

## **RS 39:1301**

### **CHAPTER 9. LOUISIANA LOCAL GOVERNMENT BUDGET ACT**

#### **§1301. Short title**

This Chapter may be cited as the "Louisiana Local Government Budget Act."

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980.

## **RS 39:1302**

#### **§1302. Definitions**

For the purposes of this Chapter:

(1) "Political subdivision" means any:

(a) Parish governing authority and all districts, boards, or commissions created by such parish governing authority either independently or in conjunction with other units of government.

(b) Municipality and all boards and commissions created by such municipality, either independently or in conjunction with other units of government.

(c) School board.

(d) Special district created pursuant to and under the authority of Article VI, Section 16 or 19 of the Louisiana Constitution.

(e) City court.

(f) District public defender office.

(g) Housing authority.

(h) Mortgage authority.

(i) Political subdivisions of the state not included within the state's Comprehensive Annual Financial Reports.

(j) Registrar of voters.

(k) Independently elected parish offices, including the office of assessor, clerk of district court, coroner, district attorney, sheriff, and judges, but only insofar as their judicial expense funds, as provided for in Title 13 of the Louisiana Revised Statutes of 1950.

(2) "Governing authority" means the body which exercises the legislative functions of the political subdivision.

(3) "Political subdivision category" means a grouping of political subdivisions with similar governmental objectives.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980; Acts 1988, No. 621, §1; Acts 1993, No. 236, §1, eff. June 1, 1993; Acts 1999, No. 692, §1; Acts 1999, No. 775, §2, eff. July 2, 1999; Acts 2007, No. 307, §7.

NOTE: See Acts 1988, No. 621, §2.

## **RS 39:1303**

### §1303. Legislative intent

A. It is the intent of the legislature that this Chapter shall apply, as provided for herein, to all political subdivisions of the state with a general fund or a special revenue fund, except that the provisions of R.S. 39:1307 related to public participation shall only apply to those political subdivisions with proposed expenditures totaling five hundred thousand dollars or more in such funds. The provisions of this Chapter shall be construed as minimal requirements and shall not prevent a political subdivision from requiring more extensive financial planning and budgeting practices nor from imposing more stringent penalties for violations.

B. Preparation and adoption of a budget by a political subdivision in any manner contrary to the provisions of this Chapter is hereby expressly prohibited.

C. It is the intent of the legislature that this Chapter shall apply to political subdivisions operating under a home rule charter or plan of government adopted or in existence pursuant to and under the authority of Article VI of the Louisiana Constitution of 1974 to the extent that governments operating under home rule charters are subject to this Chapter as minimum standards.

D. The provisions of this Act shall apply to school boards only if and when they do not conflict with R.S. 17:88(A).

E. The provisions of this Chapter shall not apply to funds received by district attorneys' offices pursuant to: (1) R.S. 16:15; (2) incentive payments for child support enforcement activities; unless proposed expenditures exceed \$50,000.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Acts 1984, No. 186, §2; Acts 1985, No. 997, §1; Acts 2004, No. 552, §1, eff. June 25, 2004.

## **RS 39:1304**

### §1304. Uniform chart of accounts

A. The legislative auditor shall develop a uniform chart of accounts for use by political subdivisions in recording of all financial transactions. The legislative auditor shall submit the proposed chart of accounts to the Joint Legislative Committee on the Budget for its approval. Any change to the approved chart of accounts shall be made in accordance with procedures contained in this Subsection.

B. The legislative auditor is authorized to create political subdivision categories for the purpose of carrying out the provisions of this Section. He may propose a different chart account for each political subdivision category. Any political subdivision category created pursuant to this Subsection shall be approved by the Joint Legislative Committee on the Budget.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Acts 1984, No. 186, §2; Acts 1988, No. 542, §1; Acts 1993, No. 236, §1, eff. June 1, 1993; Acts 1999, No. 775, §2, eff. July 2, 1999.

## RS 39:1305

### §1305. Budget preparation

A. Each political subdivision shall cause to be prepared a comprehensive budget presenting a complete financial plan for each fiscal year for the general fund and each special revenue fund.

B. The chief executive or administrative officer of the political subdivision or, in the absence of such positions, the equivalent thereof shall prepare the proposed budget.

C. The budget document setting forth the proposed financial plan for the general fund and each special revenue fund shall include the following:

(1) A budget message signed by the budget preparer which shall include a summary description of the proposed financial plan, policies, and objectives, assumptions, budgetary basis, and a discussion of the most important features.

(2)(a) A statement for the general fund and each special revenue fund showing the estimated fund balances at the beginning of the year; estimates of all receipts and revenues to be received; revenues itemized by source; recommended expenditures itemized by agency, department, function, and character; other financing sources and uses by source and use; and the estimated fund balance at the end of the fiscal year. Such statements shall also include a clearly presented side-by-side detailed comparison of such information for the current year, including the fund balances at the beginning of the year, year-to-date actual receipts and revenues received and estimates of all receipts and revenues to be received the remainder of the year; estimated and actual revenues itemized by source; year-to-date actual expenditures and estimates of all expenditures to be made the remainder of the year itemized by agency, department, function, and character; other financing sources and uses by source and use, both year-to-date actual and estimates for the remainder of the year; the year-to-date actual and estimated fund balances as of the end of the fiscal year; and the percentage change for each item of information.

(b) School boards shall itemize revenues and expenditures in accordance with guidance provided by the state Department of Education.

(c) If, upon the request of the governing authority, the political subdivision fails to submit its budget document showing the information concerning revenue sources as mandated by this Subsection, the governing authority shall not appropriate any general funds to such political subdivision.

D. A budget proposed for consideration by the governing authority shall be accompanied by a proposed budget adoption instrument. The budget adoption instrument for independently elected parish offices shall consist of a letter from the independently elected official authorizing the implementation of the adopted budget. The budget adoption instrument for any municipality, parish, school board, or special district shall be an appropriation ordinance, adoption resolution, or other legal instrument necessary to adopt and implement the budget document. The adoption instrument shall define the authority of the chief executive and administrative officers of the political subdivision to make changes within various budget classifications without approval by the governing authority, as well as those powers reserved solely to the governing authority.

E. The total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing fiscal year.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Acts 1984, No. 186, §2; Acts 1999, No. 775, §2, eff. July 2, 1999; Acts 2001, No. 810, §1, eff. June 26, 2001; Acts 2001, No. 965, §1, eff. June 27, 2001; Acts 2010, No. 966, §1, eff. Jan. 1, 2011.

## **RS 39:1306**

### **§1306. Completion and submission of the proposed budget**

A. The proposed budget for political subdivisions with a governing authority including municipalities, parishes, school boards, and special districts shall be completed and submitted to the governing authority of that political subdivision and made available for public inspection as provided for in R.S. 39:1308 no later than fifteen days prior to the beginning of each fiscal year except that:

(1) The proposed budget for a school board shall be completed and submitted to the school board and made available for such public inspection no later than fifteen days prior to the date for budget adoption by school boards as required in R.S. 17:88(A).

(2) The proposed budget for a parish shall be completed and submitted to the parish governing authority and made available for such public inspection prior to the fifteenth day of the fiscal year for which the budget is to be applicable.

B. The proposed budget for a registrar of voters and independently elected parish offices including the office of assessor, clerk of district court, coroner, district attorney, and sheriff shall be completed and made available for public inspection as provided for in R.S. 39:1308 no later than fifteen days prior to the beginning of each fiscal year.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980, Amended by Acts 1981, No. 643, §1; Acts 1984, No. 186, §2; Acts 1993, No. 236, §1, eff. June 1, 1993; Acts 1999, No. 775, §2, eff. July 2, 1999; Acts 2001, No. 810, §1, eff. June 26, 2001; Acts 2001, No. 965, §1, eff. June 27, 2001.

## **RS 39:1307**

### **§1307. Public participation**

A. Political subdivisions with total proposed expenditures of five hundred thousand dollars or more from the general fund and any special revenue funds in a fiscal year or other similar budgetary period shall afford the public an opportunity to participate in the budgetary process prior to adoption of the budget.

B. Upon completion of the proposed budget and, if applicable, its submission to the governing authority, the political subdivision shall cause to be published a notice stating that the proposed budget is available for public inspection. The notice shall also state that a public hearing on the proposed budget shall be held with the date, time, and place of the hearing specified in the notice. The notice shall be published at least ten days prior to the date of the first public hearing. Where applicable, publication shall be in the official journal of the political subdivision. Where there is no requirement that the political subdivision have an official journal, publication shall be in the official journal of the governing authority of the parish in which the political subdivision is located. In cases where the political subdivision is located within the boundaries of more than one parish, publication shall be in the official journal of the governing authority of each parish.

C. No proposed budget shall be considered for adoption or otherwise finalized until at least one public hearing has been conducted on the proposal. Nothing herein shall prohibit one or more political subdivisions from conducting joint public hearings.

D. The political subdivision shall certify completion of all action required by this Section by publishing a notice in the same manner as is herein provided for the notice of availability of the proposed budget and public hearing.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980; Acts 1999, No. 775, §2, eff. July 2, 1999; Acts 2004, No. 552, §1, eff. June 25, 2004.

### **RS 39:1308**

#### **§1308. Inspection of the proposed budget**

A. The proposed budget of a political subdivision shall be available for public inspection at the following locations:

- (1) Municipalities: at the office of the mayor or municipal governing authority.
- (2) School boards: at the school board office.
- (3) Special districts: at the office of the governing authority of the special district.
- (4) All other political subdivisions: at the office of the individual political subdivision.
- (5) In cases where the political subdivision is located within the boundaries of more than one parish, the proposed budget shall be available at the office of the parish governing authority of each parish.

B. The district attorney for the Sixteenth Judicial District shall also post the proposed budget of his office on the official Internet website or portal of the district attorney of the Sixteenth Judicial District.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Acts 1984, No. 186, §2; Acts 1999, No. 775, §2, eff. July 2, 1999; Acts 2010, No. 680, §1, eff. July 1, 2010.

### **RS 39:1309**

#### **§1309. Adoption**

A. All action necessary to adopt and otherwise finalize and implement the budget for a fiscal year shall be taken in open meeting and completed before the end of the prior fiscal year except that:

- (1) All action necessary to adopt and otherwise finalize and implement the proposed budget for a school board shall be taken in open meeting and completed prior to the date for budget adoption by school boards, as required by R.S. 17:88(A).
- (2) All action necessary to adopt and otherwise finalize and implement the proposed budget for a parish shall be taken in open meeting and completed prior to the thirtieth day of the fiscal year for which the budget is to be applicable.

B. The adopted budget shall be balanced with approved expenditures not exceeding the total of estimated funds available.

C. The adopted budget shall contain the same information as that required for the proposed budget according to R.S. 39:1305(C) for the proposed budget.

D. Upon adoption, certified copies of the budget and adoption instrument shall be transmitted to and retained by the chief executive or administrative officer as required by R.S. 39:1313.

E. Upon adoption, the district attorney for the Sixteenth Judicial District shall also post the adopted budget of his office on the official Internet website or portal of the district attorney of the Sixteenth Judicial District at the time the budget is adopted.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Acts 1984, No. 186, §2; Acts 1999, No. 775, §2, eff. July 2, 1999; Acts 2001, No. 810, §1, eff. June 26, 2001; Acts 2001, No. 965, §1, eff. June 27, 2001; Acts 2010, No. 680, §1, eff. July 1, 2010.

### **RS 39:1310**

#### §1310. Amending the budget

A. When the governing authority has received notification pursuant to R.S. 39:1311, or there has been a change in operations upon which the original adopted budget was developed, the governing authority shall adopt a budget amendment in an open meeting to reflect such change.

When an independently elected parish official has received notification pursuant to R.S. 39:1311(A), or when there has been a change in operations upon which the original adopted budget was developed, the independently elected official shall adopt a budget amendment and publish such amendment in the official journal as described by R.S. 39:1307(B). In no event shall a budget amendment be adopted proposing expenditures which exceed the total of estimated funds available for the fiscal year.

B. The district attorney for the Sixteenth Judicial District shall also post the amended budget of his office on the official Internet website or portal of the district attorney of the Sixteenth Judicial District at the time it is amended.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Acts 1984, No. 186, §2; Acts 1993, No. 236, §1, eff. June 1, 1993; Acts 1995, No. 529, §1; Acts 1999, No. 775, §2, eff. July 2, 1999; Acts 2010, No. 680, §1, eff. July 1, 2010.

### **RS 39:1311**

#### §1311. Budgetary authority and control

A. The adopted budget and any duly authorized adopted amendments shall form the framework from which the chief executive or administrative officers and members of the governing authority of the political subdivision shall monitor revenues and control expenditures.

The chief executive or administrative officer for a political subdivision subject to public participation as provided in R.S. 39:1307 shall advise the governing authority or independently elected official in writing when:

(1) Total revenue and other sources plus projected revenue and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more.

(2) Total actual expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more.

(3) Actual beginning fund balance, within a fund, fails to meet estimated beginning fund balance by five percent or more and fund balance is being used to fund current year expenditures.

B. The written notification as required by this Section as well as any responsive action taken by the governing authority or independently elected official shall be transmitted to and retained by the chief executive or administrative officer. The written notification as required by this Section and the resulting budget amendment shall only be statutorily required for a special revenue fund with anticipated expenditures that equal or exceed five hundred thousand dollars.

Furthermore, only the written notification of Paragraph (A)(2) of this Section shall be required for special revenue funds whose revenues are expenditure driven.

C. The adopted budget and any duly authorized amendments required by this Section shall constitute the authority of the chief executive or administrative officers of the political subdivision to incur liabilities and authorize expenditures from the respective budgeted funds during the fiscal year.

D. Nothing in this Chapter shall prevent the making of contracts for governmental services or for the capital outlay for a period exceeding one year if such contracts are allowed otherwise by law. Any contracts so made shall be executory only for the amounts agreed to be paid for such services to be rendered in succeeding years.

E. Notwithstanding any provision of this Section to the contrary, the elected chief of police in a municipality shall advise the municipal governing authority in writing when total actual expenditures plus projected expenditures for the remainder of the year within the police department exceed the total budgeted expenditures by five percent or more, and shall make recommendations in writing to the governing authority for responsive action.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Amended by Acts 1981, No. 474, §1; Acts 1982, No. 475, §1. Acts 1984, No. 186, §2; Acts 1999, No. 775, §2, eff. July 2, 1999; Acts 2004, No. 552, §1, eff. June 25, 2004; Acts 2006, No. 363, §1.

### **RS 39:1312**

#### **§1312. Governing authority's failure to make appropriation**

If, at the end of any fiscal year, the appropriations necessary for the support of the political subdivision for the ensuing fiscal year have not been made, then fifty percent of the amounts appropriated in the appropriation ordinance or resolution for the last completed fiscal year shall be deemed reappropriated for the several objects and purposes specified in such appropriation ordinance or resolution.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Acts 1984, No. 186, §2; Acts 1999, No. 775, §2, eff. July 2, 1999.

### **RS 39:1313**

#### **§1313. Budget filing**

The chief executive or administrative officer shall retain and file certified copies of the adopted budget, budget adoption instrument, duly authorized budget amendments, and copies of supporting schedules and correspondence related to the budget at the domicile of the governing authority.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Amended by Acts 1981, No. 643, §1; Acts 1982, No. 116, §1. Acts 1984, No. 186, §2; Acts 1999, No. 775, §2, eff. July 2, 1999.

## **RS 39:1314**

### **§1314. Emergencies**

Nothing shall prohibit the expenditure of funds in cases of emergency. For purposes of this Section, "an emergency" means an unforeseen event bringing with it destruction or injury of life or property or the imminent threat of such destruction or injury.

Added by Acts 1980, No. 504, §1, eff. Sept. 1, 1980. Acts 1984, No. 186, §2; Acts 1993, No. 236, §1, eff. June 1, 1993; Acts 1999, No. 775, §2, eff. July 2, 1999.

## **RS 39:1315**

### **§1315. Violations**

A. Except as provided in R.S. 39:1314, any public official or officer that violates, either knowingly or intentionally, the provisions of R.S. 39:1305(E), either through the adoption of an original budget or through amendment to a legally adopted budget, shall be a violation of R.S. 14:134 and shall be subject to the penalties contained therein.

B. Any person may commence a suit in a court of competent jurisdiction for the parish in which the political subdivision is domiciled for mandamus, injunctive, or declaratory relief to require compliance with the provisions of this Chapter.

Acts 1999, No. 775, §2, eff. July 2, 1999.

## **RS 14:134**

### **§134. Malfeasance in office**

A. Malfeasance in office is committed when any public officer or public employee shall:

- (1) Intentionally refuse or fail to perform any duty lawfully required of him, as such officer or employee; or
- (2) Intentionally perform any such duty in an unlawful manner; or
- (3) Knowingly permit any other public officer or public employee, under his authority, to intentionally refuse or fail to perform any duty lawfully required of him, or to perform any such duty in an unlawful manner.

B. Any duty lawfully required of a public officer or public employee when delegated by him to a public officer or public employee shall be deemed to be a lawful duty of such public officer or employee. The delegation of such lawful duty shall not relieve the public officer or employee of his lawful duty.

C.(1) Whoever commits the crime of malfeasance in office shall be imprisoned for not more than five years with or without hard labor or shall be fined not more than five thousand dollars, or both.

(2) In addition to the penalty provided for in Paragraph (1) of this Subsection, a person convicted of the provisions of this Section may be ordered to pay restitution to the state if the state suffered a loss as a result of the offense. Restitution shall include the payment of legal interest at the rate provided in R.S. 13:4202.

Amended by Acts 1980, No. 454, §1; Acts 2002, 1st Ex. Sess., No. 128, §6; Acts 2010, No. 811, §1, eff. Aug. 15, 2011.