or after July 1, 2015 may retire at age 62 with 5 years of creditable service. Additionally, members may choose to retire with 20 years of service at any age, with an actuarially reduced benefit. The basic annual retirement benefit for members is equal to 2.5% to 3.5% of average compensation multiplied by the number of years of creditable service. LASERS issues a publicly available financial report that can be obtained at www.lasersonline.org.

Contributions

Contributions to the retirement systems were based on participating full-time employee earnings, which were approximately as follows for fiscal 2023:

Municipal System		\$ 7,613,000
Police System		5,925,000
LASERS		<u>43,000</u>
 Total		 <u>\$ 13,581,000</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Contributions (continued)

According to state statute, contributions requirements for all City employers are actuarially determined each year by the Public Retirement Systems' Actuarial Committee. For the year ended June 30, 2023, the employer and employee contribution rates were 29.50% and 10.0% of employee earnings, respectively, for the Municipal System. 31.25% and 10.00% of employee earnings, respectively, for the Police System, as well as 43.80% and 13.0% of employee earnings, respectively, for the LASERS.

The City's 2023 contributions to the Municipal System consisted of 29.50% of participating employee earnings. The City's 2023 contributions to the Police System consisted of 31.25% of participating employee wages. The City's 2023 contributions to the LASERS consisted of 43.80%, of the participating judge's wages.

The City's contributions to the Municipal System for the year ended June 30, 2023 were approximately \$2,246,000, equal to the required contribution for each year. The City's contributions to the Police System for the years ended June 30, 2023 were approximately \$1,852,000, equal to the required contribution for each year. The City's contributions to the LASERS for the year ended June 30, 2023 was approximately \$19,000, equal to the required contribution for the year.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the City reported a liability totaling \$35,297,016 of which \$15,521,299 was for its proportionate share of the net pension liability for the Municipal System, \$19,608,799 for the Police System, and \$166,919 for the LASERS. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's 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, actuarially determined. At June 30, 2022, the City's proportion was 3.737160% for the Municipal System, which was a decrease of .172683% from its proportion measured as of June 30, 2021. At June 30, 2022, the City's proportion was 1.918336% for the Police System, which was a decrease of .260190% from its proportion measured as of June 30, 2021. At June 30, 2022, the City's proportion was .002208% for the LASERS, which was an increase of .000010% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the City recognized pension expense plus the City's amortization of change in proportionate share and difference between employer contributions and proportionate share of contributions consisted of the following:

	<u>Pension Expense</u>	<u>Amortization</u>	<u>Total</u>
Municipal System	\$ 2,057,850	\$ (2,152,947)	\$ (95,097)
Police System	3,878,009	(1,740,589)	2,137,420
LASERS	<u>22,109</u>	<u>(15,430)</u>	<u>6,679</u>
Total	<u>\$ 5,957,968</u>	<u>\$ (3,908,966)</u>	<u>\$ 2,049,002</u>

For the year ended June 30, 2023, the City recognized revenue for the support provided by non-employer contributing entities totaling \$692,877, of which \$266,140 was for the Municipal System and \$426,737 was for the Police System.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Differences between expected and actual experience	Change in assumptions	Net difference between projected and actual earnings on pension plan investments	Changes in proportion and differences between employer contributions and proportionate share of contributions	Employer contributions subsequent to the measurement date	Total
<u>Deferred outflows of resources</u>						
Municipal	\$ 18,330	\$ 150,366	\$ 2,582,680	\$ 402,277	\$ 2,245,717	\$ 5,399,370
Police	96,710	676,394	3,500,788	1,784,264	1,851,638	7,909,794
LASERS	455	3,035	13,445	332	18,973	36,240
Total	115,495	829,795	6,096,913	2,186,873	4,116,328	13,345,404
<u>Deferred inflows of resources</u>						
Municipal	(59,433)	-	-	(452,663)	-	(512,096)
Police	(159,818)	(145,849)	-	(185,478)	-	(491,145)
LASERS	-	-	-	(271)	-	(271)
Total	(219,251)	(145,849)	-	(638,412)	-	(1,003,512)
Total	\$ (103,756)	\$ 683,946	\$ 6,096,913	\$ 1,548,461	\$ 4,116,328	\$ 12,341,892

Employer contributions subsequent to the measurement date totaling \$4,116,329 and reported as deferred outflows of resources will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. 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:	Municipal	Police	LASERS	Total
2023	534,538	1,658,836	8,400	2,201,774
2024	621,326	1,382,213	2,778	2,006,317
2025	247,147	689,659	(3,400)	933,406
2026	1,238,546	1,836,303	9,217	3,084,066
Total	\$ 2,641,557	\$ 5,567,011	\$ 16,995	\$ 8,225,563

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions – Municipal System Plan A

The actuarial assumptions used in the June 30, 2022 valuation for the Municipal System were based on the results of an experience study, for the period July 1, 2013 through June 30, 2018. The total pension liability as of June 30, 2022 is based on actuarial valuations for the same period, updated using generally accepted actuarial procedures. Information on the actuarial valuation and assumptions is as follows:

Valuation Date:	June 30, 2022						
Actuarial Cost Method:	Frozen Attained Age Normal						
Actuarial Assumptions:							
Investment Rate of Return	6.85%. net of investment expense						
Projected Salary Increases	Salary increases include 2.5% inflation						
	<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;"><u>Years of Service</u> (less than or equal to)</td> <td style="padding-right: 20px;"><u>Salary Increase</u> (in the following year)</td> </tr> <tr> <td style="padding-right: 20px;">1-4</td> <td>6.4%</td> </tr> <tr> <td style="padding-right: 20px;">Above 4</td> <td>4.5%</td> </tr> </table>	<u>Years of Service</u> (less than or equal to)	<u>Salary Increase</u> (in the following year)	1-4	6.4%	Above 4	4.5%
<u>Years of Service</u> (less than or equal to)	<u>Salary Increase</u> (in the following year)						
1-4	6.4%						
Above 4	4.5%						
Mortality Rates	<p>120% of the PubG-2010(B) Employee Tables for males and females, each with the full generational MP2018 scale</p> <p>120% of the PubG-2010(B) Healthy Retiree Tables for males and females, each adjusted using MP2018 scale</p> <p>120% of the PubNS-2010(B) Disabled Retiree Tables for males and females, each with the full generational MP2018 scale</p>						
Expected Remaining Service Lives	3 years						

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.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions – Municipal System Plan A (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target allocation as of June 30, 2022 are summarized in the following table.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	53%	2.31%
Public fixed income	38%	1.65%
Alternatives	9%	0.39%
Total	100%	4.35%
Inflation		2.60%
Expected Arithmetic Nominal Return		6.95%

Discount Rate

The discount rate used to measure the total pension liability was 6.85% for the year ended June 30, 2023. 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 which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems’ Actuarial Committee. Based on those assumptions, the 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.

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City’s Municipal System Plan A proportionate share of the net pension liability using the discount rate of 6.85%, as well as what the City’s proportionate share of the 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:

	1.0% Decrease (5.85%)	Current Discount Rate (6.85%)	1.0% Increase (7.85%)
Net pension liability	\$ 20,646,359	\$ 15,521,299	\$ 11,190,787

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions – Municipal System Plan A (continued)

Detailed information about the pension plan’s fiduciary net position is available in the separately issued stand-alone audit report on their financial statements for the year ended June 30, 2022. Access to the report can be found on the Louisiana Legislative Auditor’s website, www.la.la.gov.

Actuarial Assumptions – Police System

The actuarial assumptions used in the June 30, 2022 valuation for the Police System were based on the assumptions used in the June 30, 2022 actuarial funding valuation, and were based on the results of actuarial experience study for the period July 1, 2014 through June 30, 2019. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience. The total pension liability as of June 30, 2022 is based on actuarial valuations for the same period, updated using generally accepted actuarial procedures.

Information on the actuarial valuation and assumptions is as follows:

Valuation Date:	June 30, 2022						
Actuarial Cost Method:	Individual Entry Age Normal						
Actuarial Assumptions:							
Investment Rate of Return	6.75% (Net of investment expense)						
Inflation	2.50%						
Salary increases, including Inflation and merit increases	<table border="0" style="margin-left: 20px;"> <thead> <tr> <th style="text-align: left;"><u>Years of Service</u></th> <th style="text-align: left;"><u>Salary Growth Rate</u></th> </tr> </thead> <tbody> <tr> <td>1 – 2</td> <td>12.30%</td> </tr> <tr> <td>3 & Over</td> <td>4.70%</td> </tr> </tbody> </table>	<u>Years of Service</u>	<u>Salary Growth Rate</u>	1 – 2	12.30%	3 & Over	4.70%
<u>Years of Service</u>	<u>Salary Growth Rate</u>						
1 – 2	12.30%						
3 & Over	4.70%						
Mortality Rates	<p>For annuitants and beneficiaries, Pub-2010 Public Retirement Plans 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 scale.</p> <p>For employees, 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.</p> <p>For disabled lives, Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.</p>						
Expected Remaining Service Lives	4 years						

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions – Police System (continued)

Cost of Living Adjustments The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The mortality rate assumption used was set based upon an experience study for the period of July 1, 2014 through June 30, 2019. A change was made full generational mortality which combines the use of a base mortality table with appropriate mortality improvement scales. In order to set the base mortality table, actual plan mortality experience was assigned a credibility weighting and combined with a standard table to produce current levels of mortality.

Best estimates of the arithmetic nominal rates of return for each major asset class included in the System's target allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	55.50%	3.60%
Fixed income	30.50%	0.85%
Alternatives	14.00%	0.95%
Other	0.00%	0.00%
Total	100%	5.40%
Inflation		2.66%
Expected Arithmetic Nominal Return		8.06%

Discount Rate

The discount rate used to measure the total pension liability was 6.750%. 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 the System's actuary. Based on those assumptions, the 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.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions – Police System (continued)

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.750%, as well as what the employers’ net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 5.750%, or one percentage point higher, 7.750%, than the current rate as of June 30, 2022.

	1.0% Decrease (5.75%)	Current Discount Rate (6.75%)	1.0% Increase (7.75%)
Net pension liability	\$ 27,448,564	\$ 19,608,799	\$ 13,060,000

Detailed information about the pension plan’s fiduciary net position is available in the separately issued stand-alone audit report on their financial statements for the year ended June 30, 2022. Access to the report can be found on the Louisiana Legislative Auditor’s website, www.lla.la.gov.

Actuarial Assumptions – LASERS

The total pension liability in the June 30, 2022 actuarial valuations for the LASERS was determined using the following actuarial assumptions:

Valuation Date:	June 30, 2022
Actuarial Cost Method:	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	7.40% per annum
Inflation	2.50% per annum
Expected Remaining Service Lives	2 years
Mortality Rates	Non-disabled members – Mortality rates based on the RP-2014 Blue Collar (males/females) and White Collar (females) Healthy Mortality Tables projected on a fully generational basis by the MP-2018 Mortality Improvement Scale.
	Disabled members – Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement.
Termination, Disability, and Retirement	Termination, disability, and retirement assumptions were projected based on a five-year (2014-2018) experience study of the System’s members for 2019.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions – LASERS (continued)

Salary Increases Salary increases were projected based on a 2014-2018 experience study of the System’s members. The salary increase ranges for specific types of members are:

<u>Member Type</u>	<u>Lower Range</u>	<u>Upper Range</u>
Regular	3.0%	12.8%
Judges	2.6%	5.1%
Corrections	3.6%	13.8%
Hazardous Duty	3.6%	13.8%
Wildlife	3.6%	13.8%

Cost of Living Adjustments The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.

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 of 2.3% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term nominal rate of return is 8.34% for 2022. Best estimates of geometric real rates of return for each major asset class included in the System’s target asset allocation as of June 30, 2022 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1%	0.39%
Domestic equity	31%	4.57%
International equity	23%	5.76%
Domestic fixed income	3%	1.48%
International fixed income	14%	5.04%
Alternative investments	24%	8.30%
Total	100%	5.91%

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. 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 the System’s actuary. Based on those assumptions, the 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.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(6) PENSION PLANS (CONTINUED)

Actuarial Assumptions – LASERS (continued)

Sensitivity of the City’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate of 7.25%, as well as what the employers’ 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.

	1.0% Decrease (6.25%)	Current Discount Rate (7.25%)	1.0% Increase (8.25%)
Net pension liability	\$ 210,033	\$ 166,918	\$ 127,606

Detailed information about the pension plan’s fiduciary net position is available in the separately issued stand-alone audit report on their financial statements for the year ended June 30, 2022. Access to the report can be found on the Louisiana Legislative Auditor’s website, www.la.gov.

(7) OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Plan Description

The City of Slidell (the City) provides certain continuing health care and life insurance benefits for its retired employees. The City of Slidell’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

Benefits Provided

Medical/dental and life insurance benefits are provided to employees upon actual retirement. The employer pays 100% of the retiree medical/dental coverage for retirees and dependents for those who retired prior to July 1, 2010. For those retiring after June 30, 2010 and hired before September 1, 2008, the employer pays for a portion of the medical/dental coverage for retirees and dependents based on years of service at retirement: 10 or more years, 80%; 20 or more years, 90%; and, 25 or more years, 100%. For those retiring after June 30, 2010 and hired on or after September 1, 2008, the employer pays for a portion of the medical/dental coverage for retirees only (not dependents), and only until attainment of age 65, based on years of service at retirement: 10 or more years, 55%; 20 or more years, 65%; and, 25 or more years, 75%. The employer also pays for life insurance coverage after retirement (see section entitled "Life Insurance" below for more details). Employees (other than Police) are covered by the Municipal Employees' Retirement System, whose retirement eligibility (D.R.O.P. entry) provisions as follows: 25 years of service at any age; or, age 60 and 10 years of service. Employees hired on and after January 1, 2013 are have retirement eligibility of age 55 and 30 years of service, age 62 and 10 years of service, or age 67 and 7 years of service. Police are covered by the Municipal Police Retirement System, whose retirement eligibility (D.R.O.P. entry) provisions as follows: 25 years of service at any age; age 50 and 20 years of service; or, age 55 and 12 years of service.

Life insurance coverage is continued to retirees according to a flat schedule: \$10,000 before age 65; \$6,500 from age 65 and below age 70; and, \$5,000 at age 70 and after. The employer pays 100% of the active/retired blended rate.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(7) OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Employees Covered by Benefit Terms

As of the measurement date June 30, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	188
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>230</u>
	<u>418</u>

Total OPEB Liability

The City's total OPEB liability of \$38,702,326 was measured as of June 30, 2023, the end of the fiscal year.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2023 actuarial measurement was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Prior discount rate	3.54%, annually (beginning of year to determine ADC)
Discount rate	3.65% annually (as of end of year measurement date)
Healthcare cost trend rates	5.5% annually for ten years; 4.5% thereafter
Mortality rates	SOA RP-2000 Table

The discount rate was based on the Bond Buyers' 20 Year General Obligation municipal bond index over the 52 weeks immediately preceding the applicable measurement dates.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2023.

Changes in the Total OPEB Liability

Balance at June 30, 2022	\$ <u>42,294,486</u>
Changes for the year:	
Service cost	281,373
Interest	1,463,324
Difference between expected and actual experience	(2,902,929)
Changes in assumptions	(518,627)
Benefit payments and net transfers	<u>(1,915,301)</u>
Net changes	<u>(3,592,160)</u>
Balance at June 30, 2023	\$ <u>38,702,326</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(7) OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1.0% Decrease (2.65%)	Current Discount Rate (3.65%)	1.0% Increase (4.65%)
Total OPEB liability	\$ 46,951,210	\$ 38,702,326	\$ 32,321,493

Sensitivity of the Total OPEB Liability to Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.50%) or 1-percentage-point higher (6.50%) than the current healthcare trend rate (5.50%):

	1.0% Decrease (4.50%)	Current Trend (5.50%)	1.0% Increase (6.50%)
Total OPEB liability	\$ 33,047,280	\$ 38,702,326	\$ 46,065,283

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

For the year ended June 30, 2023, the City recognized OPEB expense of \$1,021,399. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in assumptions	\$ 3,004,235	\$ (3,697,037)
Differences between expected and actual experience	736,121	(2,600,305)
Total	<u>\$ 3,740,356</u>	<u>\$ (6,297,342)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years ending June 30:</u>	<u>Net amount to be recognized</u>
2024	\$ (850,796)
2025	(850,796)
2026	(855,389)
	<u>\$ (2,556,981)</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(8) LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions of the City for the year ended June 30, 2023:

Description	Balance at 6/30/2022	Additions	Reductions	Balance at 6/30/2023	Current	Non-current
<u>Governmental Activities:</u>						
General obligation bonds	\$ 14,675,000	\$ -	\$ (1,125,000)	\$ 13,550,000	\$ 1,165,000	\$ 12,385,000
Bond issuance premiums	<u>627,036</u>	-	<u>(41,803)</u>	<u>585,233</u>	<u>41,803</u>	<u>543,430</u>
Subtotal for general obligation bonds	15,302,036	-	(1,166,803)	14,135,233	1,206,803	12,928,430
Compensated absences	1,274,731	1,011,069	(834,075)	1,451,725	294,660	1,157,065
Net pension liability	15,736,761	15,220,535	-	30,957,296	-	30,957,296
Net OPEB liability	33,935,399	2,928,070	(4,467,273)	32,396,196	-	32,396,196
Claims	<u>3,557,026</u>	<u>6,490,195</u>	<u>(7,353,742)</u>	<u>2,693,479</u>	<u>1,985,404</u>	<u>708,075</u>
 Total governmental activities	 69,805,953	 25,649,869	 (13,821,893)	 81,633,929	 3,486,867	 78,147,062
<u>Business-Type Activities:</u>						
Utility revenue bonds	8,345,276	8,519,373	(891,000)	15,973,649	1,012,000	14,961,649
Compensated absences	156,205	154,586	(145,388)	165,403	43,263	122,140
Net pension liability	3,137,645	1,202,075	-	4,339,720	-	4,339,720
Net OPEB liability	<u>8,359,087</u>	<u>284,280</u>	<u>(2,337,237)</u>	<u>6,306,130</u>	<u>-</u>	<u>6,306,130</u>
 Total business-type activities	 <u>19,998,213</u>	 <u>10,160,314</u>	 <u>(3,373,625)</u>	 <u>26,784,902</u>	 <u>1,055,263</u>	 <u>25,729,639</u>
 Total long-term debt	 <u>\$ 89,804,166</u>	 <u>\$ 35,810,183</u>	 <u>\$ (17,195,518)</u>	 <u>\$ 108,418,831</u>	 <u>\$ 4,542,130</u>	 <u>\$ 103,876,701</u>

GASB Statement No. 65 requires current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business-type activities, and proprietary funds, the difference between the reacquisition price, and the net carrying amount of the old debt be reported as a deferred outflow of resources or a deferred inflow of resources. GASB Statement No. 68 established standards for measuring and recognizing deferred outflows of resources and deferred inflows of resources related to pensions.

Description	Deferred Outflows of Resources			
	Balance at 6/30/2022	Additions	Reductions	Balance at 6/30/2023
<u>Governmental Activities:</u>				
General obligation bonds -				
deferred charges on refundings	\$ 243,248	\$ -	\$ (40,071)	\$ 203,177
Pension	4,887,342	7,031,880	-	11,919,222
OPEB	<u>4,501,670</u>	-	<u>(1,370,765)</u>	<u>3,130,905</u>
Total governmental activities	9,632,260	7,031,880	(1,410,836)	15,253,304
<u>Business-Type Activities:</u>				
Utility revenue bonds -				
deferred charges on refundings	7,444	-	(3,722)	3,722
Pension	777,060	649,122	-	1,426,182
OPEB	<u>1,108,867</u>	-	<u>(499,416)</u>	<u>609,451</u>
Total business-type activities	<u>1,893,371</u>	<u>649,122</u>	<u>(503,138)</u>	<u>2,039,355</u>
Total deferred outflows of resources	<u>\$ 11,525,631</u>	<u>\$ 7,681,002</u>	<u>\$ (1,913,974)</u>	<u>\$ 17,292,659</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(8) LONG-TERM OBLIGATIONS (CONTINUED)

Description	Deferred Inflows of Resources			Balance at 6/30/2023
	Balance at 6/30/2022	Additions	Reductions	
<u>Governmental Activities:</u>				
Leases	\$ (2,398,577)	\$ -	\$ 799,526	\$ (1,599,051)
Pension	(8,001,027)	-	7,130,359	(870,668)
OPEB	(4,490,617)	(780,641)	-	(5,271,258)
Total governmental activities	(14,890,221)	(780,641)	7,929,885	(7,740,977)
<u>Business-Type Activities:</u>				
Leases	(670,209)	-	122,230	(547,979)
Pension	(814,673)	-	681,829	(132,844)
OPEB	(1,106,145)	-	80,061	(1,026,084)
Total business-type activities	(2,591,027)	-	884,120	(1,706,907)
Total deferred inflows of resources	<u>\$ (17,481,248)</u>	<u>\$ (780,641)</u>	<u>\$ 8,814,005</u>	<u>\$ (9,447,884)</u>

Details on the City's long-term debt as of June 30, 2023 are as follows:

General Obligation Bonds secured by an irrevocable pledge of 100% ad valorem taxes related to the bonds through 2036:

\$12,000,000 General Obligation Bonds, Series 2016, bearing interest from 2.0% to 4.0%, payable semi-annually through 2036, streets, bridges and drainage.	\$ 9,335,000
\$4,920,000 Refunding Bonds, Series 2016, bearing interest at 1.22%, payable semi-annually through 2029, street and bridges, and drainage.	<u>4,215,000</u>
	<u>\$ 13,550,000</u>

The annual requirements to maturity for general obligation bonds as of June 30, 2023 are as follows:

Year Ending June 30,	Principal	Interest
2024	\$ 1,165,000	\$ 376,573
2025	1,205,000	348,877
2026	1,255,000	319,720
2027	1,295,000	289,041
2028	1,340,000	268,640
2029-2033	4,490,000	856,656
2034-2036	<u>2,800,000</u>	<u>170,700</u>
	<u>\$ 13,550,000</u>	<u>\$ 2,630,207</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(8) LONG-TERM OBLIGATIONS (CONTINUED)

Utility Revenue Bonds secured by an irrevocable pledge of 100% of the City's revenues of the Utility Fund through 2039:

\$3,625,000 Utility Revenue Refunding Bonds, Series 2012, bearing interest at 2.34%, payable semi-annually through 2024, improvements to wastewater treatment plant and sewer system.	\$ 235,000
\$16,400,000 Utility Revenue Bonds (DEQ), Series 2018, bearing interest at 0.95%, payable semi-annually through 2039, improvements to the wastewater treatment plant and sewer lift stations.	13,172,381
\$2,600,000 Utility Revenue Bonds (LDH), Series 2022, bearing interest at 2.00%, payable semi-annually through 2043, improvements to the wastewater treatment plant.	<u>2,566,268</u>
	<u>\$ 15,973,649</u>

The annual requirements to maturity for utility revenue bonds as of June 30, 2023 are as follows.

Year Ending June 30,	Principal	Interest
2024	\$ 1,114,000	\$ 191,312
2025	890,000	178,957
2026	899,000	168,927
2027	910,000	158,782
2028	920,000	148,487
2029-2033	4,757,000	568,428
2034-2038	5,039,000	304,247
2039-2043	<u>1,444,649</u>	<u>64,423</u>
	<u>\$ 15,973,649</u>	<u>\$ 1,783,562</u>

On January 11, 2022, the City entered into a loan and pledge agreement with the Louisiana Department of Health (LDH) Loan No. 1103041-01. The purpose of the loan is to pay the cost of constructing, acquiring, extending and or improving the waterworks components of the combined utilities system. Under terms of the agreement, the LDH will loan the City an amount not to exceed \$2,600,000. Upon completion of the project (currently expected to be in April 2024) the actual amount borrowed will be determined and the City will issue Utility Revenue Bonds to evidence the debt as authorized by ordinance No. 3312. The bonds will be payable over a 20-year period and will bear an interest rate of 2.00%. This amount is recorded as a liability in the financial statements of the Utility Fund. Under terms of the agreement, the City is subject to compliance with certain provisions and covenants. As of June 30, 2023, the City is in compliance with all significant provisions and covenants.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(8) LONG-TERM OBLIGATIONS (CONTINUED)

On June 27, 2018, the City entered into a loan and pledge agreement with the Louisiana Department of Environmental Quality (DEQ) Loan No. CS221123-03. The purpose of the loan is to pay the cost of constructing improvements to the wastewater treatment plant and sewer lift stations in the City. Under terms of the agreement, the DEQ, through its Municipal Facilities Revolving Loan Fund, will loan the City an amount not to exceed \$16,400,000. Upon completion of the project (currently expected to be in December 2020) the actual amount borrowed will be determined and the City will issue Utility Revenue Bonds to evidence the debt as authorized by ordinance No. 3885. The bonds will be payable over a 20-year period and will bear an interest rate of 0.95%. Under terms of the agreement, the City is subject to compliance with certain provisions and covenants. As of June 30, 2023, the City is in compliance with all significant provisions and covenants.

At June 30, 2023, \$67,477,837 are considered available for the retirement of general long-term debt in the Debt Service Fund :

In accordance with the Revised Statutes of the State of Louisiana, aggregate debt payable solely from ad valorem taxes for each specific purpose shall not exceed 35% of the total assessed valuation of taxable property. As of June 30, 2023, the City was in compliance with these statutes.

Pursuant to the Utility Revenue Bonds, Series 2012, certain assets of the Special Revenue and Enterprise Funds are restricted (see Note 1). As of June 30, 2023, the City was in substantial compliance with the restrictive covenants of its debt agreements.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

In prior years, the City defeased certain general obligation and sales tax revenue bonds by placing the proceeds of the new refunding bonds in an irrevocable trust escrow account to provide for the future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Statement of Net Position. At June 30, 2023, \$4,585,000 in general obligation bonds outstanding are considered defeased.

General Fund, Sales Tax Fund, Public Safety Fund, DISA Fund, Utility Fund and Airport Fund have been used to liquidate the liability for net pension liability and net OPEB liability.

Interest costs incurred and charged to expense during the year ended June 30, 2023 for all business-type activities was \$144,428.

(9) LEASES

The City leases a building which it owns, which it refers to as the DISA Building, to two separate tenants. The DISA Building was acquired by the City in 1996 by an act of donation. The estimated fair market value is \$7,500,000 and has a carrying value as of June 30, 2023 of \$3,125,000. Depreciation expense related to the building for the year ended June 30, 2023 was approximately \$137,000, which was recorded in the government-wide financial statements. The City recognized \$799,526 in lease revenue and \$25,489 in interest revenue during the year ended June 30, 2023, related to these. As of June 30, 2023, the City's receivables for lease payments were \$1,665,285. Also, the City has a deferred inflow of resource associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2023, the balance of the deferred inflow of resources was \$1,599,052.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(9) LEASES (CONTINUED)

The City also leases to others land and property at the Airport under various lease agreements. The City recognized \$58,319 in lease revenue and \$7,696 in interest revenue during the year ended June 30, 2023, related to these leases. As of June 30, 2023, the City's receivables for lease payments were \$543,458. Also, the City has a deferred inflow of resource associated with these leases that will be recognized as revenue over the lease terms. As of June 30, 2023, the balance of the deferred inflow of resources was \$547,979.

Future minimum rental payments to be received under these leases are as follows for the years ending June 30, 2023:

Year	DISA Building			Other Land and Property at the Airport			Total		
	Receipts	Interest	Principal	Receipts	Interest	Principal	Receipts	Interest	Principal
2024	\$ 39,464	\$ 6,690	\$ 32,774	\$ 830,878	\$ 15,769	\$ 815,109	\$ 870,342	\$ 22,459	\$ 847,883
2025	18,464	6,231	12,233	855,804	5,629	850,175	874,268	11,860	862,408
2026	18,464	6,081	12,383	-	-	-	18,464	6,081	12,383
2027	18,464	5,930	12,534	-	-	-	18,464	5,930	12,534
2028	18,464	5,777	12,687	-	-	-	18,464	5,777	12,687
2029-2033	93,939	26,486	67,453	-	-	-	93,939	26,486	67,453
2034-2038	79,030	22,638	56,392	-	-	-	79,030	22,638	56,392
2039-2043	79,030	19,113	59,917	-	-	-	79,030	19,113	59,917
2044-2048	79,030	15,368	63,662	-	-	-	79,030	15,368	63,662
2049-2053	79,030	11,389	67,641	-	-	-	79,030	11,389	67,641
2054-2058	69,974	11,389	58,585	-	-	-	69,974	11,389	58,585
2059-2063	35,243	4,319	30,924	-	-	-	35,243	4,319	30,924
2064-2068	35,243	2,386	32,857	-	-	-	35,243	2,386	32,857
2069-2073	14,426	847	13,579	-	-	-	14,426	847	13,579
2073-2075	5,770	104	5,666	-	-	-	5,770	104	5,666
Total	<u>\$ 684,035</u>	<u>\$ 144,748</u>	<u>\$ 539,287</u>	<u>\$ 1,686,682</u>	<u>\$ 21,398</u>	<u>\$ 1,665,284</u>	<u>\$ 2,370,717</u>	<u>\$ 166,146</u>	<u>\$ 2,204,571</u>

Amortization of deferred inflows of resources as of June 30, 2023 is as follows:

Year	DISA Building	Other Land and Property at the Airport	Total
2024	\$ 799,526	\$ 32,899	\$ 832,425
2025	799,526	14,992	814,518
2026	-	14,992	14,992
2027	-	14,992	14,992
2028	-	14,992	14,992
2029-2033	-	74,960	74,960
2034-2038	-	62,217	62,217
2039-2043	-	62,217	62,217
2044-2048	-	62,217	62,217
2049-2053	-	62,217	62,217
2054-2058	-	57,606	57,606
2059-2063	-	27,699	27,699
2064-2068	-	26,557	26,557
2069-2073	-	13,564	13,564
2073-2075	-	5,858	5,858
Total	<u>\$ 1,599,052</u>	<u>\$ 547,979</u>	<u>\$ 2,147,031</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(9) LEASES (CONTINUED)

The City entered into multiple agreements as lessee for the acquisition and use of vehicles. An initial lease liability was recorded in the amount of \$1,118,507 for business-type activities. As of June 30, 2023, the value of the lease liabilities were \$1,051,622 for business-type activities. The City is required to make monthly principal and interest payments totaling \$18,642. The City uses its incremental borrowing rate for the leases, which is 1.22% for the year ended June 30, 2023.

The future principal and interest lease payments as of June 30, 2023, were as follows:

Year Ending June 30,	Business-Type Activities		
	Principal	Interest	Total
2024	\$ 218,864	\$ 11,609	\$ 230,473
2025	221,550	8,924	230,473
2026	224,268	6,205	230,473
2027	227,019	3,454	230,473
2028	159,922	801	160,723
Totals	\$ 1,051,622	\$ 30,992	\$ 1,082,615

(10) DEDICATED REVENUES

The City collects a two percent sales and use tax pursuant to two separate one percent tax propositions approved by the voters in November 1962 (fiscal 1963) and September 1986 (fiscal 1987). These revenues are dedicated for specific purposes and are accounted for in two separate Special Revenue Funds – Sales Tax Fund and Public Safety Fund.

Dedication of the 1963 tax, as amended, requires one half of all proceeds of the tax to be used first for debt service requirements and the costs for bonds issued for the purpose of constructing, acquiring, or improving lands, buildings or other works of public improvement for the City, including equipment and furnishings thereof, title to which shall be in the public's name. The remaining dedicated revenue is to be used for constructing, acquiring or improving the aforementioned capital improvements. The proposition also provides for one half of the 1963 sales and use tax revenues to be undedicated. These undedicated revenues are available for general operations. Proceeds of the 1963 sales and use tax serve as security for outstanding sales tax revenue bonds (see Note 5).

All proceeds of the 1987 tax, after paying the reasonable and necessary expenses of collecting and administering the tax, were dedicated to the purchasing, constructing, acquiring, extending, improving, maintaining, and or operating public facilities, public works or capital improvements and paying the capital costs of police protection and public safety for the City or any sites, equipment and furnishings thereof. According to the voter-approved proposition, the City is further authorized to fund the proceeds of the tax into bonds for the above-stated capital purposes.

In a tax proposition approved by voters in December 2012, the 1987 tax was rededicated to include all the lawful purposes approved in September 1986, and beginning, July 1, 2013, for paying the operational cost of police protection and public safety.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(10) DEDICATED REVENUES (CONTINUED)

An inter-governmental agreement (known as the Sales Tax Enhancement Plan) was executed between the City and Sales Tax District #3 of St. Tammany Parish. The agreement targets all undeveloped commercial properties (within St. Tammany Parish) annexed into the City after November 4, 1986 and stipulates that the two percent sales and use tax derived from the subsequent development of such properties would be split equally (after the City recovered approximately \$1,386,000 of costs relating to the extension of services to two retail developments) between the City and Sales Tax District #3 of St. Tammany Parish. The initial agreement had a twenty-year life, and expired December 1, 2006. The City entered into negotiations with St. Tammany Parish to renew this agreement and on October 24, 2006, an ordinance was passed renewing the inter-governmental agreement between the City and Sales Tax District #3 of St. Tammany Parish, with a few minor changes. The agreement has a 25-year life, expiring December 1, 2031.

(11) COMMITMENTS AND ENCUMBRANCES

The local electric company owns and leases to the City certain street lighting facilities. In 1986, the City renegotiated the lease agreement, which expired in December 2001 but automatically renews for one-year intervals until cancelled. The City has no intention of canceling this lease at this time. The total amount paid by the City for street lighting under this agreement was approximately \$594,000 for the year ended June 30, 2023.

The City has a contract with a sanitation disposal company to provide garbage collection services to City residents. In January 2011, the City resumed a recycling program with this sanitation disposal company. This contract requires the City to pay a monthly fee of \$17.71 per household for garbage collection and \$1.90 per household for recycling service. The City in turn bills a monthly fee of approximately \$10.04 per household for garbage collection and \$1.90 per household for recycling and collects a 4.00 mill property tax for garbage collection in accordance with the voter-approved proposition. The City paid approximately \$2,467,000 for garbage collection and for recycling under this contract during the year ended June 30, 2023.

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Unfilled purchase orders encumbering operating budgets are cancelled and they are only reissued upon reauthorization. Appropriations for capital expenditures are carried forward three years.

Encumbrances include the following contractual commitments by fund as of June 30, 2023:

Fund	Amount
Sales Tax Fund	\$ 1,158,000
Grants and Donations Fund	2,407,000
American Rescue Plan Fund	3,300,000
City Capital Fund	1,104,000
General Obligation Bond 2016 Fund	989,000
Other non-major governmental funds	770,000
Utility Fund	2,740,000
Airport Fund	155,000
	\$ 12,623,000

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(12) CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

The City is a defendant in a number of claims and lawsuits resulting principally from personal injury, property damage, and construction claims. The City Attorney and the outside administrator have reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City. As a result of such review, the various claims and lawsuits have been categorized into "probable," "reasonably possible," and "remote" contingencies, as defined in National Council on Governmental Accounting Statement No. 4 for Claims and Judgments. The City's "probable" loss contingencies at June 30, 2023 were approximately \$300,000.

(13) RISK MANAGEMENT

The City is exposed to various risks of loss related to thefts of, damage to, and destruction of assets, errors and omissions, negligent acts of law enforcement officials and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The City had no claims that exceed insurance coverage for fiscal years ended June 30, 2023.

The City is also self-insured with excess coverage in these areas: (a) workers' compensation with \$600,000/\$750,000 retention and statutory limit on coverage, (b) general liability with \$100,000 retention per occurrence and a \$10,000,000 limit per occurrence and \$10,000,000 aggregate limit on coverage, (c) auto liability with \$100,000 retention per accident and a \$10,000,000 per occurrence. The City also has an aggregate limit of \$2,000,000 for workers' compensation claims and an annual stop loss of \$600,000 for general liability and auto liability combined. The City is self-insured for employee medical insurance with \$80,000 retention per individual and an aggregate stop loss of \$4,820,519.

The City uses the General Fund to account for self-insured risk financing activities. The liability for claims in excess of amounts payable with expendable available resources is recorded in the governmental activities in the Statement of Net Position. The Sales Tax Fund, the Public Safety Fund, and the Enterprise Funds make contributions to the General Fund for claims. Estimated losses from claims are recorded when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The expenditure and liability includes an amount for claims that have been incurred but not yet reported. The liability for claims is based on the estimated ultimate cost of settling the claims using past experience adjusted for current trends.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(13) RISK MANAGEMENT (CONTINUED)

Changes in the claims liability amounts are as follows:

	Automobile/ General Liability	Workers' Compensation	Employee Health/ Dental	Total
Balance, June 30, 2021	\$ 1,947,300	\$ 612,533	\$ 1,278,790	\$ 3,838,623
Claims incurred	187,806	482,866	5,458,309	6,128,981
Changes in estimates	(45,775)	(404,635)	47,575	(402,835)
Claim payments	<u>(256,426)</u>	<u>(331,220)</u>	<u>(5,420,097)</u>	<u>(6,007,743)</u>
Balance, June 30, 2022	1,832,905	359,544	1,364,577	3,557,026
Claims incurred	300,643	422,334	5,670,401	6,393,378
Changes in estimates	(534,129)	327,618	303,328	96,817
Claim payments	<u>(590,701)</u>	<u>(842,335)</u>	<u>(5,920,706)</u>	<u>(7,353,742)</u>
Balance, June 30, 2023	<u>\$ 1,008,718</u>	<u>\$ 267,161</u>	<u>\$ 1,417,600</u>	<u>\$ 2,693,479</u>

(14) NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued Statement No. 90, “*Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61.*” The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, as extended by GASB Statement No. 95, “*Postponement of Effective Dates of Certain Authoritative Guidance.*” The City plans to adopt this Statement as applicable by the effective date.

The GASB has issued Statement No. 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements.*” The objective of this Statement is to better meet the information needs of financial statement users by improving the comparability of financial statements among governments that enter into public-private and public-public partnerships (PPPs) and availability payment arrangements (APAs) by enhancing the understandability, reliability, relevance, and consistency of information about PPPs and APAs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. This Statement did not have a material effect on the City’s financial statements upon implementation.

The GASB has issued Statement No. 96, “*Subscription-Based Information Technology Arrangements.*” The objective of this Statement is to better meet the information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirements for SBITAs; (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. This Statement did not have a material effect on the City’s financial statements upon implementation.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(14) NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

The GASB has issued Statement No. 99, “*Omnibus 2022*”. The primary objectives of this Statement are to (1) duties that a governing board typically would perform; (2) mitigate costs associated with the plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance. The requirements of this Statements are effective for fiscal years ending after December 15, 2021. This Statement did not have a material effect on the City’s financial statements upon implementation.

The GASB has issued Statement No. 100, “*Accounting Changes and Error Corrections*”. The primary objective of this Statement is to enhance accounting and financial reporting requirement for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decision or assessing accountability. The requirements of this Statements are effective for fiscal years ending after June 15, 2023. This Statement did not have a material effect on the City’s financial statements upon implementation.

The GASB has issued Statement No. 101, “*Compensated Absences*”. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statements are effective for fiscal years beginning after December 15, 2023. This Statement did not have a material effect on the City’s financial statements upon implementation.

(15) PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2023, the Sheriff’s Office became aware of cumulative \$980,599 in sale tax overpayments from fiscal years ended June 30, 2020, 2021, and 2022. The City accordingly adjusted beginning fund balance with a decrease of \$980,599 and an increase of \$980,599 in due to other governments.

(16) DISCRETELY PRESENTED COMPONENT UNITS

Fremaux Economic Development District, State of Louisiana (“the District”)

Cash and cash equivalents

The District had the following cash and cash equivalents as of June 30, 2023.

	Total
<u>Governmental funds:</u>	
Restricted demand deposits	\$ 53
Restricted money market mutual funds	1,269,689
	\$ 1,236,764

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. The District’s deposit policy for custodial credit risk conforms to state law, as described in Note 1. At June 30, 2023, the District’s demand deposit bank balances were entirely secured by federal deposit insurance, and the District’s money market mutual funds were entirely secured by government backed securities held in the District’s name.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(16) DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Fremaux Economic Development District, State of Louisiana ("the District") (continued)

Dedicated Revenues

On March 25, 2008, the City Council passed ordinance number 3461 levying an additional sales tax of one percent (1%) in the District and passed ordinance number 3462 levying a hotel occupancy tax of one percent (1%) in the District to fund economic development projects selected by the District. On December 13, 2011, the City Council adopted ordinance number 3636 to reduce the levy from one percent (1%) to one-half of one percent (0.50%).

Long-term Debt

The following is a summary of long-term debt transactions of the District for the year ended June 30, 2023:

Description	Balance at 6/30/2022	Additions	Reductions	Balance at 6/30/2023	Current	Non-current
<u>Governmental Activities</u>						
Sales Tax Bonds, Series 2014						
R-1	\$ 1,625,000	\$ -	\$ (325,000)	\$ 1,300,000	\$ -	\$ 1,300,000
R-2	3,200,000	-	-	3,200,000	-	3,200,000
Original issue discounts	(32,670)	-	1,485	(31,185)	-	(31,185)
Sales Tax Bonds, Series 2015						
R-1	4,040,000	-	-	4,040,000	-	4,040,000
Original issue discounts	(40,906)	-	1,750	(39,156)	-	(39,156)
Total governmental activities	<u>\$ 8,791,424</u>	<u>\$ -</u>	<u>\$ (321,765)</u>	<u>\$ 8,469,659</u>	<u>\$ -</u>	<u>\$ 8,469,659</u>

Sales Tax Bonds secured by an irrevocable pledge of 100% of the City's sales and use taxes through 2045:

\$5,710,000 Sales Tax Bonds, Series 2014, issued on April 3, 2014, secured by an irrevocable pledge and dedication of all the avails or proceeds of the special one-half of one percent (1.2%) sales tax now being levied and collected, bearing interest from 5.0% to 6.0%. R-1 bonds mature in 2034 and R-2 bonds mature in 2043, economic development projects. \$ 4,500,000

\$5,250,000 Sales Tax Bonds, Series 2015, issued on November 12, 2015, secured by an irrevocable pledge and dedication of all the avails or proceeds of the special one-half of one percent (.50%) sales tax now being levied and collected, bearing interest of 5.50%, R-1 bonds mature in 2045, economic development projects. 4,040,000

\$ 8,540,000

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(16) DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Fremaux Economic Development District, State of Louisiana (“the District”) (continued)

Long-term Debt (continued)

The annual requirements to maturity for Sales Tax Bonds as of June 30, 2023 are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ -	\$ 488,700
2025	-	488,700
2026	-	488,700
2027	-	488,700
2028	-	488,700
2029-2033	-	2,443,500
2034-2038	2,510,000	1,928,650
2039-2043	-	1,708,000
2044-2046	<u>6,030,000</u>	<u>615,200</u>
Total	<u>\$ 8,540,000</u>	<u>\$ 9,138,850</u>

The Bonds were issued for the purpose of paying the costs of various capital improvements within the District and paying the costs of issuance of the Bonds. Most of the proceeds were used to pay or reimburse Slidell Development Company, L.L.C., the developer, for certain costs of economic development projects (consisting of water, sewer, drainage, roads and related infrastructure projects and other costs of a multi-purpose real estate development consisting of retail, commercial, residential, office, hotel, education and/or medical facilities) in or beneficial to the District.

Camellia Square Economic Development District, State of Louisiana (“the District”)

Cash and cash equivalents

The District had the following cash as of June 30, 2023:

	<u>Total</u>
<u>Governmental funds:</u>	
Restricted demand deposits	<u>\$ 48,937</u>

Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits might not be recovered. The District’s deposit policy for custodial credit risk conforms to state law, as described in Note 1. At June 30, 2023, the District’s demand deposit bank balances were entirely secured by federal deposit insurance.

Dedicated Revenues

On May 14, 2013, the Council passed ordinance number 3686 levying an additional sales and use tax of one percent (1%) in the District. The Council passed ordinance number 3487 levying a hotel occupancy tax of two percent (2%). The purpose of the District is to reimburse a developer for economic development (a shopping center and hotel) within the District.

CITY OF SLIDELL, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2023

(16) DISCRETELY PRESENTED COMPONENT UNITS (CONTINUED)

Northshore Square Economic Development District, State of Louisiana ("the District")

Cash and cash equivalents

The District had the following cash as of June 30, 2023:

	<u>Total</u>
<u>Governmental funds:</u>	
Restricted demand deposits	<u>\$ 181,481</u>

Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits might not be recovered. The District's deposit policy for custodial credit risk conforms to state law, as described in Note 1. At June 30, 2023, the District's demand deposit bank balances were entirely secured by federal deposit insurance and by government backed securities held in the District's name

Dedicated Revenues

Ordinance number 3753 levied a one half of one percent (0.5%) sales and use tax beginning April 1, 2015 for the purpose of paying the costs of economic development projects. The purpose of the District is to finance economic development projects within the District.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes:				
Ad valorem	\$ 1,360,000	\$ 1,360,000	\$ 1,460,336	\$ 100,336
Franchise	1,933,000	1,933,000	2,451,090	518,090
Beer and tobacco	70,000	70,000	71,286	1,286
Other	9,600	9,600	22,669	13,069
Licenses and permits	2,199,200	2,199,200	2,776,896	577,696
Intergovernmental revenues:				
Federal and state grants	-	-	7,833	7,833
Other state and local governmental revenues	-	-	-	-
Fines and forfeitures	251,500	251,500	274,423	22,923
Service charges	224,997	224,997	247,152	22,155
Contributions	-	-	-	-
Other revenues, primarily interest, net	72,000	390,040	2,715,697	2,325,657
Total revenues	<u>6,120,297</u>	<u>6,438,337</u>	<u>10,027,382</u>	<u>3,589,045</u>
<u>EXPENDITURES:</u>				
General government				
Administrative	991,858	991,858	958,535	33,323
Finance	954,819	941,819	732,552	209,267
Legal	503,393	503,393	362,283	141,110
Data processing	641,788	641,788	576,799	64,989
Purchasing	297,991	297,991	291,002	6,989
Civil service	145,320	123,370	115,480	7,890
Human resources	327,370	362,320	361,866	454
Legislative	797,219	797,219	779,064	18,155
	<u>4,659,758</u>	<u>4,659,758</u>	<u>4,177,581</u>	<u>482,177</u>
Public works:				
Building safety	907,483	907,483	850,418	57,065
Planning	441,651	441,651	376,283	65,368
	<u>1,349,134</u>	<u>1,349,134</u>	<u>1,226,701</u>	<u>122,433</u>
Recreation and culture	<u>387,708</u>	<u>412,708</u>	<u>387,154</u>	<u>25,554</u>
Judicial system	<u>629,820</u>	<u>739,820</u>	<u>682,234</u>	<u>57,586</u>
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>7,026,420</u>	<u>7,161,420</u>	<u>6,473,670</u>	<u>687,750</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(906,123)</u>	<u>(723,083)</u>	<u>3,553,712</u>	<u>4,276,795</u>

See Independent Auditors' Report

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
BUDGET AND ACTUAL (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgetary Amounts		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	1,028,940	1,028,940	1,028,940	-
Transfers (out)	<u>(122,817)</u>	<u>(1,085,857)</u>	<u>(1,085,857)</u>	-
Total other financing (uses)	<u>906,123</u>	<u>(56,917)</u>	<u>(56,917)</u>	-
Net change in fund balance	-	(780,000)	3,496,795	4,276,795
Fund balances, beginning of year	<u>7,086,349</u>	<u>7,086,349</u>	<u>7,086,349</u>	-
Fund balances, end of year	<u>\$ 7,086,349</u>	<u>\$ 6,306,349</u>	<u>\$ 10,583,144</u>	<u>\$ 4,276,795</u>

*Note The City legally adopts annual budgets for the General Fund and all Special Revenue Funds

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
SALES TAX FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budgetary Amounts		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES:</u>				
Taxes				
Sales	\$ 22,500.000	\$ 9,675,731	\$ 14,859,895	\$ 5,184,164
Ad valorem	539,000	539,000	577,551	38,551
Intergovernmental revenues:				
Federal and state grants	-	-	16,040	16,040
Other state and local governmental revenues	16,040	16,040	-	(16,040)
Service charges	31,000	31,000	68,426	37,426
Contributions	-	-	11,400	11,400
Other revenue	-	-	4,210	4,210
Total revenues	<u>23,086,040</u>	<u>10,261,771</u>	<u>15,537,522</u>	<u>5,275,751</u>
<u>EXPENDITURES:</u>				
General government				
Administrative	3,823,302	4,657,429	3,523,650	1,133,779
	<u>3,823,302</u>	<u>4,657,429</u>	<u>3,523,650</u>	<u>1,133,779</u>
Public works:				
Streets, bridges and drainage	2,753,518	2,753,518	2,639,745	113,773
Engineering	658,786	658,786	640,181	18,605
Electrical	242,163	242,163	228,559	13,604
General maintenance	786,286	836,286	804,161	32,125
Vehicle maintenance	627,272	627,272	547,962	79,310
	<u>5,068,025</u>	<u>5,118,025</u>	<u>4,860,608</u>	<u>257,417</u>
Recreation and culture	<u>2,444,715</u>	<u>2,504,715</u>	<u>2,258,911</u>	<u>245,804</u>
Capital outlay	<u>5,715,673</u>	<u>5,715,673</u>	<u>696,005</u>	<u>5,019,668</u>
Total expenditures	<u>17,051,715</u>	<u>17,995,842</u>	<u>11,339,174</u>	<u>6,656,668</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,034,325</u>	<u>(7,734,071)</u>	<u>4,198,348</u>	<u>(1,380,917)</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
BUDGET AND ACTUAL (BUDGETARY BASIS)
SALES TAX FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	338,142	521,182	521,182	-
Transfers (out)	<u>(12,088,140)</u>	<u>(4,053,125)</u>	<u>(4,053,125)</u>	<u>-</u>
Total other financing (uses)	<u>(11,749,998)</u>	<u>(3,531,943)</u>	<u>(3,531,943)</u>	<u>-</u>
Net change in fund balance	(5,715,673)	(11,266,014)	666,405	(1,380,917)
Fund balances, beginning of year	<u>21,564,817</u>	<u>21,564,817</u>	<u>21,564,817</u>	<u>-</u>
Fund balances, end of year	<u>\$ 15,849,144</u>	<u>\$ 10,298,803</u>	<u>\$ 22,231,222</u>	<u>\$ (1,380,917)</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
GRANTS AND DONATIONS FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental revenues:				
Federal and state grants	\$ 13,009,361	\$ 18,372,447	\$ 9,687,837	\$ (8,684,610)
Contributions	-	<u>497,242</u>	<u>108,460</u>	<u>(388,782)</u>
Total revenues	<u>13,009,361</u>	<u>18,869,689</u>	<u>9,796,297</u>	<u>(9,073,392)</u>
<u>EXPENDITURES:</u>				
General government	7,379,361	9,247,877	3,158,664	6,089,213
Public works	-	-	-	-
Public safety	375,000	263,804	186,485	77,319
Recreation and culture	255,000	102,693	82,084	20,609
Capital outlay	<u>5,000,000</u>	<u>3,892,229</u>	<u>2,605,677</u>	<u>1,286,552</u>
Total expenditures	<u>13,009,361</u>	<u>13,506,603</u>	<u>6,032,910</u>	<u>7,473,693</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>5,363,086</u>	<u>3,763,387</u>	<u>(1,599,699)</u>
<u>OTHER FINANCING SOURCES (USES)</u>	<u>-</u>	<u>-</u>	<u>(42,125)</u>	<u>-</u>
Net change in fund balance	-	5,363,086	3,721,262	(1,599,699)
Fund balance, beginning of year	<u>(5,363,086)</u>	<u>(5,363,086)</u>	<u>(5,363,086)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (5,363,086)</u>	<u>\$ -</u>	<u>\$ (1,641,824)</u>	<u>\$ (1,599,699)</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
PUBLIC SAFETY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes:				
Sales	\$ 11,104,269	\$ 12,824,269	\$ 12,824,269	\$ -
Ad valorem	1,375,000	1,375,000	1,475,298	100,298
Intergovernmental revenues:				
Federal and state grants	300,000	300,000	300,440	440
Other state and local governmental revenues	1,056,200	1,077,300	1,045,338	(31,962)
Service charges	222,500	200,500	200,250	(250)
Contributions	-	-	-	-
Other revenues, primarily interest	-	2,136	17,548	15,412
Total revenues	<u>14,057,969</u>	<u>15,779,205</u>	<u>15,863,143</u>	<u>83,938</u>
<u>EXPENDITURES:</u>				
Current:				
Police	11,962,491	11,962,491	12,143,497	(181,006)
Corrections facility	1,064,497	1,064,497	319,726	744,771
Regional training facility	327,137	327,137	297,912	29,225
Animal control	503,844	503,844	457,933	45,911
Debt service	-	25,000	19,573	5,427
Capital outlay	200,000	3,977,044	943,056	3,033,988
Total expenditures	<u>14,057,969</u>	<u>17,860,013</u>	<u>14,181,697</u>	<u>3,678,316</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(2,080,808)</u>	<u>1,681,446</u>	<u>3,762,254</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Inception of lease	-	269,517	269,517	-
Transfers in	-	-	-	-
Total other financing sources	<u>-</u>	<u>269,517</u>	<u>269,517</u>	<u>-</u>
Net change in fund balances	-	(1,811,291)	1,950,963	3,762,254
Fund balances - beginning of year	<u>5,414,349</u>	<u>5,414,349</u>	<u>5,414,349</u>	<u>-</u>
Fund balances - end of year	<u>\$ 5,414,349</u>	<u>\$ 3,603,058</u>	<u>\$ 7,365,312</u>	<u>\$ 3,762,254</u>

*Note: The Actual on Budgetary Basis amounts above reflect the modified accrual basis of accounting, except that state supplemental pay for police (\$660,044) is not reflected above in revenues and expenditures

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
AMERICAN RESCUE PLAN FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Federal and state grants	\$ 4,687,403	\$ 4,687,403	\$ 91,606	\$ (4,595,797)
Other revenues, primarily interest	-	-	9,832	9,832
Total revenues	<u>4,687,403</u>	<u>4,687,403</u>	<u>101,438</u>	<u>(4,585,965)</u>
<u>EXPENDITURES:</u>				
General government	<u>4,687,403</u>	<u>4,687,403</u>	<u>91,606</u>	<u>4,595,797</u>
Total expenditures	<u>4,687,403</u>	<u>4,687,403</u>	<u>91,606</u>	<u>4,595,797</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	<u>9,832</u>	<u>9,832</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	-	-	9,832	9,832
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,832</u>	<u>\$ 9,832</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Total OPEB Liability:						
Service cost	\$ 281,373	\$ 470,844	\$ 418,951	\$ 333,883	\$ 347,366	\$ 349,555
Interest cost	1,463,324	1,036,098	1,067,609	1,387,749	1,342,082	1,369,300
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	(2,902,929)	379,326	(520,645)	413,478	1,439,223	(859,400)
Changes of assumptions	(518,627)	(6,616,133)	578,531	8,318,467	-	-
Benefit payments	<u>(1,915,301)</u>	<u>(1,886,269)</u>	<u>(1,883,820)</u>	<u>(1,707,086)</u>	<u>(1,940,710)</u>	<u>(1,333,522)</u>
Net change in total OPEB liability	(3,592,160)	(6,616,134)	(339,374)	8,746,491	1,187,961	(474,067)
Total OPEB liability - beginning	<u>42,294,486</u>	<u>48,910,620</u>	<u>49,249,994</u>	<u>40,503,503</u>	<u>39,315,542</u>	<u>39,789,609</u>
Total OPEB liability - ending	<u>\$ 38,702,326</u>	<u>\$ 42,294,486</u>	<u>\$ 48,910,620</u>	<u>\$ 49,249,994</u>	<u>\$ 40,503,503</u>	<u>\$ 39,315,542</u>
Covered-employee payroll	\$ 10,954,355	\$ 10,479,779	\$ 10,048,540	\$ 10,048,540	\$ 9,662,057	\$ 9,227,325
Net OPEB liability as a percentage of covered employee payroll	3.53305384	403.58%	486.74%	490.12%	419.20%	426.08%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available

Note: No assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for pension/OPEB plan.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2023

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>
Actuarially determined contribution	\$ 2,592,520	\$ 2,703,037	\$ 2,681,963	\$ 2,536,112	\$ 2,485,004	\$ 2,512,969
Contributions in relation to the actuarially determined contribution						
Employer contributions to trust	-	-	-	-	-	-
Employer-paid retiree premiums	<u>(1,915,301)</u>	<u>(1,886,269)</u>	<u>(1,883,820)</u>	<u>(1,707,086)</u>	<u>(1,940,710)</u>	<u>(1,333,522)</u>
Contribution deficiency	<u>\$ 677,219</u>	<u>\$ 816,768</u>	<u>\$ 798,143</u>	<u>\$ 829,026</u>	<u>\$ 544,294</u>	<u>\$ 1,179,447</u>
Covered-employee payroll	\$ 10,954,355	\$ 10,479,779	\$ 10,048,540	\$ 10,048,540	\$ 9,662,057	\$ 9,227,325
Contributions as a percentage of covered employee payroll	17.48%	18.00%	18.75%	16.99%	20.09%	14.45%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023*

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
<u>Municipal System</u>									
City's Proportion of the Net Pension Liability	3.73716%	3.56448%	3.77861%	3.88141%	3.99688%	3.96208%	3.66849%	3.68263%	3.58843%
City's Proportionate Share of the Net Pension Liability	\$ 15,521,299	\$ 9,914,605	\$ 16,336,459	\$ 16,129,078	\$ 16,549,796	\$ 16,575,064	\$ 15,036,066	\$ 13,154,743	\$ 9,209,507
City's Covered Payroll	\$ 6,799,512	\$ 6,803,770	\$ 7,313,765	\$ 6,957,556	\$ 7,009,489	\$ 6,662,801	\$ 6,415,651	\$ 5,576,000	\$ 5,292,000
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	228.27%	145.72%	223.37%	231.82%	236.11%	248.77%	234.37%	235.92%	174.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.87%	77.82%	64.52%	64.68%	63.94%	62.50%	62.11%	66.18%	73.99%
<u>Police System</u>									
City's Proportion of the Net Pension Liability	1.918336%	1.658146%	1.667760%	1.516436%	1.648868%	1.586870%	1.613780%	1.592232%	1.518915%
City's Proportionate Share of the Net Pension Liability	\$ 19,608,799	\$ 8,838,825	\$ 15,413,971	\$ 13,771,779	\$ 13,939,631	\$ 13,854,064	\$ 15,125,703	\$ 12,473,473	\$ 9,502,271
City's Covered Payroll	\$ 5,598,035	\$ 4,814,419	\$ 4,800,992	\$ 4,732,287	\$ 5,018,855	\$ 4,750,774	\$ 4,483,688	\$ 4,076,000	\$ 3,820,000
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	350.28%	183.59%	321.06%	291.02%	277.75%	291.62%	337.35%	306.02%	248.75%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.10%	84.09%	71.00%	71.00%	71.89%	70.01%	66.04%	70.73%	75.10%
<u>LASERS</u>									
City's Proportion of the Net Pension Liability	0.00221%	0.00220%	0.00211%	0.00213%	0.00216%	0.00213%	0.00206%	0.00186%	0.00182%
City's Proportionate Share of the Net Pension Liability	\$ 166,919	\$ 120,977	\$ 174,180	\$ 154,172	\$ 147,038	\$ 149,646	\$ 161,527	\$ 126,644	\$ 113,961
City's Covered Payroll	\$ 42,679	\$ 41,131	\$ 40,624	\$ 39,440	\$ 39,440	\$ 37,455	\$ 35,917	\$ 34,000	\$ 34,000
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	391.10%	294.13%	428.76%	390.90%	372.81%	399.54%	449.72%	372.48%	335.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.70%	72.80%	58.00%	62.90%	64.30%	62.50%	57.70%	62.66%	65.02%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**The amounts presented have a measurement date of the previous fiscal year end.*

See Independent Auditors' Report

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF CONTRIBUTIONS - RETIREMENT PLAN
FOR THE YEAR ENDED JUNE 30, 2023

	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
<u>Municipal System</u>									
Contractually Required Contribution	\$ 2,112,917	\$ 2,005,857	\$ 2,007,112	\$ 1,901,579	\$ 1,808,964	\$ 1,734,849	\$ 1,515,787	\$ 1,267,000	\$ 1,101,000
Contributions in Relation to the Contractually Required Contribution	<u>(2,112,917)</u>	<u>(2,005,857)</u>	<u>(2,007,112)</u>	<u>(1,901,579)</u>	<u>(1,808,964)</u>	<u>(1,734,849)</u>	<u>(1,515,787)</u>	<u>(1,267,091)</u>	<u>(1,303,828)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (91)</u>	<u>\$ (202,828)</u>						
City's Covered Payroll	\$ 7,612,599	\$ 6,799,512	\$ 6,803,770	\$ 7,313,765	\$ 6,957,556	\$ 7,009,489	\$ 6,662,801	\$ 5,642,000	\$ 5,576,000
Contributions as a Percentage of Covered Payroll	27.76%	29.50%	29.50%	26.00%	26.00%	24.75%	22.75%	22.46%	23.38%
<u>Police System</u>									
Contractually Required Contribution	\$ 1,761,842	\$ 1,665,416	\$ 1,624,873	\$ 1,561,544	\$ 1,526,162	\$ 1,543,299	\$ 1,510,089	\$ 1,323,000	\$ 1,285,000
Contributions in Relation to the Contractually Required Contribution	<u>(1,761,842)</u>	<u>(1,665,416)</u>	<u>(1,624,873)</u>	<u>(1,561,544)</u>	<u>(1,526,162)</u>	<u>(1,543,299)</u>	<u>(1,510,089)</u>	<u>(1,323,195)</u>	<u>(1,318,452)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (195)</u>	<u>\$ (33,452)</u>						
City's Covered Payroll	\$ 5,924,986	\$ 5,598,035	\$ 4,814,419	\$ 4,800,992	\$ 4,732,287	\$ 5,018,855	\$ 4,750,774	\$ 4,298,000	\$ 4,076,000
Contributions as a Percentage of Covered Payroll	29.74%	29.75%	33.75%	32.53%	32.25%	30.75%	31.79%	30.79%	32.35%
<u>LASERS</u>									
Contractually Required Contribution	\$ 18,974	\$ 18,352	\$ 17,933	\$ 17,143	\$ 15,816	\$ 15,816	\$ 14,233	\$ 13,700	\$ 14,300
Contributions in Relation to the Contractually Required Contribution	<u>(18,974)</u>	<u>(18,352)</u>	<u>(17,933)</u>	<u>(17,143)</u>	<u>(15,816)</u>	<u>(15,816)</u>	<u>(14,233)</u>	<u>(14,320)</u>	<u>(13,786)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (620)</u>	<u>\$ 514</u>						
City's Covered Payroll	\$ 43,319	\$ 42,679	\$ 41,131	\$ 40,624	\$ 39,440	\$ 39,440	\$ 37,455	\$ 35,000	\$ 34,000
Contributions as a Percentage of Covered Payroll	43.80%	43.00%	43.60%	42.20%	40.10%	40.10%	38.00%	40.91%	40.55%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available

CITY OF SLIDELL, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2023

(1) PENSION PLAN SCHEDULES

Changes of Benefit Terms

For MERS and MPERS, there were no changes of benefit terms during any of the years presented.

For LASERS, a 1.5% cost of living adjustment, effective July 1, 2016, was provided by Acts 93 and 512 of the 2016 Louisiana Regular Legislative Session, and the system added benefits for members of the Harbor Police Retirement System, which was merged with LASERS effective July 1, 2015 by Act 648 of 2014.

Changes of Assumptions

For MERS, for the valuation year ended June 30, 2021, the investment rate of return was decreased from 6.95% to 6.95%. For the valuation year ended June 30, 2020, the investment rate of return was decreased from 7.00% to 6.95%. For the valuation year ended June 30, 2019, the investment rate of return was decreased from 7.275% to 7.0% and the rate of inflation was decreased from 2.60% to 2.50%. For the valuation year ended June 30, 2018, the investment rate of return was decreased from 7.4% to 7.275% and the rate of inflation was decreased from 2.775% to 2.60%. For the valuation year ended June 30, 2017, the investment rate of return was decreased from 7.5% to 7.4%, the rate for projected salary increases was decreased from 5.0% to 4.5%, and the salary growth rates were changed over various years of service.

For MPERS, for the valuation year ended June 30, 2021, the investment rate of return decreased from 6.950% to 6.750%. For the valuation year ended June 30, 2020, the investment rate of return decreased from 7.125% to 6.950%, the salary growth rate increased from 9.75% for 1-2 years of service to 12.30%, the salary growth rate decreased from 4.75% for 3-23 years of service to 4.70%, and the salary growth rate decreased for over 23 years to 2.70%. Additionally, the mortality tables changed from RP-200 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA for healthy annuitants and beneficiaries, RP-200 Disabled Lives Table, and RP-200 Employee Table to Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees, Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees, and Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees. For the valuation year ended June 30, 2019, the investment rate of return decreased from 7.20% to 7.125% and the inflation rate decreased from 2.60% to 2.50%. For the valuation year ended June 30, 2018, the investment rate of return decreased from 7.325% to 7.20% and the inflation rate decreased from 2.70% to 2.60%. For the valuation year ended June 30, 2017, the inflation rate decreased from 2.875% to 2.70%.

For LASERS, for the valuation year ended June 30, 2022, the investment rate of return was decreased from 7.40% to 7.25%. For the valuation year ended June 30, 2021, the investment rate of return was decreased from 7.55% to 7.40%. For the valuation year ended June 30, 2020, the investment rate of return was decreased from 7.60% to 7.55%; the inflation rate was also decreased from 2.5% to 2.3%; and salary increases decreased from 2.8% to 14.0% to 2.6% to 13.8%. For the valuation year ended June 30, 2019, the investment rate of return was decreased from 7.65% to 7.60%. The inflation rate was also decreased from 2.75% to 2.5%. For the valuation year ended June 30, 2018, the investment rate of return was decreased from 7.70% to 7.65%. For the valuation year ended June 30, 2017, the investment rate of return was decreased from 7.70% to 7.65%.

CITY OF SLIDELL, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION (CONTINUED)
JUNE 30, 2023

(2) OPEB SCHEDULES

Assumptions to Arrive at Actuarial Determined Contribution

Valuation date	7/1/22 Actuarially determined contributions are calculated as of the last day of the fiscal year in which contributions are reported.
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level dollar, open
Amortization period	30 years
Asset valuation method	Market value
Inflation	2.5% annually
Healthcare trend rate	5.5% annually for ten years, 4.5% thereafter
Salary increases	4.0% annually, including inflation
Prior discount rate	3.54% annually (Beginning of year to determine ADC)
Discount rate	3.65% annually (As of end of year measurement date)
Retirement age	3 years after the following: attainment of 25 years of service at any age; or, age 60 and 10 years of service; for employees hired after 12/31/2012; 3 years after age 55 and 30 years of service; age 62 and 10 years of service; or age 67 and 7 years of service; for police, 3 years after 25 years of service; or age 50 and 20 years of service; or 55 and 12 years of service
Mortality	SOA RP-2000 Table
Turnover	Age specific table with an average of 17% when applied to the active census

OTHER SUPPLEMENTARY INFORMATION

CITY OF SLIDELL, LOUISIANA
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

SPECIAL REVENUE FUNDS

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose.

Community Development Block Grant Fund – accounts for the proceeds of entitlement grants received from the Department of Housing and Urban Development.

DISA Fund – accounts for revenues earned through the lease of a City-owned building which are used for the upkeep and maintenance of the building.

Katrina Fund – accounts for FEMA reimbursements, insurance proceeds and the related costs associated with the storm.

CAPITAL PROJECTS FUNDS

Capital Projects funds account for the purchase, construction and renovation of the City's major capital facilities. Their resources are derived principally from proceeds of general obligation or sales tax bonds, certificates of indebtedness and U.S. Government and other agencies grants.

Public Works Fund – accounts for transfers from the DISA Fund.

General Obligation Bonds 2010 Fund – accounts for improvements to the City's streets, bridges and drainage. The fund's resources are derived from the proceeds of a general obligation bond.

CITY OF SLIDELL, LOUISIANA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023

ASSETS

	<u>Special Revenue</u>			<u>Capital Projects</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Community Development Block Grant Fund</u>	<u>DISA Fund</u>	<u>Katrina Fund</u>	<u>Public Works Fund</u>	<u>General Obligation Bonds 2010 Fund</u>	
<u>CURRENT ASSETS:</u>						
Cash and cash equivalents	\$ -	\$ 1,970,045	\$ 3,857,596	\$ 1,883,787	\$ -	\$ 7,711,428
Investments	-	-	-	-	-	-
Receivables, net of allowances for uncollectible						
Taxes	-	-	-	-	-	-
Leases	-	1,665,285	-	-	-	1,665,285
Other	-	17,851	-	-	-	17,851
Due from other funds	-	-	-	-	-	-
Due from local entities	-	-	-	-	-	-
Due from other governments	446,626	-	296,131	-	-	742,757
Inventory	-	-	-	-	-	-
Prepaid items	-	675	-	-	-	675
Restricted assets:						
Cash	-	-	-	-	445,990	445,990
Investments	-	-	-	-	-	-
Total assets	\$ 446,626	\$ 3,653,856	\$ 4,153,727	\$ 1,883,787	\$ 445,990	\$ 10,583,986

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES

<u>LIABILITIES:</u>						
Accounts salaries, and other payables	\$ 97,010	\$ 106,973	\$ -	\$ 37,437	\$ -	\$ 241,420
Due to other funds	349,462	-	-	-	-	349,462
Due to other governments	-	-	-	-	-	-
Total liabilities	446,472	106,973	-	37,437	-	590,882

DEFERRED INFLOWS OF RESOURCES:

Unavailable revenue - leases	-	1,599,051	-	-	-	1,599,051
Unavailable revenue - intergovernmental	441,170	-	327,378	-	-	768,548
Total deferred inflows of resources	441,170	1,599,051	327,378	-	-	2,367,599

FUND BALANCES:

Nonspendable:						
Inventory	-	-	-	-	-	-
Prepaid items	-	675	-	-	-	675
Restricted for						
Debt service	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Streets and drainage	-	-	3,826,349	-	445,990	4,272,339
Committed to						
Capital outlay	-	4,971	-	1,846,350	-	1,851,321
Contingencies	-	1,574,523	-	-	-	1,574,523
Operating reserves	-	-	-	-	-	-
Assigned to						
Compensated absences	-	-	-	-	-	-
Public improvements, facilities & equipment	-	367,663	-	-	-	367,663
Public safety	-	-	-	-	-	-
Unassigned	(441,016)	-	-	-	-	(441,016)
Total fund balances	(441,016)	1,947,832	3,826,349	1,846,350	445,990	7,025,505
Total liabilities, deferred inflows of resources and fund balances	\$ 446,626	\$ 3,653,856	\$ 4,153,727	\$ 1,883,787	\$ 445,990	\$ 10,583,986

See Independent Auditors' Report

CITY OF SLIDELL, LOUISIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	Special Revenue			Capital Projects		Total Nonmajor Governmental Funds
	Community Development Block Grant Fund	DISA Fund	Katrina Fund	Public Works Fund	General Obligation Bonds 2010 Fund	
REVENUES:						
Taxes and assessments:						
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ad valorem	-	-	-	-	-	-
Franchise	-	-	-	-	-	-
Beer and tobacco	-	-	-	-	-	-
Other	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental revenues						
Federal and state grants	155,800	-	1,738,642	-	-	1,894,442
Other state and local governmental revenues	-	-	-	-	-	-
State supplemental pay	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Service charges	-	1,144,788	-	-	-	1,144,788
Contributions	-	-	-	-	-	-
Other revenues, primarily interest, net	-	-	-	-	14,718	14,718
Total revenues	155,800	1,144,788	1,738,642	-	14,718	3,053,948
EXPENDITURES:						
Current						
General government	26,269	1,175,381	261	28,400	-	1,230,311
Public works	-	-	-	5,086	-	5,086
Public safety	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-
Judicial system	-	-	-	73,000	-	73,000
Debt service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Bond issuance cost	-	-	-	-	-	-
Capital outlay	276,970	43,200	-	84,598	-	404,768
Total expenditures	303,239	1,218,581	261	191,084	-	1,713,165
Excess (deficiency) of revenues over (under) expenditures	(147,439)	(73,793)	1,738,381	(191,084)	14,718	1,340,783
OTHER FINANCING SOURCES (USES):						
Inception of lease	-	-	-	-	-	-
Proceeds of refunding bonds	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-
Transfers in	-	84,706	-	80,000	-	164,706
Transfers out	-	(100,000)	-	(113,832)	-	(213,832)
Total other financing sources	-	(15,294)	-	(33,832)	-	(49,126)
Net change in fund balances	(147,439)	(89,087)	1,738,381	(224,916)	14,718	1,291,657
Fund balances, beginning of year	(293,577)	2,036,919	2,087,968	2,071,266	431,272	6,333,848
Fund balances, end of year	\$ (441,016)	\$ 1,947,832	\$ 3,826,349	\$ 1,846,350	\$ 445,990	\$ 7,625,505

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental revenues	\$ 5,201,134	\$ 5,201,134	\$ 155,800	\$ (5,045,334)
Total revenues	<u>5,201,134</u>	<u>5,201,134</u>	<u>155,800</u>	<u>(5,045,334)</u>
<u>EXPENDITURES:</u>				
General government	40,000	40,000	26,269	13,731
Capital outlay	<u>5,161,134</u>	<u>5,161,134</u>	<u>276,970</u>	<u>4,884,164</u>
Total expenditures	<u>5,201,134</u>	<u>5,201,134</u>	<u>303,239</u>	<u>4,897,895</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(147,439)</u>	<u>(147,439)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	(147,439)	(147,439)
Fund balance, beginning of year	<u>(293,577)</u>	<u>(293,577)</u>	<u>(293,577)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (293,577)</u>	<u>\$ (293,577)</u>	<u>\$ (441,016)</u>	<u>\$ (147,439)</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
DISA FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		<u>Actual on Budgetary Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Service charges	\$ 1,039,371	\$ 1,123,771	\$ 1,144,788	\$ 21,017
Intergovernmental revenues	-	-	-	-
Other revenues, primarily interest	-	-	-	-
Total revenues	<u>1,039,371</u>	<u>1,123,771</u>	<u>1,144,788</u>	<u>21,017</u>
<u>EXPENDITURES:</u>				
General government	1,124,077	1,207,277	1,175,381	31,896
Capital outlay	142,770	142,770	43,200	99,570
Total expenditures	<u>1,266,847</u>	<u>1,350,047</u>	<u>1,218,581</u>	<u>131,466</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(227,476)</u>	<u>(226,276)</u>	<u>(73,793)</u>	<u>152,483</u>
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	84,706	84,706	84,706	-
Transfers out	-	(100,000)	(100,000)	-
Total other financing sources	<u>84,706</u>	<u>(15,294)</u>	<u>(15,294)</u>	<u>-</u>
Net change in fund balance	(142,770)	(241,570)	(89,087)	152,483
Fund balance, beginning of year	<u>2,036,919</u>	<u>2,036,919</u>	<u>2,036,919</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,894,149</u>	<u>\$ 1,795,349</u>	<u>\$ 1,947,832</u>	<u>\$ 152,483</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
KATRINA FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Intergovernmental revenues	\$ -	\$ 50,000	\$ 1,738,642	\$ 1,688,642
Total revenues	-	50,000	1,738,642	1,688,642
<u>EXPENDITURES:</u>				
General government	-	50,000	261	49,739
Total expenditures	-	50,000	261	49,739
Excess (deficiency) of revenues over (under) expenditures	-	-	1,738,381	1,738,381
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources	-	-	-	-
Net change in fund balance	-	-	1,738,381	1,738,381
Fund balance, beginning of year	2,087,968	2,087,968	2,087,968	-
Fund balance, end of year	<u>\$ 2,087,968</u>	<u>\$ 2,087,968</u>	<u>\$ 3,826,349</u>	<u>\$ 1,738,381</u>

CITY OF SLIDELL, LOUISIANA
BALANCE SHEET
CAMELLIA SQUARE ECONOMIC DEVELOPMENT DISTRICT
JUNE 30, 2023

ASSETS

	<u>General Fund</u>
<u>CURRENT ASSETS:</u>	
Receivables, net of allowances for uncollectibles:	
Taxes	\$ 33,290
Restricted assets	
Cash	<u>48,937</u>
Total assets	<u>\$ 82,227</u>

LIABILITIES AND FUND BALANCES

<u>LIABILITIES:</u>	
Accounts payable and other current liabilities	\$ 383
Due to other government	<u>62</u>
Total liabilities	<u>445</u>
<u>FUND BALANCES:</u>	
Restricted for economic development	<u>81,782</u>
Total fund balances	<u>81,782</u>
Total liabilities and fund balances	<u>\$ 82,227</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
CAMELLIA SQUARE ECONOMIC DEVELOPMENT DISTRICT
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes				
Sales and use	\$ 105,000	\$ 157,285	\$ 157,285	\$ -
Hotel occupancy	25,000	34,262	34,262	-
Other revenue	<u>10</u>	<u>1,129</u>	<u>1,129</u>	<u>-</u>
Total revenues	<u>130,010</u>	<u>192,676</u>	<u>192,676</u>	<u>-</u>
<u>EXPENDITURES:</u>				
General government	6,000	8,400	8,399	1
Economic development	<u>124,010</u>	<u>186,010</u>	<u>186,010</u>	<u>-</u>
Total expenditures	<u>130,010</u>	<u>194,410</u>	<u>194,409</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1,734)</u>	<u>(1,733)</u>	<u>1</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	(1,734)	(1,733)	1
Fund balance, beginning of year	<u>83,515</u>	<u>83,515</u>	<u>83,515</u>	<u>-</u>
Fund balance, end of year	<u>\$ 83,515</u>	<u>\$ 81,781</u>	<u>\$ 81,782</u>	<u>\$ 1</u>

CITY OF SLIDELL, LOUISIANA
BALANCE SHEET
NORTHSHORE SQUARE ECONOMIC DEVELOPMENT DISTRICT
JUNE 30, 2023

ASSETS

	<u>General Fund</u>
<u>CURRENT ASSETS:</u>	
Receivables, net of allowances for uncollectibles:	
Taxes	\$ 19,085
Restricted assets	
Cash	<u>181,481</u>
Total assets	<u>\$ 200,566</u>

LIABILITIES AND FUND BALANCES

<u>LIABILITIES:</u>	
Accounts payable and other current liabilities	\$ 220
Due to other funds	<u>63</u>
Total liabilities	<u>283</u>
<u>FUND BALANCES:</u>	
Restricted for economic development	<u>200,283</u>
Total fund balances	<u>200,283</u>
Total liabilities and fund balances	<u>\$ 200,566</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
NORTHSHORE SQUARE ECONOMIC DEVELOPMENT DISTRICT
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budgetary Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Taxes				
Sales and use	\$ 100,000	\$ 110,442	\$ 110,442	\$ -
Other revenue	-	4,607	4,607	-
Total revenues	<u>100,000</u>	<u>115,049</u>	<u>115,049</u>	<u>-</u>
<u>EXPENDITURES:</u>				
General government	5,650	5,600	5,600	-
Economic development	-	-	-	-
Total expenditures	<u>5,650</u>	<u>5,600</u>	<u>5,600</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>94,350</u>	<u>109,449</u>	<u>109,449</u>	<u>-</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
	-	-	-	-
Net change in fund balance	94,350	109,449	109,449	-
Fund balance, beginning of year	<u>90,834</u>	<u>90,834</u>	<u>90,834</u>	<u>-</u>
Fund balance, end of year	<u>\$ 185,184</u>	<u>\$ 200,283</u>	<u>\$ 200,283</u>	<u>\$ -</u>

SUPPORTING SCHEDULES

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Salaries, Wages and Related Benefits	Contract Services	Supplies and Materials	Equipment	Repairs and Maintenance	Museum Arts Evening	Main Street Planning & Zoning	Total
Administrative	\$ 840.951	\$ 112.979	\$ 4.605	\$ -	\$ -	\$ -	\$ -	\$ 958.535
Finance	667.351	39.551	24.739	-	911	-	-	732.552
Legal	326.165	32.466	3.652	-	-	-	-	362.283
Data processing	193.300	274.028	2.903	106.568	-	-	-	576.799
Purchasing	279.730	3.338	6.933	-	1,001	-	-	291.002
Human resources	280.158	68.664	13,044	-	-	-	-	361,866
Civil service	110.312	4,663	505	-	-	-	-	115,480
Council	661.919	103.713	8,455	4,885	92	-	-	779,064
Permits	816.989	22,444	10,985	-	-	-	-	850,418
Planning	240.050	80.283	30,950	-	-	-	25,000	376,283
Cultural arts	260.421	50,004	3,147	-	299	73,283	-	387,154
City Marshall	199.853	15,000	2,712	-	-	-	-	217,565
City Prosecutor	257.270	5,918	7,519	-	-	-	-	270,707
City Court	192.720	-	1,242	-	-	-	-	193,962
Total expenditures	\$ 5,327,189	\$ 813,051	\$ 121,391	\$ 111,453	\$ 2,303	\$ 73,283	\$ 25,000	\$ 6,473,670

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (BUDGETARY BASIS)
SALES TAX FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Salaries, Wages and Related Benefits	Contract Services	Supplies and Materials	Equipment	Repairs and Maintenance	Heritage Festival	Total
Administrative	\$ 783,126	\$ 3,821,521	\$ 10,729	\$ -	\$ -	\$ -	\$ 4,615,376
Streets, bridges and drainage	1,438,737	399,937	328,882	8,355	321,081	-	2,496,992
Engineering	608,874	45,184	5,539	-	-	-	659,597
Electrical	212,428	2,169	13,650	318	-	-	228,565
General maintenance	275,636	414,223	13,545	1,497	99,856	-	804,757
Vehicle maintenance	451,422	22,027	35,108	7,766	31,638	-	547,961
Parks and recreation	1,404,200	675,710	118,781	4,022	51,406	16,400	2,270,519
Total expenditures	<u>\$ 5,174,423</u>	<u>\$ 5,380,771</u>	<u>\$ 526,234</u>	<u>\$ 21,958</u>	<u>\$ 503,981</u>	<u>\$ 16,400</u>	<u>\$ 11,623,767</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF FUNCTIONAL EXPENDITURES BY DEPARTMENT (BUDGETARY BASIS)
PUBLIC SAFETY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Salaries, Wages and Related Benefits	Contract Services	Supplies and Materials	Equipment	Repairs and Maintenance	Total
Police	\$ 10,521,391	\$ 1,060,768	\$ 31,898	\$ 26,582	\$ 258,861	\$ 11,899,500
Corrections facility	836,082	113,457	27,915	1,068	1,247	979,769
Regional training facility	186,418	76,923	30,413	-	4,155	297,909
Animal control	369,073	58,210	12,527	2,748	15,382	457,940
 Total expenditures	 <u>\$ 11,912,964</u>	 <u>\$ 1,309,358</u>	 <u>\$ 102,753</u>	 <u>\$ 30,398</u>	 <u>\$ 279,645</u>	 <u>\$ 13,635,118</u>

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF COUNCILPERSONS' COMPENSATION
FOR THE YEAR ENDED JUNE 30, 2023

<u>COUNCILPERSON</u>	<u>COMPENSATION</u>
William Borchert	\$ 23,979
Leslie Denham	23,979
David Dunham	23,979
Cynthia King	23,979
Kenneth Tamborella	23,979
Thomas Brownfield	23,979
Nicholas Disanti	23,979
Jeffery Burgoyne	23,979
Megan Haggerty	23,979

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD
FOR THE YEAR ENDED JUNE 30, 2023

		Mayor Greg Cromer
	\$	
Salary	\$	131,259
Benefits - medical and dental insurance		16,904
Benefits - retirement		38,721
Benefits - life insurance		385
Benefits - disability insurance		272
Car allowance		9,600
Per diem		974
Travel		83
Registration fees		141
Conference travel		3,839
Special meals		115
		<hr/>
Total compensation, benefits, and other payments	\$	<u>202,293</u>

CITY OF SLIDELL, LOUISIANA
JUSTICE SYSTEM FUNDING SCHEUDLE - RECEIVING ENTITY
FOR THE YEAR ENDED JUNE 30, 2023

<i>Cash Basis Presentation</i>	First Six Month Period End December 31, 2022	Second Six Month Period End June 30, 2023
Receipts from		
City Court of East St. Tammany, Criminal fees - other	\$ 108,488	\$ 103,488
City Court of East St. Tammany, Criminal court costs/fees	23,970	24,175
City Court of East St. Tammany, Bond fees	1,960	1,806
Total Receipts	\$ 134,418	\$ 129,469
Ending balance of amounts assessed but not received	\$ -	\$ -

STATISTICAL SECTION - UNAUDITED

STATISTICAL SECTION

This part of the City of Slidell, Louisiana's (the "City") annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

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Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

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These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

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Sources: Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in fiscal year 2003; tables presenting government-wide information include information beginning in that year.

CITY OF SLIDELL, LOUISIANA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 1

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net investment in capital assets	\$ 105,863,429	\$ 110,977,230	\$ 112,257,231	\$ 115,852,285	\$ 121,778,085	\$ 154,887,052	\$ 164,637,972	\$ 165,139,686	\$ 158,994,165	\$ 156,239,316
Restricted	1,944,959	1,935,784	2,151,136	2,517,595	2,598,393	2,647,749	12,424,765	11,077,872	12,048,562	13,844,541
Unrestricted	16,982,470	(2,236,414)	(258,836)	(254,087)	(22,333,860)	(21,078,132)	(60,193,464)	(24,790,721)	(12,622,932)	(7,999,052)
Total governmental activities net position	<u>\$ 124,790,858</u>	<u>\$ 109,776,600</u>	<u>\$ 114,149,531</u>	<u>\$ 118,115,793</u>	<u>\$ 102,042,618</u>	<u>\$ 135,456,669</u>	<u>\$ 146,869,273</u>	<u>\$ 151,426,837</u>	<u>\$ 158,329,795</u>	<u>\$ 162,084,805</u>
Business-Type Activities										
Net investment in capital assets	\$ 45,992,103	\$ 46,008,954	\$ 46,078,298	\$ 50,248,160	\$ 50,861,923	\$ 50,425,447	\$ 54,651,272	\$ 56,177,924	\$ 58,280,498	\$ 55,779,537
Restricted	364,825	337,806	218,108	162,816	784,053	789,605	785,319	785,283	785,218	785,124
Unrestricted	6,782,823	4,963,616	6,992,581	8,185,227	4,607,650	5,633,278	8,156,775	9,908,438	9,031,404	13,769,253
Total business-type activities net position	<u>\$ 53,139,751</u>	<u>\$ 51,310,376</u>	<u>\$ 53,288,987</u>	<u>\$ 58,596,203</u>	<u>\$ 55,253,626</u>	<u>\$ 56,848,330</u>	<u>\$ 63,594,366</u>	<u>\$ 66,871,645</u>	<u>\$ 68,097,120</u>	<u>\$ 70,333,914</u>
Primary Government										
Net investment in capital assets	\$ 151,855,532	\$ 156,986,184	\$ 158,335,529	\$ 166,100,445	\$ 172,640,008	\$ 204,312,499	\$ 219,289,244	\$ 221,317,610	\$ 217,184,663	\$ 212,018,853
Restricted	2,309,784	2,273,590	2,369,244	2,680,411	3,382,446	3,437,354	13,210,084	11,863,155	12,833,780	14,629,665
Unrestricted	23,765,293	2,727,202	6,733,745	7,931,140	(18,726,210)	(15,444,854)	(22,036,689)	(14,882,283)	(3,591,528)	5,770,201
Total primary government net position	<u>\$ 177,930,609</u>	<u>\$ 161,980,976</u>	<u>\$ 167,438,518</u>	<u>\$ 176,711,996</u>	<u>\$ 157,296,244</u>	<u>\$ 192,304,999</u>	<u>\$ 210,462,639</u>	<u>\$ 218,298,482</u>	<u>\$ 226,426,915</u>	<u>\$ 232,418,719</u>

CITY OF SLIDELL, LOUISIANA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 2

Expenses	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
General government	\$ 9,484,652	\$ 9,580,823	\$ 10,300,723	\$ 9,908,542	\$ 9,623,366	\$ 9,964,066	\$ 9,487,377	\$ 11,568,050	\$ 13,632,793	\$ 13,595,859
Public works	14,630,818	14,013,867	15,680,663	17,614,676	14,968,155	13,138,013	13,850,841	14,769,977	16,692,948	14,694,682
Public safety	10,696,681	11,808,793	12,143,610	12,929,437	12,758,109	12,921,682	14,279,130	13,469,694	11,281,042	16,511,773
Recreation and culture	1,979,693	2,091,626	2,335,422	2,229,585	2,431,651	2,577,823	3,100,446	3,253,980	2,914,566	3,828,543
Judicial system	373,389	396,846	474,972	555,810	511,858	502,549	536,729	664,232	572,450	801,372
Interest on long-term debt	509,918	469,907	414,182	615,151	528,415	560,782	533,160	500,807	484,979	390,671
Bond issuance cost	-	-	80,855	248,697	-	6,675	-	-	-	-
Total governmental activities expenses	<u>\$ 37,675,151</u>	<u>\$ 38,361,862</u>	<u>\$ 41,430,427</u>	<u>\$ 44,101,898</u>	<u>\$ 40,861,554</u>	<u>\$ 39,671,590</u>	<u>\$ 41,787,692</u>	<u>\$ 44,226,949</u>	<u>\$ 45,578,778</u>	<u>\$ 49,822,900</u>
Business-type activities										
Utilities	10,208,370	10,272,796	10,485,691	10,679,617	10,933,101	10,965,054	11,254,535	9,729,410	10,865,175	12,260,739
Airport	1,039,799	1,002,560	970,750	1,125,221	1,235,074	1,283,910	1,214,300	1,247,197	1,729,435	1,647,495
Total business-type activities expenses	<u>11,248,169</u>	<u>11,280,356</u>	<u>11,456,441</u>	<u>11,804,838</u>	<u>12,168,175</u>	<u>12,248,964</u>	<u>12,468,835</u>	<u>10,976,607</u>	<u>12,594,610</u>	<u>13,908,234</u>
Total primary government expenses	<u>\$ 48,923,320</u>	<u>\$ 49,642,218</u>	<u>\$ 52,886,868</u>	<u>\$ 55,906,736</u>	<u>\$ 53,049,729</u>	<u>\$ 51,920,554</u>	<u>\$ 54,256,527</u>	<u>\$ 55,203,556</u>	<u>\$ 58,173,388</u>	<u>\$ 63,731,134</u>
Program Revenues										
Governmental activities										
Charges for services										
General government	\$ 3,557,467	\$ 3,958,521	\$ 3,819,562	\$ 3,706,168	\$ 3,050,662	\$ 3,062,072	\$ 3,804,579	\$ 3,665,041	\$ 3,969,978	\$ 4,169,902
Public works	492,521	622,261	405,610	308,705	279,114	521,279	-	-	24,735	4,150
Public safety	926,715	923,583	957,568	994,037	1,044,673	1,169,795	1,174,404	1,598,184	1,292,445	1,260,878
Recreation and culture	107,631	90,820	131,610	109,123	217,285	195,116	27,761	32,116	47,156	68,426
Judicial system	42,288	39,945	43,821	47,438	52,394	50,788	48,419	56,690	297,223	274,423
Operating grants and contribution										
General government	699,533	323,423	1,112,432	1,390,085	273,284	455,417	131,965	1,445,677	1,713,373	1,545,338
Public works	5,241,718	2,028,400	3,330,837	5,280,417	3,755,800	2,066,057	90,913	103,427	1,122,864	-
Public safety	580,346	903,347	982,385	798,656	993,315	945,018	1,004,157	797,986	804,688	1,085,761
Recreation and culture	205,190	214,844	175,701	191,811	201,355	170,303	133,866	136,753	124,177	121,953
Judicial system	-	8,224	8,895	10,962	4,390	4,488	-	-	-	-
Capital grants and contributions										
General government	(78,704)	39,168	240,862	(136,738)	-	-	22,038	-	70,361	-
Public works	11,242,720	4,832,529	5,651,961	7,692,981	6,817,190	34,938,010	20,212,338	7,241,165	6,842,789	4,403,820
Public safety	96,873	129,385	627,264	104,122	26,247	-	15,220	-	89,989	94,007
Recreation and culture	313,172	317,571	51,180	(8,997)	1,686,169	78,343	345,888	160,282	327,030	489,386
Judicial system	-	-	-	38,652	-	-	-	-	-	-
Total governmental activities program revenues	<u>23,427,470</u>	<u>14,432,021</u>	<u>17,539,697</u>	<u>20,527,422</u>	<u>18,401,983</u>	<u>43,656,686</u>	<u>27,611,538</u>	<u>15,247,321</u>	<u>16,726,808</u>	<u>13,518,044</u>

CITY OF SLIDELL, LOUISIANA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS - CONTINUED
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 2

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Charges for services:										
Utilities	9,594,013	9,806,762	9,969,089	9,972,551	10,132,651	10,561,806	10,270,272	10,758,290	10,805,870	11,505,432
Airport	503,162	516,640	399,454	493,126	675,565	892,529	737,086	807,895	1,223,372	1,271,608
Operating grants and contributions:										
Utilities	-	-	-	-	-	-	-	16,394	3,279	-
Airport	-	-	-	-	-	-	-	69,854	-	-
Capital grants and contributions:										
Utilities	1,316,966	894,147	1,299,985	4,541,459	1,119,251	551,029	400,661	2,612	-	34,160
Airport	2,441	48,870	308,598	238,944	414,855	27,765	68,727	566,842	15,693	68,479
Total business-type activities program revenues	11,416,602	10,766,419	11,977,124	15,246,080	12,342,520	12,055,129	11,476,748	12,201,887	12,048,214	12,877,679
Total primary government program revenues	<u>\$ 34,844,072</u>	<u>\$ 25,198,440</u>	<u>\$ 29,516,821</u>	<u>\$ 35,773,502</u>	<u>\$ 30,744,303</u>	<u>\$ 55,659,815</u>	<u>\$ 39,088,296</u>	<u>\$ 27,449,208</u>	<u>\$ 28,775,022</u>	<u>\$ 26,395,723</u>
Net (expense)/revenue:										
Governmental activities	\$ (14,247,661)	\$ (23,929,841)	\$ (28,890,750)	\$ (28,574,476)	\$ (22,479,571)	\$ 3,985,096	\$ (14,176,144)	\$ (28,979,628)	\$ (28,851,970)	\$ (36,304,856)
Business-type activities	168,433	(518,937)	520,685	3,441,242	174,145	(215,835)	(992,087)	1,225,280	(546,396)	(1,030,555)
Total primary government net expense	<u>\$ (14,079,248)</u>	<u>\$ (24,443,778)</u>	<u>\$ (28,370,047)</u>	<u>\$ (25,133,234)</u>	<u>\$ (22,305,426)</u>	<u>\$ 3,769,261</u>	<u>\$ (15,168,231)</u>	<u>\$ (27,754,348)</u>	<u>\$ (29,398,366)</u>	<u>\$ (37,335,411)</u>
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes:										
Ad valorem	\$ 4,230,985	\$ 4,323,125	\$ 3,580,394	\$ 4,786,055	\$ 4,757,382	\$ 4,690,635	\$ 4,843,332	\$ 4,974,570	\$ 5,000,189	\$ 5,233,868
Sales and use	18,361,905	18,849,553	19,354,308	19,604,476	19,628,574	20,691,058	21,543,977	25,867,981	27,155,230	27,684,164
Franchise	2,062,463	2,061,909	2,001,780	2,085,400	1,882,157	1,874,378	3,222,423	1,760,966	2,209,420	2,451,090
Beer	67,095	66,650	65,591	67,632	69,550	74,594	75,405	76,581	77,671	71,286
Other	-	-	-	-	-	-	-	-	-	22,669
Restitution	-	350,000	2,247,255	-	-	-	-	-	-	-
Other general revenues	-	-	-	-	-	-	-	-	-	36,050
Investment earnings	132,630	131,883	165,167	378,309	841,607	1,411,224	929,001	65,789	(14,597)	2,923,193
Miscellaneous	38,994	26,724	237,833	38,774	61,697	28,627	175,502	388,808	63,922	137,170
Loan Cancellation	2,356,878	-	-	-	-	-	-	-	-	-
Transfers	703,423	594,701	611,333	580,092	605,052	658,439	(5,200,892)	552,583	1,108,027	1,500,346
Total governmental activities	<u>27,954,373</u>	<u>26,404,545</u>	<u>28,263,661</u>	<u>27,540,738</u>	<u>27,846,079</u>	<u>29,428,955</u>	<u>25,588,748</u>	<u>33,692,278</u>	<u>35,599,842</u>	<u>40,059,866</u>
Business-type activities:										
Taxes:										
Ad valorem	1,892,000	1,937,536	1,975,390	2,325,836	2,368,165	2,354,574	2,412,285	2,433,337	2,445,660	2,564,565
Investment earnings	1,027	946	955	1,228	1,367	2,284	1,909	190	1,217	2,191,697
Miscellaneous	14,950	(67,741)	92,916	119,002	110,560	112,120	122,037	177,054	432,821	11,453
Transfers	(703,423)	(594,701)	(611,333)	(580,092)	(605,052)	(658,439)	5,200,892	(552,582)	(1,108,027)	(1,500,346)
Total business-type activities	<u>1,204,554</u>	<u>1,276,040</u>	<u>1,457,928</u>	<u>1,865,974</u>	<u>1,875,040</u>	<u>1,810,539</u>	<u>7,737,123</u>	<u>2,052,999</u>	<u>1,771,871</u>	<u>3,267,349</u>
Total primary government	<u>\$ 29,158,927</u>	<u>\$ 27,680,585</u>	<u>\$ 29,721,589</u>	<u>\$ 29,406,712</u>	<u>\$ 29,721,119</u>	<u>\$ 31,239,494</u>	<u>\$ 33,325,871</u>	<u>\$ 35,745,277</u>	<u>\$ 37,371,713</u>	<u>\$ 43,327,215</u>
Changes in Net Position:										
Governmental activities	\$ 13,706,692	\$ 2,474,704	\$ 4,372,931	\$ 3,966,262	\$ 5,366,508	\$ 33,414,051	\$ 11,412,604	\$ 4,712,650	\$ 6,747,872	\$ 3,755,010
Business-type activities	1,372,987	762,103	1,978,611	5,307,216	2,049,165	1,594,704	6,745,036	3,278,279	1,225,475	2,236,794
Total primary government	<u>\$ 15,079,679</u>	<u>\$ 3,236,807</u>	<u>\$ 6,351,542</u>	<u>\$ 9,273,478</u>	<u>\$ 7,415,693</u>	<u>\$ 35,008,755</u>	<u>\$ 18,157,640</u>	<u>\$ 7,990,929</u>	<u>\$ 7,973,347</u>	<u>\$ 5,991,804</u>

CITY OF SLIDELL, LOUISIANA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 3

Fiscal Year	Sales Tax	Property Tax	Franchise Tax	Alcoholic Beverag Tax	Other Tax	Total
2014	\$ 18,361,905	\$ 4,230,984	\$ 2,062,463	\$ 67,095	-	\$ 24,722,447
2015	18,849,553	4,323,125	2,061,908	66,650	-	25,301,236
2016	19,354,308	3,580,394	2,001,780	66,591	-	25,003,073
2017	19,604,476	4,786,055	2,085,400	67,632	-	26,543,562
2018	19,628,574	4,757,382	1,882,159	69,550	-	26,337,665
2019	20,691,058	4,690,635	1,874,378	74,594	-	27,330,665
2020	21,543,977	4,843,332	3,222,423	75,405	-	29,685,137
2021	25,867,981	4,974,569	1,760,966	76,851	-	32,680,367
2022	28,135,829	5,000,170	2,209,420	77,671	-	35,423,090
2023	27,684,164	5,233,868	2,451,090	71,286	22,669	35,463,077

CITY OF SLIDELL, LOUISIANA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 4

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable*	\$ 1,564,634	\$ 1,590,133	\$ 176,269	\$ 1,364,171	\$ 1,545,009	\$ 1,643,402	\$ 1,851,974	\$ 261,091	\$ 271,209	\$ 425,504
Restricted*	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	-	-
Committed to*	1,374,000	1,616,000	1,616,000	1,616,000	1,709,000	1,709,000	2,444,000	2,444,000	2,518,723	2,518,723
Assigned to*	1,069,652	1,295,230	869,256	1,196,449	1,359,416	1,407,353	990,951	2,576,611	694,000	694,000
Unassigned*	1,497,719	951,759	2,625,579	748,571	371,738	1,597,399	2,618,701	2,822,354	3,602,417	6,944,917
Total general fund	\$ 5,806,005	\$ 5,753,122	\$ 5,587,104	\$ 5,225,191	\$ 5,285,163	\$ 6,657,154	\$ 8,205,626	\$ 8,404,056	\$ 7,086,349	\$ 10,583,144
All other governmental funds										
Nonspendable *	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,440	\$ 102,470	\$ 102,060
Restricted *	8,377,549	7,311,175	5,264,651	16,143,113	14,949,471	13,361,094	12,124,765	10,777,872	11,748,562	13,544,541
Committed to*	15,769,879	15,844,831	19,305,549	20,886,678	22,398,586	22,927,076	22,160,461	25,870,430	28,120,708	30,200,901
Assigned to*	3,392,001	2,522,619	1,896,732	4,602,014	1,587,520	2,225,750	-	8,065,709	11,517,480	11,940,051
Unassigned	-	-	(1,774,650)	(1,469,345)	(3,135,748)	(383,488)	2,712,618	(4,842,769)	(5,656,663)	(2,082,840)
Total all other governmental funds	\$ 27,539,429	\$ 25,678,625	\$ 24,692,282	\$ 40,162,460	\$ 35,799,829	\$ 38,130,432	\$ 36,997,844	\$ 40,046,682	\$ 45,832,557	\$ 53,704,713

CITY OF SLIDELL, LOUISIANA
CHANGES IN FUNDS BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

TABLE 5

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes and assessments	\$ 24,655,353	\$ 25,234,587	\$ 24,936,482	\$ 26,475,931	\$ 26,268,112	\$ 27,256,070	\$ 29,609,732	\$ 32,603,517	\$ 34,364,819	\$ 35,463,077
Licenses and permits	2,383,461	2,525,052	2,431,112	2,316,044	2,204,476	2,489,212	2,263,147	2,259,657	2,576,320	2,776,896
Intergovernmental revenue	16,439,679	8,253,019	7,840,201	19,915,456	9,889,157	42,787,414	21,705,413	8,036,273	13,279,096	13,703,580
Payment in lieu of taxes	273,489	280,080	272,613	257,079	285,411	241,438	225,719	279,576	-	-
Fines and forfeitures	-	350,000	2,247,255	-	-	-	-	-	297,223	274,423
Lease revenues	2,008,091	2,327,449	2,132,528	2,029,073	1,542,869	1,547,093	1,599,800	1,494,554	1,608,832	1,660,616
Contributions	353,694	282,331	308,429	245,455	360,885	358,000	195,270	161,324	103,732	119,860
Other revenues, primarily interest, and tuition	247,941	245,477	419,306	423,147	918,011	1,587,480	1,056,968	333,043	103,844	3,271,394
Total revenues	46,361,618	39,497,995	40,587,926	51,662,185	41,468,921	76,266,617	56,656,049	45,167,944	52,433,776	57,269,846
Expenditures										
Current										
General government	\$ 8,629,951	\$ 8,668,243	\$ 9,140,898	\$ 8,648,659	\$ 8,636,539	\$ 9,197,530	\$ 9,089,953	\$ 10,613,603	\$ 13,863,690	\$ 13,118,470
Public works	9,709,417	6,459,538	6,694,891	6,343,732	5,246,796	6,405,119	6,444,305	4,841,634	9,188,988	6,459,381
Public safety	9,654,798	10,360,372	10,553,716	10,856,036	11,068,551	11,240,916	12,243,278	11,985,796	12,727,764	13,607,664
Recreation and culture	1,356,894	1,457,915	1,420,869	1,501,185	1,588,265	1,633,226	2,047,945	2,127,689	2,413,564	2,771,597
Judicial system	333,954	353,866	396,253	458,887	445,311	453,107	474,556	571,854	596,291	755,234
Debt service:										
Principal	2,173,858	2,099,600	2,191,600	1,883,100	1,192,200	901,000	948,000	999,000	1,081,000	1,144,720
Interest	503,293	440,982	379,677	414,793	605,313	577,995	552,473	520,680	448,321	403,800
Other charges	-	-	80,855	248,697	-	6,675	-	-	93,304	-
Capital outlay	12,518,430	12,165,867	11,530,116	19,634,975	17,955,014	42,806,894	25,062,525	10,818,003	6,386,352	7,875,048
Total expenditures	44,880,595	42,006,383	42,388,875	49,990,064	46,747,989	73,222,462	56,862,035	42,478,259	46,799,274	46,134,914
Excess of revenues over (under) expenditures	1,481,023	(2,508,388)	(1,800,949)	1,672,121	(5,269,068)	3,044,155	(105,986)	2,689,685	5,534,502	11,134,932
Other financing sources (uses)										
Transfers in	6,485,352	5,333,061	4,769,802	4,624,227	2,927,866	2,011,169	2,285,422	876,476	9,456,242	6,340,039
Transfers out	(5,781,929)	(4,738,360)	(4,098,469)	(4,044,135)	(2,322,814)	(1,352,730)	(1,663,552)	(318,893)	(11,596,468)	(5,394,939)
Premium on bonds sold	-	-	-	836,052	-	-	-	-	-	-
Payments to refunded bond escrow agent	-	-	(5,168,745)	-	-	-	-	-	(4,826,696)	-
Issuance of debt	-	-	5,146,000	12,000,000	-	-	-	-	4,920,000	-
Litigation settlement	-	-	-	-	381,357	-	-	-	-	-
Inception of lease	-	-	-	-	-	-	-	-	-	269,517
Loan cancellation	972,260	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	1,675,683	594,701	648,588	13,416,144	986,409	658,439	621,870	557,583	(2,046,932)	1,214,617
Net change in fund balances	\$ 3,156,706	\$ (1,913,687)	\$ (1,152,361)	\$ 15,088,265	\$ (4,282,659)	\$ 3,702,594	\$ 415,884	\$ 3,247,268	\$ 3,487,570	\$ 12,349,549
Debt service as a percentage of noncapital expenditures	8.63%	7.90%	7.64%	5.83%	5.32%	4.62%	4.57%	4.60%	3.69%	4.04%

CITY OF SLIDELL, LOUISIANA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 6

Fiscal Year	Real Property		Commercial Personal Property		Public Service Property		Railroad Stock		Total		Total Direct Tax Rate	Assessed Value as a Percentage of Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
2014	\$ 185,222,294	\$ 1,852,222,940	\$ 42,519,217	\$ 283,461,447	\$ 13,880,086	\$ 92,533,907	\$ 89,460	\$ 596,400	\$ 241,711,057	\$ 2,228,814,693	25.89	11%
2015	186,909,760	1,869,097,600	42,769,382	285,129,213	14,760,190	98,401,267	93,880	625,867	244,533,212	2,253,253,947	25.85	11%
2016	193,066,706	1,930,667,060	46,386,440	309,242,933	13,561,160	90,407,733	95,830	638,867	253,110,136	2,330,956,593	22.50	11%
2017	199,418,066	1,994,180,660	47,631,954	317,546,360	14,642,954	97,619,693	89,350	595,667	261,782,324	2,409,942,380	27.52	11%
2018	202,620,238	2,026,202,380	48,756,621	325,044,140	13,777,263	91,848,420	93,740	624,933	265,247,862	2,443,719,873	27.08	11%
2019	204,474,534	2,044,745,340	47,473,107	316,487,380	13,373,131	89,154,207	99,460	663,067	265,420,232	2,451,049,993	26.93	11%
2020	207,563,463	2,075,634,630	50,170,162	334,467,747	13,404,966	89,366,440	105,200	701,333	271,243,791	2,500,170,150	27.07	11%
2021	222,841,644	2,228,416,440	50,129,767	334,198,447	13,922,200	92,814,667	109,920	732,800	287,003,531	2,656,162,353	26.09	11%
2022	226,266,782	2,262,667,820	48,475,244	323,168,293	14,133,327	56,533,308	110,100	734,000	288,985,453	2,643,103,421	26.09	11%
2023	230,742,052	2,307,420,520	55,645,502	370,970,013	14,742,152	58,968,608	110,100	734,000	301,239,806	2,738,093,141	26.09	11%

CITY OF SLIDELL, LOUISIANA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 7

Fiscal Year	Direct Rates			Overlapping Rates								
	City of Slidell			Parish			School District			Special Districts	Total Direct Rates	Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total Parish Millage	Operating Millage	Debt Service Millage	Total School Millage			
2014	19.33	6.56	25.89	36.03	-	36.03	50.28	17.90	68.18	43.20	147.41	173.30
2015	19.33	6.52	25.85	35.91	-	35.91	50.28	17.90	68.18	47.00	151.09	176.94
2016	19.33	3.17	22.50	37.47	-	37.47	50.28	17.90	68.18	48.50	154.15	176.65
2017	21.24	6.28	27.52	36.26	-	36.26	48.51	17.90	66.41	47.14	149.81	177.33
2018	21.24	5.84	27.08	36.67	-	36.67	48.51	16.90	65.41	44.19	146.27	173.35
2019	21.24	5.69	26.93	36.69	-	36.69	48.51	15.90	64.41	44.19	145.29	172.22
2020	21.24	5.83	27.07	36.54	-	36.54	50.51	13.90	64.41	43.77	144.72	171.79
2021	20.31	5.78	26.09	35.13	-	35.13	48.10	13.90	62.00	42.35	139.48	165.57
2022	20.31	5.78	26.09	34.80	-	34.80	48.10	13.90	62.00	43.42	140.22	166.31
2023	20.31	5.75	26.06	34.91	-	34.91	48.07	13.90	61.97	43.44	140.32	166.38

CITY OF SLIDELL, LOUISIANA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TABLE 8

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Central LA Electric Company	\$ 9,418,780	1	2.99%	\$ 8,391,160	1	3.43%
Fremaux Town Center SPE LLC	6,000,705	2	1.90%	-	-	0.00%
Atmos Energy	3,826,317	3	1.21%	1,854,507	5	0.76%
KE Mason Owner TIC LLC	3,805,496	4	1.05%	-	-	0.00%
ET New Orleans LLC	3,318,474	5	0.98%	-	-	0.00%
Capital One N A	3,102,441	6	0.98%	1,482,640	8	0.61%
Pelican Pointe LLC	3,099,376	7	0.98%	1,631,288	7	0.67%
SC3 Fremaux LLC	3,076,500	8	0.98%	-	-	0.00%
Walmart Real Estate Business	2,789,657	9	0.88%	2,217,401	4	0.91%
JP Morgan Chase Bank	2,592,338	10	0.82%	1,636,390	6	0.67%
Volvo CE Rents/Tuff Equip	-	-	0.00%	1,446,590	10	0.59%
AT&T Southeast Tax Dept	-	-	0.00%	3,249,123	2	1.33%
Walmart Stores (2)	-	-	0.00%	1,455,110	9	0.60%
Sizeler North Shore Limited	-	-	0.00%	<u>2,458,010</u>	3	<u>1.01%</u>
TOTALS	<u>\$ 41,030,084</u>		<u>12.77%</u>	<u>\$ 25,822,219</u>		<u>10.54%</u>

CITY OF SLIDELL, LOUISIANA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 9

Fiscal Year	Total Tax Levy for Fiscal Year	Collection within the Fiscal Year of the Levy		Collections for Previous Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy *
2014	\$ 6,257,899	\$ 6,110,623	98%	\$ 14,836	\$ 6,125,459	98%
2015	6,321,186	6,236,073	99%	31,938	6,268,010	99%
2016	5,695,000	5,548,130	97%	15,918	5,555,783	98%
2017	7,204,250	7,096,458	99%	6,354	7,111,892	99%
2018	7,182,908	7,075,742	99%	34,151	7,125,547	99%
2019	7,147,768	7,054,104	99%	-	7,057,754	99%
2020	7,342,569	7,237,985	99%	13,062	7,243,223	99%
2021	7,487,923	7,397,231	99%	13,008	7,416,596	99%
2022	7,539,631	7,457,461	99%	-	7,462,029	99%
2023	7,873,676	7,763,212	99%	5,782	7,762,400	99%

* Total collections include redemptions.

CITY OF SLIDELL, LOUISIANA
PRINCIPAL SALES TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TABLE 10

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Retail Sales 1	\$ 2,562,195	1	9.26%	\$ 1,535,942	1	8.36%
Auto Sales	1,270,885	2	4.59%	892,482	3	4.86%
Remote Seller	1,067,493	3	3.86%	-	-	0.00%
Retail Sales 2	942,102	4	3.40%	906,772	2	0.00%
Retail Sales 3	849,178	5	3.07%	565,047	4	3.08%
Grocery Sales 1	765,030	6	2.76%	448,422	5	2.44%
Hardware Stores 1	573,970	7	2.07%	241,517	9	1.32%
Grocery Sales 2	566,113	8	2.04%	422,602	6	2.30%
Grocery Sales 3	528,298	9	1.91%	232,607	10	1.27%
Hardware Stores 2	504,658	10	1.82%	-	-	0.00%
Retail Sales 4	-	-	0.00%	275,977	7	1.50%
Retail Sales 5	-	-	0.00%	246,917	8	1.34%
TOTALS	<u>\$ 9,629,922</u>		<u>34.78%</u>	<u>\$ 5,768,285</u>		<u>26.48%</u>

NOTE: Business names are not disclosed because sales tax information is confidential.

Source: Based on Sales Tax Collections, compiled by City of Slidell Finance Department

CITY OF SLIDELL, LOUISIANA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 11

Fiscal Year	Governmental Activities						Business - Type Activities				Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Sales Tax Revenue Bonds	Capital Leases	LCDA Excess Rev Bond	Certificate of Indebtedness	Community Disaster Loan	Utility Bonds	Equipment Leases	Certificate of Indebtedness				
2014	\$ 9,995,845	\$ 1,844,353	\$ -	\$ 1,517,500	\$ -	\$ -	\$ 3,086,350	\$ -	\$ 884,000	\$ 17,328,048	2.07%	630	
2015	8,850,589	1,251,235	-	1,137,900	-	-	2,480,675	-	676,000	14,396,399	1.72%	521	
2016	8,207,843	638,117	-	741,300	-	-	1,970,000	-	460,000	12,017,260	1.39%	430	
2017	20,192,921	-	-	327,200	-	-	1,545,000	-	235,000	22,300,121	2.57%	796	
2018	19,279,144	-	-	-	-	-	1,430,483	-	-	20,709,627	2.34%	743	
2019	18,329,367	-	-	-	-	-	1,822,113	-	-	20,151,480	2.19%	727	
2020	17,332,590	-	-	-	-	-	2,149,379	-	-	19,481,969	2.06%	705	
2021	16,284,813	-	-	-	-	-	2,187,266	-	-	18,472,079	1.85%	642	
2022	15,302,036	-	-	-	-	-	8,345,276	-	-	23,647,312	2.34%	825	
2023	13,550,000	-	-	-	-	-	15,973,649	-	-	29,523,649	2.77%	1,030	

NOTE: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics, Table 16, for personal income and population data

CITY OF SLIDELL, LOUISIANA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 12

Fiscal Year	General Obligation Bonds (2)	Less: Amounts Available in Debt Service Fund (3)	Total	Percentage of Estimated Actual Taxable (1) Value of Property	Per Capita (4)
2014	9,995,845	2,587,133	7,408,712	0.33%	269
2015	8,850,589	2,638,672	6,211,917	0.28%	225
2016	8,207,843	1,841,484	6,366,359	0.27%	228
2017	20,192,921	2,217,595	17,975,326	0.75%	642
2018	19,279,144	2,298,393	16,980,751	0.69%	609
2019	18,329,367	2,347,749	15,981,618	0.65%	577
2020	17,332,590	2,430,198	14,902,392	0.60%	539
2021	16,284,813	2,430,198	13,854,615	0.52%	481
2022	14,768,304	2,430,198	12,338,106	0.47%	431
2023	13,550,000	2,430,198	11,119,802	0.41%	388

- (1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property, Table 6, for property value data
(2) Amount does not include special assessment, sales tax or revenue bonds
(3) Amount available for repayment of general obligation bonds.
(4) Information is based on U.S. Census Bureau.

CITY OF SLIDELL, LOUISIANA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022
(UNAUDITED)

TABLE 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
St. Tammany Parish	\$ 2,140,000	9.27%	\$ 198,361
St. Tammany Parish School Board	326,215,667	9.27%	<u>30,237,676</u>
Subtotal, overlapping debt			30,436,037
City of Slidell direct debt		100%	<u>14,135,233</u>
Total direct and overlapping debt			<u><u>\$ 44,571,270</u></u>

Source: St. Tammany Parish School Board officials and St. Tammany Parish Annual Comprehensive Financial Report.

NOTE: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Slidell. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and, therefore, is responsible for repaying the debt of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Parish's taxable assessed value that is within the City's boundaries and dividing it by the Parish's total taxable assessed value.

CITY OF SLIDELL, LOUISIANA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 14

	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt limit	\$ 84,598,870	\$ 85,586,624	\$ 86,588,548	\$ 91,623,813	\$ 92,836,752	\$ 92,897,081	\$ 94,935,327	\$ 100,451,236	\$ 101,144,909	\$ 105,438,503
Total net debt applicable to limit	<u>(7,352,867)</u>	<u>(6,161,328)</u>	<u>(6,324,516)</u>	<u>(17,975,326)</u>	<u>(16,980,751)</u>	<u>(15,981,618)</u>	<u>(14,902,392)</u>	<u>(13,854,615)</u>	<u>(12,328,196)</u>	<u>(11,435,580)</u>
Legal debt margin	<u>\$ 77,246,003</u>	<u>\$ 79,425,296</u>	<u>\$ 82,264,032</u>	<u>\$ 73,648,487</u>	<u>\$ 75,856,000</u>	<u>\$ 76,915,463</u>	<u>\$ 80,032,935</u>	<u>\$ 86,596,621</u>	<u>\$ 88,806,803</u>	<u>\$ 94,002,923</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>8.69%</u>	<u>7.20%</u>	<u>7.14%</u>	<u>19.62%</u>	<u>18.29%</u>	<u>17.20%</u>	<u>15.70%</u>	<u>13.79%</u>	<u>12.20%</u>	<u>10.85%</u>

Legal debt margin calculation for fiscal year 2023:

Assessed value	<u>\$ 301,252,866</u>
Debt Limit - 35% of \$258,985,453.00 (1)	<u>\$ 105,438,503</u>
Debt applicable to the limit:	
General obligation bonds	\$ 14,128,259
Less: Amount set aside for repayment of general obligation debt	<u>(2,692,679)</u>
Total net debt applicable to limit	<u>11,435,580</u>
Legal debt margin	<u>\$ 89,709,329</u>

(1) State law allows a maximum of 35% of assessed valuation for total bonded general obligation debt

CITY OF SLIDELL, LOUISIANA
PLEGDED - REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 15

Fiscal Year	Utility Revenue Bonds						Sales Tax Bonds			
	Utility Charges and Other	Less: Operating Expenses (1)	Net Available Revenue	Debt Service		Coverage	Sales Tax Revenue	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
2014	\$ 11,530,190	\$ 7,663,648	\$ 3,866,542	\$ 590,000	\$ 195,531	4.92	\$ 18,361,905	\$ 560,000	\$ 72,805	29.02
2015	11,701,266	7,797,201	3,904,065	605,000	73,031	5.76	18,849,553	580,000	53,985	29.73
2016	12,061,307	8,040,248	4,021,059	510,000	58,578	7.07	19,354,308	600,000	33,625	30.55
2017	12,441,874	8,245,019	4,196,855	425,000	45,977	8.91	19,604,476	625,000	11,563	30.80
2018	12,635,963	8,310,447	4,325,516	210,000	36,095	17.58	19,628,574	-	-	-
2019	13,044,730	8,401,263	4,643,467	205,000	31,643	19.62	20,691,058	-	-	-
2020	12,797,034	8,626,396	4,170,638	269,000	34,269	13.75	21,543,977	-	-	-
2021	13,333,445	7,189,879	6,143,566	285,000	33,344	19.30	25,867,981	-	-	-
2022	13,336,803	8,407,436	4,929,367	536,000	45,124	8.48	21,646,100	-	-	-
2023	14,069,997	9,776,568	4,293,429	891,000	144,428	4.15	27,684,164	-	-	-

NOTE: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) Amount does not include depreciation expense.

CITY OF SLIDELL AND ST. TAMMANY PARISH, LOUISIANA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 16

Fiscal Year	City of Slidell Population (1)	St. Tammany Parish Population (2)	St. Tammany Parish Total Personal Income (2)	St. Tammany Parish Per Capita Personal Income (2)	State Unemployment Rate (3)	St. Tammany Parish School Enrollment (4)	Median Age (5)
2014	27,526	242,333	7,384,855,842	30,474	5.7%	38,044	37.1
2015	27,622	245,829	7,464,105,927	30,363	7.0%	38,193	39
2016	27,942	250,088	7,739,723,424	30,948	7.0%	38,439	38.6
2017	28,013	253,602	7,867,241,244	31,022	5.9%	38,681	38.4
2018	27,883	256,327	8,149,147,984	31,792	6.1%	39,000	38.3
2019	27,711	258,111	8,556,121,539	33,149	5.3%	39,000	37.4
2020	27,633	260,419	8,906,590,219	34,201	9.7%	39,000	37.7
2021	28,781	264,570	9,169,467,060	34,658	4.9%	39,000	37.7
2022	28,658	269,388	9,499,429,044	35,263	4.5%	37,374	37.2
2023	28,649	273,263	10,164,290,548	37,196	3.3%	37,212	38.2

NOTE: The City of Slidell is located within St. Tammany Parish

Sources:

- (1) Based on U.S. Census Bureau
- (2) Information is based on U.S. Census Bureau.
- (3) Louisiana Department of Labor
- (4) St. Tammany Parish School Board
- (5) U.S. Census Bureau

CITY OF SLIDELL, LOUISIANA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

TABLE 17

Employer	Location	2023			2014		
		Employees	Rank	% of Total St. Tammany Parish Employment	Employees	Rank	% of Total St. Tammany Parish Employment
St. Tammany Parish School Board	Parish wide	5,873	1	5.05%	5,399	1	4.86%
St. Tammany Health System	Covington	2,500	2	2.15%	1,715	2	1.54%
Lakeview Regional Medical Center	Covington	950	3	0.82%	807	5	0.73%
St. Tammany Parish Sheriff's Office	Parish wide	802	4	0.69%	747	6	0.67%
Ochsner Medical Center - North Shore	Slidell	565	5	0.49%	1,091	4	0.98%
Rotolo Consultants Inc	Slidell	450	6	0.39%	-	-	0.00%
City of Slidell	Slidell	-	-	0.00%	342	9	0.31%
Pool Corporation	Covington	429	7	0.37%	-	-	0.00%
Crossgates Family Fitness	Slidell	306	8	0.26%	-	-	0.00%
AVALA Hospital	Covington	211	9	0.18%	-	-	0.00%
Anqirical Solutions LLC	Covington	189	10	0.16%	-	-	0.00%
Texton Marine & Land Systems	Slidell	-	-	-	494	8	0.44%
Tulane National Primate Research	Covington	-	-	-	307	10	0.28%
Louisiana Medical Center & Heart	Lacumbé	-	-	-	502	7	0.45%
Slidell Memorial Hospital	Slidell	-	0	0.00%	1,186	3	1.07%
TOTALS		<u>\$ 12,277</u>		<u>10.56%</u>	<u>\$ 12,590</u>		<u>10.26%</u>

NOTE: Information is only available for St. Tammany Parish, in which the City of Slidell is located.

SOURCES: 2023 information: North Shore Book of Lists 2022-2023, New Orleans City Business and St. Tammany Economic Development Foundation & www.STPSB.org for St. Tammany Parish School Board
2014 information: Book of Lists 2014-2015, New Orleans City Business and via City of Slidell 2015 CAFR

CITY OF SLIDELL, LOUISIANA
FULL - TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 18

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Administrative	5	5	5	5	5	6.5	6.5	6	6	6
Finance (1)	19	19	20	20	20	20	20	20.25	18	19.1
Legal	2	2	2	2	2	2	2	2	2	4
Civil Service	3	3	3	3	3	3	3	3	3	1
Planning	3.5	3.5	3.5	3.5	3.5	3.5	4	4	5	4
Legislative	12	12	12	12	12	12	12	12	12	12
Public Safety										
Police	104	105	105	106	106	108	108	117	123	138
Animal Control	7	7	7	7	7	7	7	6	6	7
Public Works										
Public Operations (2)	58.5	58.5	58.5	58.5	57.5	57.5	47.5	47	47	40
Permits	6.5	6.5	6.5	6.5	6.5	6.5	8	9	12	13
Engineering	6	6	6	6	6	6	6	6	7	6
Public Utility (3)	61.5	61.5	61.5	61.5	61.5	62.5	64.5	63	64	48
Judicial System (4)	6	6	6	5	5	5	5	5	5	6
Recreation and Culture	13	13	13	13	14	13	22	22	23	32
Airport	1	1	2	2	3	3	3	3	3	4
DISA (5)	5	5	5	5	5	3	3	3	3	3
Total	313	314	316	316	317	318.5	321.5	328.25	339	343.1

Source: Adopted FY2023 Budget City of Slidell

Note: Includes Elected, Unclassified, and Classified full time employees per the original adopted budget.
2022 figures represent budgeted positions by department.

(1) Includes Finance Administration, Data Processing, Purchasing and Risk Management

(2) Includes Sales Tax Administration, Vehicle Maintenance, Streets, Bridges, Drainage, General Maintenance & Electrical.

(3) Includes Public Utility Administration, Wastewater Treatment Plant, Wastewater Collection & Water maintenance

(4) Includes City Court, City Marshall and City Prosecutor

(5) DISA employees became full time employees in 2014. From 2008-2013 DISA employees were contract employees

CITY OF SLIDELL, LOUISIANA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 19

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Total arrests	2,647	2,649	2,505	2,215	2,585	2,488	2,172	1,802	1,863	1,776
Parking tickets	56	42	28	36	37	31	28	20	23	60
Traffic violations	3,349	2,799	2,677	2,541	3,258	3,148	3,000	3,368	3,218	2,472
Public Works										
Potholes repaired	1,635	2,053	2,398	1,914	1,411	1,572	2,092	1,069	520	520
Public Utility										
Water										
Number of accounts	10,806	10,944	11,060	11,058	11,166	10,793	10,868	10,884	11,359	11,353
New meter connections	255	187	288	197	216	193	232	513	1,005	1,456
Old meter change out	14	20	26	23	22	55	32	32	45	15
Daily average consumption (MGD)	3.2	3.3	3	3	3	3	3	3	3	3
Wastewater										
Number of accounts	10,514	10,638	10,733	10,711	10,777	11,187	11,266	11,291	10,946	10,942
Average daily treated wastewater (MGD)	4.27	3.93	4.16	4.03	3.88	4.41	4.04	4.44	3.87	3.82
Building Permits										
New residential	26	16	25	33	13	7	8	19	15	15
Residential additions	213	177	185	210	197	217	169	224	355	222
New commercial	27	39	13	11	6	37	6	4	10	9
Commercial additions	121	97	134	111	109	101	109	135	126	129
Recreation and Culture										
Number of teams in softball league	84	60	40	36	18	0	0	0	0	0
Number of children on summer camp	174	175	174	175	175	175	0	76	100	88
Park Pavilions Rentals	218	209	241	212	217	186	135	135	175	158
Airport										
Number of land leases	16	16	15	15	15	14	14	14	13	13
Number of tie downs	29	28	30	28	31	31	24	21	22	24
Number of hanger leases	-	1	1	1	1	1	1	1	3	5

Note: Indicators are not available for the general government function

Sources: Various government departments

CITY OF SLIDELL, LOUISIANA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 20

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Vehicles	18	17	17	13	12	11	12	13	13	13
Machinery & Equipment	10	9	9	9	9	10	9	10	10	12
Public Safety										
Vehicles	150	159	161	191	184	186	186	189	199	205
Machinery & Equipment	17	16	15	15	15	15	19	21	27	25
Stations	2	2	2	2	2	2	2	2	2	2
Training Academy	1	1	1	1	1	1	1	1	1	1
Public Works										
Vehicles	71	68	67	69	71	68	69	71	66	67
Machinery & Equipment	95	109	104	111	114	105	104	119	113	115
Paved streets (miles)	152.8	152.5	152.5	152.5	154.1	154.6	154.7	155.4	155.6	155.8
Unimproved streets (miles)	12.7	12.5	12.7	12.7	12.7	12.7	12.8	12.8	12.8	12.8
Concrete streets (miles)	88.1	88.0	88.0	88.0	88.0	88.4	89.2	89.2	89.2	89.3
Asphalt streets (miles)	64.7	65.5	65.5	65.5	66.1	66.2	65.5	65.5	65.8	67.9
Streetlights	3,075	3,077	3,080	3,082	3,083	2,378	2,454	2,188	3,074	3,074
Traffic signals	64	64	63	63	63	63	63	63	63	58
Public Utility										
Water										
Vehicles	15	13	13	13	13	13	13	14	12	18
Machinery & Equipment	20	23	23	22	25	28	28	30	32	31
Water mains (miles)	172.2	176.1	181.0	181.8	156.3	176.6	184.9	184.9	184.9	181.3
Maximum capacity of water storage tanks (gallons)	2,190,000	2,154,000	2,154,000	2,154,000	2,150,000	2,150,000	2,150,000	2,150,000	2,100,000	2,100,000
Number of water storage tanks	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Productive capacity (MGD)	15.9	15.9	15.1	15.3	15.9	15.9	15.9	15.9	15.9	15.9
Sewer										
Vehicles	33	34	34	35	33	37	39	39	38	42
Machinery & Equipment	30	32	34	34	33	32	34	37	36	38
Sanitary sewers (miles)	166.5	167.2	168.2	169.1	167.1	170.6	170.6	171.5	172.0	172.0
Plant capacity (MGD)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Recreation and Cultural Arts										
Vehicles	12	12	12	11	11	12	12	11	10	11
Machinery & Equipment	35	33	32	30	34	32	32	31	30	32
Parks acreage	430.24	430.24	430.24	430.24	430.39	430.39	430.39	430.39	430.39	510.11
Number of playgrounds	22	23	23	23	22	22	22	22	22	22
Number of picnic areas	18	18	18	18	19	19	19	19	19	19
Number of gyms	2	2	2	2	2	2	2	2	2	2
Airport										
Vehicles	2	3	4	6	6	6	6	7	7	8
Machinery & Equipment	5	7	7	9	10	10	10	14	13	16
Feet of Runway	5,001	5,001	5,001	5,001	5,001	5,001	5,001	5,001	5,001	5,001
Feet of Parallel Taxiway	5,000	5,000	5,000	5,000	5,000	5,001	5,001	5,001	5,001	5,001
Feet of Connecting Taxiway	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Feet of Auburn Taxiway	820	820	820	820	820	820	820	820	820	820
Number of T-Hangers	32	32	32	32	32	32	32	32	32	32
Feet of T-Hangers Taxiway	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Sq Feet of T-Hanger	36,400	36,400	36,400	36,400	36,400	36,829	36,829	36,829	36,829	36,829

Sources: Various city departments

SINGLE AUDIT SECTION



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

To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Audit Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Slidell, Louisiana (the "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 and have issued our report thereon dated December 8, 2023.

Report on Internal Control over Financial Reporting

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

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

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



To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 8, 2023

Report on Compliance and Other Matters

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

Purpose of This Report

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

This report is intended solely for the information and use of management, the City Council, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

December 8, 2023
Mandeville, Louisiana

Erickson Krentel, LLP
Certified Public Accountants



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

To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Slidell, Louisiana's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2023. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.



To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 8, 2023

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 8, 2023

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of management, the City Council, the Louisiana Legislative Auditor, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

December 8, 2023
Mandeville, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

CITY OF SLIDELL, LOUISIANA
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor/ Pass-Through or Grantor Program or Cluster Title	Federal AL Number	Grant Number	Total Grant Award	Federal Expenditures
U.S. Department of Homeland Security				
<i>Pass - Through Louisiana Governor's Office of Homeland Security and Emergency Preparedness:</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
Public Assistance Grant - Katrina	97-036	DR 1603	\$ 125,739,082	5,269
Public Assistance Grant - Ida	97-036	DR 4611	5,627,088	<u>126,252</u>
Total AL 97-036				3 126,512
Flood Mitigation Assistance				
Home Elevations 2018	97-029	FMA-PJ-06-LA-2018-026	2,259,782	144,163
Home Elevations 2018	97-029	FMA-PJ-06-LA-2018-031	2,219,551	<u>593,923</u>
Home Elevations 2019	97-029	FMA-PJ-09-LA-2019-006	1,573,770	391,757
Home Elevations 2019	97-029	FMA-PJ-06-LA-2019-036	3,714,359	<u>1,923,936</u>
Total AL 97-029				3,053,759
<i>Pass - Through St. Tammany Parish Sheriff's Office:</i>				
Homeland Security Grant Program				
Operation Stone Garden FY2023	97-067	EMW-2021-SS-00019-S01	47,250	<u>35,357</u>
Total U.S. Department of Homeland Security				<u>3,215,628</u>
U.S. Department of Housing and Urban Development				
Community Development Block Grant/Entitlement Grants	14-218	B-21-MC-22-0010	187,268	8,715
Community Development Block Grant/Entitlement Grants	14-218	B-20-MC-22-0910	177,781	<u>138,553</u>
Community Development Block Grant/Entitlement Grants	14-218	B-20-MW-22-0010	288,026	44,585
Community Development Block Grant/Entitlement Grants	14-218	B-19-MC-22-0010	180,733	3,613
Community Development Block Grant/Entitlement Grants	14-218	B-18-MC-22-0010	188,474	11,797
Community Development Block Grant/Entitlement Grants	14-218	B-17-MC-22-0910	155,360	11,395
Community Development Block Grant/Entitlement Grants	14-218	B-16-MC-22-0010	166,550	<u>19,090</u>
Total AL 14-218				<u>228,658</u>
<i>Pass - Through Office of Community Development:</i>				
Community Development Block Grant/Entitlement Grants State's program and Non-Entitlement Grants in Hawaii				
Lee Street Watershed Initiative	14-228	Application # 0127	1,830,379	34,428
Dellwood Watershed Initiative	14-228	Application # 0126	3,297,878	<u>38,330</u>
Total AL 14-228				<u>72,758</u>
Total U.S. Department of Housing and Urban Development				<u>301,416</u>
U.S. Department of Justice				
Bulletproof Vest Partnership Program				
Bureau of Justice Assistance: Bulletproof Vest Partnership Grant FY22	16-607	Open	32,916	19,628
Public Safety Partnership and Community Policing Grants				
COPS Grant FY20	16-710	2020L1MWX0373	625,000	<u>289,713</u>
Total U.S. Department of Justice				<u>259,341</u>
U.S. Environmental Protection Agency				
<i>Pass-Through UNO Research and Technology Foundation:</i>				
Lake Pontchartrain Basin Restoration Program (PRP)				
UNO19 Lumbertg Luff Station Upgrades	66-125	BK-01F84101	43,310	34,160
Clean Water State Revolving Fund Cluster				
<i>Pass-Through Louisiana Department of Environmental Quality:</i>				
Clean Water State Revolving Fund	66-458	Loan No. 15-03-3213	16,400,000	6,901,162
<i>Pass-Through Louisiana Department of Health and Hospital...</i>				
Clean Water State Revolving Fund	66-458	Loan No. 1103041-01	2,600,000	<u>2,518,211</u>
Total Clean Water State Revolving Fund Cluster				<u>8,519,373</u>
Total U.S. Environmental Protection Agency				<u>8,553,533</u>

CITY OF SLIDELL, LOUISIANA
SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

Federal Grantor Pass-Through or Grantor Program or Cluster Title	Federal AL Number	Grant Number	Total Grant Award	Federal Expenditures
U.S. Department of Transportation				
<i>Pass-Through Louisiana Department of Public Safety and Corrections, LA Highway Safety Commission</i>				
Minimum Penalties for Repeat Offenders for Driving While Intoxicated				
Overtune Highway Safety Enforcement 2022-JUDE&IDE	20 698	69A37522300001640LAA	\$ 85,000	\$ 50,863
Overtune Highway Safety Enforcement 2023-JUDE&IDE	20 698		85,000	<u>65,000</u>
Total AL 20 698				\$ 102,763
Highway Safety Cluster				
Highway Planning Construction				
Overtune Highway Safety Enforcement 2022-OPE	20 600	69A37322300004922LAA	23,750	5,538
Overtune Highway Safety Enforcement 2023-OPE	20 600		23,750	<u>8,500</u>
Total Highway Safety Cluster				14,038
<i>Pass-Through Louisiana Department of Transportation and Development Aviation Division</i>				
Airport Improvement Program, COVID-19 Airport Programs, and Infrastructure Investment and Jobs Act Programs				
Airport Rescue Grant 24	20 106	3-22-0060-024-2021	23,000	7,479
Airport Rescue Grant 25	20 106	3-22-0060-025-2021	59,000	59,000
Taxiway Reconstruction	20 106	3-22-0060-026-2022	51,850	<u>24,262</u>
Total AL 20 106				90,741
<i>Pass-Through Federal Highway Administration and Louisiana Department of Transportation and Development</i>				
Highway Planning and Construction Cluster				
Natchez St Improvement	20 295	H012856	802,897	716,525
Lindberg Improvement	20 295	H013381	358,221	358,221
Grafton Dr Panel Replacement	20 208	H014315	1,061,774	81,646
N Corridor	20 205	H014011	845,172	<u>845,172</u>
Total Highway Planning and Construction Cluster				2,001,562
Total U.S. Department of Transportation				<u>2,209,104</u>
U.S. Department of Treasury				
Asset Forfeiture and Money Laundering Section - Equitable Sharing Funds	21 016	-		3,618
<i>Pass-Through Jefferson Parish Sheriff's Office</i>				
High Intensity Drug Trafficking Areas Program				
HSI-ICE Task Force Slot/Equitable Sharing Funds	25 001	G23GC0001A	19,800	6,019
<i>Pass-through Immigration and Customs Enforcement (ICE)</i>				
ICE Task Force	16 MOU	MOU		3,117
Total AL 16 MOU				
Coronavirus State and Local Fiscal Recovery Funds	21 027	SLT-6757	4,757,764	<u>91,606</u>
Total U.S. Department of Treasury				<u>104,360</u>
U.S. Department of Health and Human Services				
<i>Food and Drug Administration</i>				
Food and Drug Administration FY22 Task Force Overtune	25 UNKNOWN	75F40123C00026	29,000	139
Food and Drug Administration FY23 Task Force Overtune	25 UNKNOWN	75F40123C00024	29,000	<u>750</u>
Total U.S. Department of Health and Human Services				<u>948</u>
Total Expenditures of Federal Awards				<u>\$ 14,644,330</u>

CITY OF SLIDELL, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

(1) BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of City of Slidell, Louisiana (the City) under programs of the federal government for the year ended June 30, 2023. The information in the schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of federal awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the City has met the qualifications for the respective grants.

Accrued and Deferred Reimbursement

Various reimbursement procedures are used for federal awards received by the City. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year end represent an excess of reimbursable expenditures over cash reimbursements and expenditures will be reversed in the remaining grant period.

Pass-Through Entity Information

Pass-through entity identifying numbers are presented where available.

Payments to Subrecipients

There were no payments to subrecipients for the fiscal year ended June 30, 2023.

(3) INDIRECT COST RATE

The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

(4) FEDERAL LOAN PROGRAMS

As further described in Note 5 to the financial statements, the City has an outstanding Series 2021 general obligation refunding bond with the State of Louisiana, Department of Environmental Quality (AL No. 66.458) (Loan No. 18-03-3213), originating in December 2021 with a 1.22% interest rate and a principal balance of \$13,172,381 at June 30, 2023.

As further described in Note 5 to the financial statements, the City has an outstanding Series 2022 utility revenue bond with the State of Louisiana, Department of Health and Hospitals (AL No. 66.458) (Loan No. 1103041-01), originating in January 2022 with a 2.00% interest rate and a principal balance of \$2,566,268 at June 30, 2023.

CITY OF SLIDELL, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

A. SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statements of the City of Slidell, Louisiana.
2. No significant deficiencies or material weaknesses in internal control relating to the audit of the financial statements are reported in the Independent Auditors' 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*.
3. No instances of noncompliance material to the financial statements of the City of Slidell, Louisiana were reported in the 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*.
4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs are reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance.
5. The auditors' report on compliance for the major federal award programs for the City of Slidell, Louisiana expresses an unmodified opinion.
6. There were no audit findings required to be reported in accordance with 2 CFR section 200.516(a).
7. A management letter was not issued for the year ended June 30, 2023.
8. The programs tested as major program were:

	<u>AL Number</u>
Capitalization Grants for Clean Water State Revolving Funds	66.458
Highway Planning and Construction Cluster	20.205

9. The threshold for distinguishing Types A and B programs was \$750,000.
10. City of Slidell, Louisiana was determined to be a low-risk auditee.

B. FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended June 30, 2023.

C. FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings related to major federal award programs for the year ended June 30, 2023.

CITY OF SLIDELL, LOUISIANA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

SECTION I - FINDINGS RELATED TO THE FINANCIAL STATEMENTS

There were no findings related to the financial statements for the year ended June 30, 2022.

SECTION II - FINDINGS AND QUESTIONED COSTS RELATED TO MAJOR FEDERAL AWARD PROGRAMS

There were no findings related to major federal award programs for the year ended June 30, 2022.

SECTION III - MANAGEMENT LETTER

A management letter was not issued for the year ended June 30, 2022.



December 8, 2023

To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Slidell, Louisiana (the “City”) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letters to you dated August 1, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. Several new accounting policies were adopted as disclosed in Note 14 to the financial statements and the application of existing policies was not changed during 2023. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City’s financial statements were:

Management’s estimate of the allowance for doubtful accounts is based on historical water and sewer revenues, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.



To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 8, 2023
Page 2

Management's estimate of the operating lease obligation is based on management's evaluation regarding the office space lease agreements. We evaluated the key factors and assumptions used to calculate the finance lease obligation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the depreciation expense is based on historical information regarding asset life and usefulness. We evaluated the key factors and assumptions used to calculate this expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of other post-employment benefits liability is based on estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Assumptions include future employment, mortality and the healthcare cost trend. We evaluated the key factors and assumptions used to calculate this expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of claims liabilities at year-end are determined by the third-party administrator using historical data. We evaluated the key factors and assumptions used to calculate these liabilities in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of pension liability is based on estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Assumptions include investment rate of return, projected salary increases, mortality rates, expected remaining service lives and cost of living adjustments. We evaluated the key factors and assumptions used to calculate this expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosures contained in Note 3 regarding the City's pension liability.

The disclosures contained in Note 10 regarding litigation pending against the City describe the nature and status of such lawsuits and the assessment of the City's legal counsel as to the likelihood of unfavorable outcomes.



To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 8, 2023
Page 3

The disclosures contained in Note 11 regarding the City's self-insurance and risk management present a reconciliation of the total claims liability for the current and two prior years for governmental and business-type activities.

The disclosures contained in Note 12 regarding the City's unfunded other post-employment benefits liability.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 8, 2023.



To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 8, 2023
Page 4

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to City of Slidell’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Slidell’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management’s discussion and analysis, budgetary comparison information, schedule of changes in net OPEB liability and related ratios, schedule of employer contributions, schedule of proportionate share of the net pension liability and schedule of contributions - retirement plan, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual non-major governmental funds and fiduciary fund financial statements, non-major fund budgetary comparison schedules and supporting schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.



ERICKSEN KRENTEL^{LLP}

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

To the Honorable Mayor
and Members of the City Council
City of Slidell, Louisiana
December 8, 2023
Page 5

We were not engaged to report on the introductory and statistical section, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the information and use of the City Council and management of the City of Slidell, Louisiana and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Erickson Krentel, LLP
Certified Public Accountants

CITY OF SLIDELL
LOUISIANA LEGISLATIVE AUDITOR
STATEWIDE AGREED-UPON PROCEDURES
FOR THE YEAR ENDED JUNE 30, 2023



ERICKSEN KRENTEL LLP
CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS



INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Members of the City Council
And the Honorable Mayor
City of Slidell, Louisiana

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 year ended June 30, 2023. The City of Slidell's management is responsible for those C/C areas identified in the AUPs.

The City of Slidell 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 year ended 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 attached in Schedule "1."

We were engaged by the City of Slidell 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 of Slidell 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 SAUP's, 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.

December 8, 2023
Mandeville, Louisiana

Ericksen Krentel, LLP
Certified Public Accountants

CITY OF SLIDELL
AGREED-UPON PROCEDURES
FOR THE YEAR ENDED JUNE 30, 2023

WRITTEN POLICIES AND PROCEDURES

1. **Procedures:** Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
 - e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate 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) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
 - h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
 - i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (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.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

WRITTEN POLICIES AND PROCEDURES (CONTINUED)

- 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) ***Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results: The City's written policies and procedures address the functions of budgeting, purchasing, disbursements, receipts/collections, payroll/personnel, contracting, credit cards, travel and expense reimbursement, ethics, debt service, information technology, disaster recovery, business continuity, fraud, and sexual harassment.

BOARD OR FINANCE COMMITTEE

- 2. **Procedures:** 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 that 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.
 - 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.

Results: The board met with a quorum in accordance with the board's bylaws. Minutes reflect the review of the monthly financial report during the council meetings. EK notes that the monthly financial reporting package includes the budget to actual reports for each fund.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

BANK RECONCILIATIONS

3. **Procedures:** 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 or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date and included evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation. The City did not have any reconciling items over 12 months from the statement closing date.

COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS)

4. **Procedure:** 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).
- Results:** Obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders are prepared and management's representation that the listing is complete. One location where deposits are processed.
5. **Procedures:** 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 (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, 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 that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

COLLECTIONS (EXCLUDING ELECTRONIC FUNDS TRANSFERS; CONTINUED)

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Results: There are four collection sites. The City has separate employees for collecting cash and reconciling collection documentation. The employee responsible for collecting cash is not responsible for posting collection entries to the general ledger. The employee responsible for reconciling collections is not responsible for collecting cash.

6. **Procedure:** 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 enforced during the fiscal period.

Results: The City maintains an insurance policy that covers employee theft.

7. **Procedures:** Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). 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.

Results: The related collection documentation was traced to deposit slips. The deposit slip total agrees to the actual deposit per the bank statement. Regular periodic deposits were made after collection. The actual deposit per the bank statement agreed to the general ledger.

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES)

8. **Procedure:** 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).

Results: Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. One location processes payments.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

**NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS,
TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES; CONTINUED)**

9. **Procedures:** For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - 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.

Results: At least two employees are involved in initiating a purchase request, approving a purchase, placing an order/making the purchase, and processing and approving payments to vendors. The employee responsible for processing payments is prohibited from adding/modifying vendor files unless another official is responsible for periodically reviewing changes to vendor files. Either the employee responsible for signing checks mails the payment or gives the signed checks to another employee to mail who is not responsible for processing payments.

10. **Procedures:** For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: The 5 disbursements matched the related original invoice/billing statement. The disbursement documentation included evidence of segregation of duties.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

NON-PAYROLL DISBURSEMENTS (EXCLUDING CARD PURCHASES/PAYMENTS, TRAVEL REIMBURSEMENTS, AND PETTY CASH PURCHASES; CONTINUED)

11. **Procedures:** Using the entity's main operating account and the month selected in the Bank Reconciliations procedure, randomly select 5 non-payroll 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 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.
- b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

Results: The 5 disbursements were approved by an authorized person to disburse funds. The documentation included evidence of segregation of duties.

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS

12. **Procedures:** Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Results: Obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtained management's representation that the listing is complete.

13. **Procedures:** Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
- b) Observe that finance charges and late fees were not assessed on the selected statements.

Results: The monthly statements selected contained supporting documentation that was reviewed and approved by someone other than the authorized card holder. No finance charges or late fees were assessed on the selected statements.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

CREDIT CARDS/DEBIT CARDS/FUEL CARDS/P-CARDS (CONTINUED)

14. **Procedures:** Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results: For each transaction, there was an original itemized receipt that identified what was purchased, written documentation of the business/public purpose, and meal charges were not applicable.

TRAVEL AND TRAVEL-RELATED EXPENSE REIMBURSEMENTS (EXCLUDING CARD TRANSACTIONS)

15. **Procedures:** Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, 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 policy (procedure #1h).
- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: The 5 reimbursements selected agreed to the reimbursement rate established by the State of Louisiana in PPM49 or original itemized receipt that identifies what was purchased for actual costs. Each reimbursement is supported by documentation of the business/public purpose and was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

CONTRACTS

16. **Procedures:** 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. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment was approval documented).
 - 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.

Results: For the 5 contracts selected, the contracts were bid in accordance with the Louisiana Public Bid Law, were approved by the governing board, amendments were provided for in contract terms and were made in compliance with the contract terms. Payments selected for each of the 5 contracts agreed to the contract terms, invoice and related payment agreed to the terms and conditions of the contract.

PAYROLL AND PERSONNEL

17. **Procedure:** 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.

Results: Obtained a listing of employees and officials employed during the fiscal year and management's representations that the listing is complete. Randomly selected 5 employees or officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.

18. **Procedures.** Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 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 a policy and/or contract, the official should document his/her daily attendance and leave.)

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

PAYROLL AND PERSONNEL (CONTINUED)

- b) Observe that supervisors approved the attendance and leave of the selected employees or officials.
- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Results: All employees selected documented their daily attendance and leave; supervisors approved the attendance and leave of the selected employees and all leave accrued or taken during the pay period is reflected in the City's cumulative leave records.

19. **Procedures:** 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, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

Results: Termination payments agreed to the hours in the employee's cumulative leave records and agreed to the authorized pay rates in the employee's personnel files.

20. **Procedure:** 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.

Results: Employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

ETHICS

21. **Procedures:** Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above: obtain ethics documentation from management, and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observe that the 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.

Results: We performed the procedures, and the documentation demonstrates that each employee has completed one hour of ethics training and there were no changes to the entity's ethics policy during the fiscal period.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

DEBT SERVICE

22. **Procedure:** 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 debt instrument issued.

Results: State Bond Commission approval was obtained for each debt instrument issued.

23. **Procedure:** 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).

Results: Reserve balance and payments agree to required amounts by debt covenants.

FRAUD NOTICE

24. **Procedure:** 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.

Results: There were no misappropriations of public funds and assets during the fiscal year.

25. **Procedure:** 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.

Results: The City has posted the required notice on its premises and website.

INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY

26. **Procedures:** Perform the following procedures:

a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

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, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

CITY OF SLIDELL
AGREED-UPON PROCEDURES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2023

INFORMATION TECHNOLOGY DISASTER RECOVERY/BUSINESS CONTINUITY
(CONTINUED)

- 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.

Results: We performed the procedures and discussed the results with management.

SEXUAL HARASSMENT

26. **Procedures:** Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, 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.

Results: We performed the procedures and the 5 randomly selected employees completed at least one hour of sexual harassment training during the calendar year.

27. **Procedure:** 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).

Results: The City has posted its sexual harassment policy and complaint procedure on its website.

28. **Procedure:** 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.

Results: The City has completed its sexual harassment report for the current fiscal period dated before February 1 and it includes all applicable requirements.