

**CITY OF SCOTT, LOUISIANA**

Financial Report

Year Ended June 30, 2024

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## INDEPENDENT AUDITOR'S REPORT

\* A Professional Accounting Corporation

The Honorable Jan-Scott Richard, Mayor,  
and Members of the Board of Aldermen  
City of Scott, Louisiana

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Scott, Louisiana (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

#### Responsibilities of Management for the Financial Statements

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

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

## **Auditor's Responsibilities for the Audit of 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. We 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. We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed. We 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. We conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules and the schedules of changes in net OPEB liability and related ratios, employer's share of net pension liability and employer pension contributions 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.

The City has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

## **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying comparative statements, the justice system funding schedule, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 were derived from and relate 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, these comparative statements, the justice system funding schedule, 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.

The prior year comparative information on the comparative statements has been derived from the City of Scott's 2023 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and, in our opinion were fairly presented in all material respects in relation to the basic financial statements as a whole.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the comparative detailed budget comparison schedules 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 October 22, 2024, on our consideration of the City of Scott, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.

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

Lafayette, Louisiana  
October 22, 2024

## **BASIC FINANCIAL STATEMENTS**

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



CITY OF SCOTT, LOUISIANA

Statement of Net Position  
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 6,274,922	\$ 2,973,312	\$ 9,248,234
Investments	2,556,364	142,523	2,698,887
Receivables, net	1,139,820	629,581	1,769,401
Due from other governmental units	43,412	33,374	76,786
Prepaid items	123,255	15,577	138,832
Total current assets	<u>10,137,773</u>	<u>3,794,367</u>	<u>13,932,140</u>
Noncurrent assets:			
Restricted assets:			
Interest-bearing deposits	-	216,658	216,658
Investments	-	159,241	159,241
Capital assets:			
Land and construction in progress	4,750,545	1,780,616	6,531,161
Other capital assets, net	41,747,651	14,882,157	56,629,808
Total noncurrent assets	<u>46,498,196</u>	<u>17,038,672</u>	<u>63,536,868</u>
Total assets	<u>56,635,969</u>	<u>20,833,039</u>	<u>77,469,008</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	2,067,517	73,468	2,140,985
Deferred outflows of resources related to net OPEB obligation	574,209	56,295	630,504
Total deferred outflows of resources	<u>2,641,726</u>	<u>129,763</u>	<u>2,771,489</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	468,195	274,851	743,046
Contracts and retainage payable	893,709	77,578	971,287
Unearned revenue	504,286	289,537	793,823
Customers' deposits payable	-	270,082	270,082
Bonds payable	1,285,000	37,000	1,322,000
Accrued interest payable	111,427	7,986	119,413
Notes payable - short term	514,496	-	514,496
Total current liabilities	<u>3,777,113</u>	<u>957,034</u>	<u>4,734,147</u>
Noncurrent liabilities:			
Compensated absences payable	65,146	451	65,597
Notes payable	596,111	-	596,111
Bonds payable	15,830,697	522,863	16,353,560
Net OPEB obligation payable	1,592,240	156,102	1,748,342
Net pension liability	5,300,916	212,377	5,513,293
Total noncurrent liabilities	<u>23,385,110</u>	<u>891,793</u>	<u>24,276,903</u>
Total liabilities	<u>27,162,223</u>	<u>1,848,827</u>	<u>29,011,050</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	559,030	825	559,855
Deferred inflows of resources related to net OPEB obligation	180,199	17,667	197,866
Total deferred inflows of resources	<u>739,229</u>	<u>18,492</u>	<u>757,721</u>
NET POSITION			
Net investment in capital assets	26,553,149	16,062,332	42,615,481
Restricted for sales tax dedications	6,379,745	-	6,379,745
Restricted for debt service	514,111	60,831	574,942
Unrestricted (deficit)	(2,070,762)	2,972,320	901,558
Total net position	<u>\$ 31,376,243</u>	<u>\$ 19,095,483</u>	<u>\$ 50,471,726</u>

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

CITY OF SCOTT, LOUISIANA  
Statement of Activities  
For the Year Ended June 30, 2024

Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
					Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 1,941,933	\$ 796,638	\$ 14,405	\$ -	\$ (1,130,890)	\$ -	\$ (1,130,890)
Public safety:							
Police	4,176,026	442,981	444,670	-	(3,288,375)	-	(3,288,375)
Fire	1,158,175	-	-	-	(1,158,175)	-	(1,158,175)
Streets	2,971,733	-	292,366	24,315	(2,655,052)	-	(2,655,052)
Culture and tourism	688,437	77,591	-	45,000	(565,846)	-	(565,846)
Interest on long-term debt	630,928	-	-	-	(630,928)	-	(630,928)
Total governmental activities	<u>11,567,232</u>	<u>1,317,210</u>	<u>751,441</u>	<u>69,315</u>	<u>(9,429,266)</u>	<u>-</u>	<u>(9,429,266)</u>
<b>Business-type activities:</b>							
Gas	397,297	586,622	-	-	-	189,325	189,325
Water	1,885,216	1,823,124	-	1,046,465	-	984,373	984,373
Sewer	799,267	937,924	-	1,078,966	-	1,217,623	1,217,623
Garbage	769,460	827,557	-	-	-	58,097	58,097
Total business-type activities	<u>3,851,240</u>	<u>4,175,227</u>	<u>-</u>	<u>2,125,431</u>	<u>-</u>	<u>2,449,418</u>	<u>2,449,418</u>
Total	<u>\$ 15,418,472</u>	<u>\$ 5,492,437</u>	<u>\$ 751,441</u>	<u>\$ 2,194,746</u>	<u>(9,429,266)</u>	<u>2,449,418</u>	<u>(6,979,848)</u>
<b>General revenues:</b>							
Taxes -							
Property taxes, levied for general purposes					431,230	-	431,230
Sales and use taxes, levied for general purposes					10,745,874	-	10,745,874
Franchise taxes					670,812	-	670,812
Grants and contributions not restricted to specific programs -							
State sources					20,704	-	20,704
Gain/(loss) on sale of assets					38,322	-	38,322
Non employer pension contribution					137,301	8,437	145,738
Interest and investment earnings					302,503	70,838	373,341
Miscellaneous					343,033	-	343,033
Transfers					1,086,998	(1,086,998)	-
Total general revenues and transfers					<u>13,776,777</u>	<u>(1,007,723)</u>	<u>12,769,054</u>
Change in net position					4,347,511	1,441,695	5,789,206
Net position - June 30, 2023					<u>27,028,732</u>	<u>17,653,788</u>	<u>44,682,520</u>
Net position - June 30, 2024					<u>\$ 31,376,243</u>	<u>\$ 19,095,483</u>	<u>\$ 50,471,726</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **FUND DESCRIPTIONS**

### **General Fund**

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

### **Special Revenue Funds**

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

#### **1968 Sales Tax Fund -**

To account for the receipt and use of the proceeds of a 1% sales and use tax. These taxes are dedicated and used for the purpose of construction, acquiring, extending, improving and/or maintaining sewers and sewerage disposal works, waterworks, drainage facilities, streets and sidewalks, including the purchase of equipment therefore, title to which improvements shall be in the public name, or for any one or more of said purposes. The tax is also subject to funding into bonds of the City in the manner authorized in the Louisiana Revised Statutes.

#### **1984 Sales Tax Fund -**

To account for the receipt and use of the proceeds of a 1% sales and use tax. These taxes are dedicated and used for the purpose of construction, acquiring, extending, improving, operating and/or maintaining public streets and bridges, sewers and sewerage disposal works, recreational facilities and drainage facilities; purchasing and acquiring the necessary land, equipment and furnishings for any of the aforesaid public works, improvements and facilities; providing additional funds to maintain the City's auxiliary police force and volunteer fire department; maintaining the natural gas transmission and distribution system of the City; and funding into bonds for any of these purposes in accordance with the Louisiana Revised Statutes.

#### **Apollo Economic Development District Sales Tax Fund -**

To account for the receipt and use of the proceeds of a 1% sales and use tax levied on the businesses located in the Apollo Economic Development District, State of Louisiana (the "District"). These taxes are dedicated and used for the purpose of financing economic development projects in the District.

#### **2023 Sales Tax Fund -**

To account for the receipt and use of the proceeds of a 1% sales and use tax. These taxes are dedicated and used for the purpose of constructing, improving, maintaining, and operating the City's sewerage system, including the construction of a new treatment plant and the acquisition of equipment therefore, and to help pay for improvement to infrastructure such as roads, drainage, and utility services.

### **Debt Service Fund**

#### **Sales Tax Bonds Fund -**

To accumulate monies for payment of Sales Tax Bonds issued by the City. Debt service is financed from the collection of the City's 1984, 1968, and Apollo Economic Development District sales tax.

### **Enterprise Fund**

#### **Utility Fund -**

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

CITY OF SCOTT, LOUISIANA

Balance Sheet  
Governmental Funds  
June 30, 2024

	General	1968 Sales Tax Special Revenue	1984 Sales Tax Special Revenue	Apollo Economic Development District Sales Tax Special Revenue	2023 Sales Tax Special Revenue	Sales Tax Bonds	Non-major Funds	Total
<b>ASSETS</b>								
Cash and interest-bearing deposits	\$ 1,295,067	\$ 750,339	\$ 1,162,180	\$ 1,188,983	\$ 1,167,313	\$ 625,538	\$ 85,502	\$ 6,274,922
Investments	583,907	1,842,191	130,266	-	-	-	-	2,556,364
Receivables:								
Taxes	7,270	329,528	329,528	134,470	311,016	-	25,360	1,137,172
Accrued interest	-	773	773	312	728	-	62	2,648
Due from other governmental units	5,550	37,862	-	-	-	-	-	43,412
Prepaid items	118,110	-	5,145	-	-	-	-	123,255
<b>Total assets</b>	<b>\$ 2,009,904</b>	<b>\$ 2,960,693</b>	<b>\$ 1,627,892</b>	<b>\$ 1,323,765</b>	<b>\$ 1,479,057</b>	<b>\$ 625,538</b>	<b>\$ 110,924</b>	<b>\$ 10,137,773</b>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 171,551	\$ 165,117	\$ 19,903	\$ -	\$ -	\$ -	\$ -	\$ 356,571
Contracts payable	-	227,065	-	-	-	-	-	227,065
Retainage payable	-	666,644	-	-	-	-	-	666,644
Accrued liabilities	72,912	1,533	1,721	34,081	1,268	-	109	111,624
Unearned revenue	504,286	-	-	-	-	-	-	504,286
<b>Total liabilities</b>	<b>748,749</b>	<b>1,060,359</b>	<b>21,624</b>	<b>34,081</b>	<b>1,268</b>	<b>-</b>	<b>109</b>	<b>1,866,190</b>
Fund balances -								
Nonspendable (prepaid items)	118,110	-	5,145	-	-	-	-	123,255
Restricted - sales tax dedications	-	1,900,334	1,601,123	1,289,684	1,477,789	-	110,815	6,379,745
Restricted - debt service	-	-	-	-	-	625,538	-	625,538
Unassigned	1,143,045	-	-	-	-	-	-	1,143,045
<b>Total fund balances</b>	<b>1,261,155</b>	<b>1,900,334</b>	<b>1,606,268</b>	<b>1,289,684</b>	<b>1,477,789</b>	<b>625,538</b>	<b>110,815</b>	<b>8,271,583</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,009,904</b>	<b>\$ 2,960,693</b>	<b>\$ 1,627,892</b>	<b>\$ 1,323,765</b>	<b>\$ 1,479,057</b>	<b>\$ 625,538</b>	<b>\$ 110,924</b>	<b>\$ 10,137,773</b>

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

CITY OF SCOTT, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
June 30, 2024

Total fund balances for governmental funds at June 30, 2024		\$ 8,271,583
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets, net		46,498,196
Deferred outflows of expenditures are not a use of current resources, and therefore, are not reported in the funds.		
Deferred outflows of resources - pension	\$ 2,067,517	
Deferred outflows of resources - OPEB	<u>574,209</u>	2,641,726
Long-term liabilities at June 30, 2024:		
Bonds payable	(17,115,697)	
Notes payable	(1,110,607)	
Accrued interest payable	(111,427)	
Compensated absences	(65,146)	
Net OPEB obligation	(1,592,240)	
Net pension liability	<u>(5,300,916)</u>	(25,296,033)
The deferred inflows of contributions are not available resources, and therefore, are not reported in the funds		
Deferred inflows of resources - pension	(559,030)	
Deferred inflows of resources - OPEB	<u>(180,199)</u>	<u>(739,229)</u>
Total net position of governmental activities at June 30, 2024		<u>\$ 31,376,243</u>

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

CITY OF SCOTT, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-  
Governmental Funds  
For the Year Ended June 30, 2024

	1968	1984	Apollo Economic Development District	2023	Sales Tax	Non-major	Total
	General	Special Revenue	Special Revenue	Special Revenue	Special Revenue	Bonds	Funds
<b>Revenues</b>							
Taxes	\$ 1,102,042	\$ 3,842,786	\$ 3,842,786	\$ 1,470,163	\$ 1,479,236	\$ -	\$ 110,903
Licenses and permits	520,471	-	-	276,167	-	-	-
Intergovernmental	534,029	299,431	8,000	-	-	-	-
Fines and forfeits	442,981	-	-	-	-	-	-
Miscellaneous	227,494	357,031	81,790	49,774	4,755	1,920	363
Total revenues	<u>2,827,017</u>	<u>4,499,248</u>	<u>3,932,576</u>	<u>1,796,104</u>	<u>1,483,991</u>	<u>1,920</u>	<u>111,266</u>
<b>Expenditures</b>							
Current -							
General government	1,418,696	67,109	65,689	285,056	6,202	-	455
Public safety:							
Police	3,676,590	-	-	-	-	-	-
Fire	-	-	906,296	-	-	-	-
Streets	1,193,404	531,123	136,222	-	-	-	-
Culture and tourism	632,556	-	-	-	-	-	-
Capital outlay	599,523	3,381,414	610,314	159,452	-	-	-
Debt service -							
Principal retirement	-	-	513,143	-	-	1,341,000	-
Interest, bond issuance, and agent fees	-	-	20,295	-	-	622,235	-
Total expenditures	<u>7,520,769</u>	<u>3,979,646</u>	<u>2,251,959</u>	<u>444,508</u>	<u>6,202</u>	<u>1,863,235</u>	<u>455</u>
Excess (deficiency) of revenues over expenditures	<u>(4,693,752)</u>	<u>519,602</u>	<u>1,680,617</u>	<u>1,351,596</u>	<u>1,477,789</u>	<u>(1,861,315)</u>	<u>110,811</u>
<b>Other financing sources (uses)</b>							
Proceeds from issuance of debt	-	-	418,263	-	-	-	-
Sale of capital assets	14,148	36,000	-	-	-	-	-
Transfers in	4,279,158	2,900,664	1,077,020	-	-	1,866,784	2,061,774
Transfers out	-	(4,906,802)	(2,472,686)	(3,718,914)	-	-	-
Total other financing sources (uses)	<u>4,293,306</u>	<u>(1,970,138)</u>	<u>(977,403)</u>	<u>(3,718,914)</u>	<u>-</u>	<u>1,866,784</u>	<u>2,061,774</u>
Net changes in fund balances	(400,446)	(1,450,536)	703,214	(2,367,318)	1,477,789	5,469	2,172,585
Fund balances, beginning	<u>1,661,601</u>	<u>3,350,870</u>	<u>903,054</u>	<u>3,657,002</u>	<u>-</u>	<u>620,069</u>	<u>(2,061,770)</u>
Fund balances, ending	<u>\$ 1,261,155</u>	<u>\$ 1,900,334</u>	<u>\$ 1,606,268</u>	<u>\$ 1,289,684</u>	<u>\$ 1,477,789</u>	<u>\$ 625,538</u>	<u>\$ 110,815</u>

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

CITY OF SCOTT, 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, 2024

Total net changes in fund balances at June 30, 2024 per  
statement of revenues, expenditures and changes in fund balances \$ 140,757

The change in net position reported for governmental activities in the  
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Capital outlay	\$ 4,750,703	
Loss on sale of capital assets	(11,826)	
Depreciation expense	<u>(1,730,955)</u>	3,007,922

Bonds and notes payable proceeds are reported as financing sources  
in the governmental funds and thus contribute to the change in  
fund balance. In the statement of net position, issuing debt increases  
long-term liabilities and does not affect the statement of activities.  
Similarly, repayment of principal is recorded as an expenditure in the  
statement of revenues, expenditures, and changes in fund balances  
whereas the payment reduces the balance of bonds payable  
in the statement of net position.

Proceeds on issuance of long-term debt	(418,263)	
Principal payments	<u>1,754,143</u>	1,335,880

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

Non-employer pension contributions		137,301
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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 the governmental funds.

Interest expense	11,602	
Compensated absences	(3,102)	
OPEB expense	(110,729)	
Pension expense	<u>(172,120)</u>	<u>(274,349)</u>

Total changes in net position for the year ended June 30, 2024  
per statement of activities \$ 4,347,511

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



CITY OF SCOTT, LOUISIANA

Statement of Net Position  
 Proprietary Fund  
 June 30, 2024

	Utility Fund
<b>ASSETS</b>	
Current assets	
Cash and interest-bearing deposits	\$ 2,973,312
Investments	142,523
Receivables -	
Accounts, net	360,707
Unbilled utility receivables	268,874
Due from other governmental units	33,374
Prepaid items	15,577
Total current assets	<u>3,794,367</u>
Noncurrent assets:	
Restricted assets -	
Interest-bearing deposits	216,658
Investments	159,241
Capital assets -	
Land and construction in progress	1,780,616
Other capital assets, net of accumulated depreciation	14,882,157
Total noncurrent assets	<u>17,038,672</u>
Total assets	<u>20,833,039</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources related to pensions	73,468
Deferred outflows of resources related to net OPEB obligation	56,295
Total deferred outflows of resources	<u>129,763</u>
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	271,465
Retainage payable	77,578
Accrued liabilities	3,386
Unearned revenue	289,537
Payable from restricted assets -	
Customers' deposits payable	270,082
Water revenue bonds payable	37,000
Accrued interest payable	7,986
Total current liabilities	<u>957,034</u>
Noncurrent liabilities	
Compensated absences payable	451
Water revenue bonds payable	522,863
Net OPEB obligation payable	156,102
Net pension liability	212,377
Total noncurrent liabilities	<u>891,793</u>
Total liabilities	<u>1,848,827</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to pensions	825
Deferred inflows of resources related to net OPEB obligation	17,667
Total deferred inflows of resources	<u>18,492</u>
<b>NET POSITION</b>	
Net investment in capital assets	16,062,332
Restricted for debt service	60,831
Unrestricted	2,972,320
Total net position	<u>\$ 19,095,483</u>

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

CITY OF SCOTT, LOUISIANA

Statement of Revenues, Expenses, and Change in Fund Net Position -  
 Proprietary Fund  
 For the Year Ended June 30, 2024

	<u>Utility Fund</u>
Operating revenues:	
Charges for services -	
Gas charges	\$ 517,247
Water service charges	1,703,585
Sewer service charges	880,594
Garbage service charges	812,899
Penalties, permits and connection fees	<u>260,902</u>
Total operating revenues	<u>4,175,227</u>
Operating expenses:	
Salaries	281,848
Retirement benefit	33,202
OPEB benefit	10,856
Gas and water purchases	1,268,145
Garbage collection fees	769,460
Supplies and repairs	475,560
Utilities and telephone	97,096
Professional fees	52,719
General insurance	60,979
Group health insurance	62,586
Office expense	28,670
Payroll taxes	21,085
Truck expenses	16,428
Training	90
Uniforms	2,899
Depreciation expense	<u>650,193</u>
Total operating expenses	<u>3,831,816</u>
Operating income	<u>343,411</u>

(continued)

CITY OF SCOTT, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position  
 Proprietary Fund (Continued)  
 For the Year Ended June 30, 2024

	<u>Utility Fund</u>
Nonoperating revenues (expenses):	
Nonemployer pension contribution	8,437
Interest income	70,838
Interest expense	<u>(19,424)</u>
Total nonoperating revenues (expenses)	<u>59,851</u>
Income before transfers and capital contributions	<u>403,262</u>
Transfers:	
Transfers in	2,396,192
Transfers out	<u>(3,483,190)</u>
Total transfers	<u>(1,086,998)</u>
Capital contributions	<u>2,125,431</u>
Change in net position	1,441,695
Net position, beginning	<u>17,653,788</u>
Net position, ending	<u>\$ 19,095,483</u>

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

CITY OF SCOTT, LOUISIANA

Statement of Cash Flows  
 Proprietary Fund  
 For the Year Ended June 30, 2024

	<u>Utility Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 4,313,796
Payments to suppliers	(2,713,755)
Payments to employees	<u>(409,960)</u>
Net cash provided by operating activities	<u>1,190,081</u>
Cash flows from noncapital financing activities:	
Cash paid to other funds	(291,541)
Transfers from other funds	2,636,778
Transfers to other funds	<u>(2,405,000)</u>
Net cash used by noncapital financing activities	<u>(59,763)</u>
Cash flows from capital and related financing activities:	
Payment on water revenue bonds	(36,000)
Interest on water revenue bonds	(14,157)
Acquisition of property, plant and equipment	<u>(439,947)</u>
Net cash used by capital and related financing activities	<u>(490,104)</u>
Cash flows from investing activities:	
Interest on investments	<u>65,151</u>
Net cash provided by investing activities	<u>65,151</u>
Net increase in cash and cash equivalents	705,365
Cash and cash equivalents, beginning of period	<u>607,812</u>
Cash and cash equivalents, end of period	<u>\$ 1,313,177</u>

(continued)

CITY OF SCOTT, LOUISIANA

Statement of Cash Flows  
 Proprietary Fund (Continued)  
 For the Year Ended June 30, 2024

	<u>Utility Fund</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 343,411
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	650,193
Pension and OPEB benefit	3,439
Bad debt expense	98,862
Changes in current assets and liabilities:	
Increase in accounts receivable	38,672
Increase in unbilled utility receivables	(16,984)
Decrease in prepaid items	(3,148)
Decrease in accounts payable	61,439
Decrease in accrued liabilities	(4,157)
Increase in customer deposits	13,058
Increase in unearned revenue	4,961
Decrease in compensated absences payable	335
Net cash provided by operating activities	<u>\$1,190,081</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
Cash and cash equivalents, beginning of period -	
Interest-bearing deposits - unrestricted	2,235,548
Interest-bearing deposits - restricted	199,983
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(1,827,719)</u>
Total cash and cash equivalents, beginning of period	<u>607,812</u>
Cash and cash equivalents, end of period -	
Interest-bearing deposits - unrestricted	2,973,312
Interest-bearing deposits - restricted	216,658
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(1,876,793)</u>
Total cash and cash equivalents, end of period	<u>1,313,177</u>
Net increase in cash and cash equivalents	<u>\$ 705,365</u>

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

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Scott (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

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

This report includes all funds that are controlled by or dependent on the City executive and legislative branches (the Mayor and Board of Aldermen). Control by or dependence on the City was determined on the basis of budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility.

There are no component units over which the City exercises significant influence.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

Fund Financial Statements

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

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

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

The major funds of the City are described below:

Governmental Funds -

General Fund

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

Special Revenue Funds -

1968 Sales Tax Fund -

The 1968 Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

1984 Sales Tax Fund -

The 1984 Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

Apollo Economic Development District Sales Tax Fund -

The Apollo Economic Development District Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax levied on the businesses located in the Apollo Road Economic Development District and is legally restricted to expenditures for economic development projects in the District.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

2023 Sales Tax Fund –

The 2023 Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted for specific purposes.

Debt Service Fund –

Sales Tax Bonds Fund –

The Sales Tax Bonds Fund is used to accumulate monies for payment of \$10,000,000 of Sales Tax Bonds, Series 2012, \$10,000,000 of Sales Tax Bonds, Series 2020, \$2,000,000 of Taxable Sales Tax Bonds, Series 2020A, and \$1,951,697 of Sales Tax Bonds, Series 2023. Debt service is financed from the collection of the City's 1968 and 1984 1% sales taxes and the Apollo Economic Development District sales tax.

Proprietary Fund -

Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The City of Scott's enterprise fund is the Utility Fund.

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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



## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

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

#### Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transactions can be determined and “available” means the amount is collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. All other receivables are considered available and recognized as revenue of the current year if they are collected within 60 days of the end of the current fiscal period.

Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues.

#### Allocation of indirect expenses

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function.

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

##### Cash, interest-bearing deposits, and investments

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. Under state law, the City may invest in United States bonds, treasury notes, or certificates. Investments are stated at amortized cost.

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

##### Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables."

Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible utility service receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectibles for customers' utility receivables was \$89,473 at June 30, 2024. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$5,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Prior to July 1, 2001, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

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

Buildings and improvements	5 - 40 years
Equipment	5 years
Utility system and improvements	20 - 40 years
Infrastructure	20 years

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

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the governmental and proprietary fund that are legally restricted as to their use. The restricted assets are related to bond proceeds for capital expenditures, sales tax bond debt service accounts, and utility meter deposits.

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Long-term debt

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of bonds and notes payable.

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

#### Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid. Vacation must be taken in the year accrued and cannot be carried over. All full-time employees are allowed 48 hours of annual sick leave. All unused sick leave may be carried over, with 30 percent of the accumulated balance payable at termination of employment. At June 30, 2024, the City has \$65,597 of noncurrent accumulated leave benefits required to be reported in accordance with GASB Statement No. 16 "Accounting for Compensated Absences". Compensated absences are generally liquidated from the general fund and the utility fund.

#### Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

#### Equity Classifications

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

- a. Net investment in capital assets – Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

- b. **Restricted net position** – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the City’s debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

The City typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project. At June 30, 2024, the City reported \$6,954,687 of restricted net position, \$6,379,745 of which was restricted by enabling legislation.

- c. **Unrestricted net position** – Consists of all other net position that does not meet the definition of the two components and is available for general use by the City.

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

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

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

Governmental Funds - By Character  
Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 3

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

G. Use of Estimates

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

H. Pensions

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

I. Postemployment Benefits Other than Pensions (OPEB)

The net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. In the governmental fund financial statements contributions are recognized as expenditures when due.

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2024, taxes were levied by the City in July 2023 and were billed to taxpayers by the Assessor in November 2023. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Lafayette Parish and are collected by the Sheriff. City property tax revenues are budgeted in the year billed.

For the year ended June 30, 2024, taxes of 4.47 mills were levied on property with assessed valuations totaling \$96,472,053 and were dedicated to general corporate purposes. Total taxes levied were \$431,230. Taxes receivable at June 30, 2024 was \$7,270, which was current.

(3) Sales and Use Tax

Proceeds of a 1% sales and use tax levied by the City of Scott beginning June 22, 1968 (2024 collections \$3,842,786) are dedicated to the following purposes:

Construction, acquiring, extending, improving and/or maintaining sewers and sewerage disposal works, waterworks, drainage facilities, streets and sidewalks, including the purchase of equipment therefore, title to which improvements shall be in the public name,

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

or for any one or more of said purposes. The tax is also subject to funding into bonds of the City in the manner authorized in the Louisiana Revised Statutes.

Proceeds of a 1% sales and use tax levied by the City of Scott beginning January 1, 2024 in perpetuity (2024 collections \$1,479,236) are dedicated to the following purposes:

Constructing, improving, maintaining, and operating the City's sewerage system, including the construction of a new treatment plant and the acquisition of equipment therefore, and to help pay for improvements to infrastructure such as roads, drainage, and utility services.

Proceeds of a 1% sales and use tax levied by the City of Scott beginning December 1, 2007 on businesses located in the Apollo Road Economic Development District (2024 collections \$1,470,163) are dedicated for financing economic development projects in the District.

Proceeds of a 1% sales and use tax levied by the City of Scott beginning April 1, 1984 (2024 collections \$3,842,786) are dedicated to the following purposes:

Constructing, acquiring, extending, improving, operating and/or maintaining public streets and bridges, sewers and sewerage disposal works, recreational facilities and drainage facilities; purchasing and acquiring the necessary land, equipment and furnishings for any of the aforesaid public works, improvements and facilities; providing additional funds to maintain the City's auxiliary police force and volunteer fire department; maintaining the natural gas transmission and distribution system of the City; and funding into bonds for any of these purposes in accordance with the Louisiana Revised Statutes.

Proceeds of the hotel motel 5 % sales and use tax levied by the City of Scott beginning January 1, 2024, in perpetuity (2024 collections \$110,903) are dedicated to the following purposes:

Constructing, maintaining, and operating a 4-H facility, a multipurpose community center or a park for the purposes of economic development, recreation and tourism within the city.

(4) Cash, Interest-Bearing Deposits and Investments

A. Cash and Interest-bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2024, the City had cash and interest-bearing deposits (book balances) totaling \$9,464,892 as follows:

Demand and money market accounts	\$ 4,494,227
Time deposits	<u>4,970,665</u>
Total	<u>\$ 9,464,892</u>



CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Deposit balances (bank balances) at June 30, 2024, are secured as follows:

Bank balances	\$ 9,606,647
Federal deposit insurance	\$ 750,000
Pledged securities	<u>8,856,647</u>
Total	<u>\$ 9,606,647</u>

Deposits in the amount of \$8,856,647 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand. The City does not have a policy for custodial credit risk.

**B. Investments**

The City participates in the Louisiana Asset Management Pool (LAMP), a local government investment pool. As of June 30, 2024, investments in LAMP amounted to \$2,858,128.

LAMP is administered by LAMP, Inc. a non-profit corporation organized under the laws of the State of Louisiana. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools.

- a. Credit risk: LAMP is rated AAAM by Standard & Poors.
- b. Custodial credit risk: In accordance with GASB Codification Section 150.128, the investment in LAMP is not exposed to custodial credit risk because LAMP participants' investments in the pool are evidenced by shares of the pool and, therefore, not evidenced by securities that exist in physical

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

or book entry form. The City’s investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

- c. Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- d. Inherent rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP’s total investments is 70 days as of June 30, 2024.
- e. Foreign currency risk: Not applicable to 2a7-like securities.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. The financial report for LAMP may be accessed on its website ([www.lamppool.com](http://www.lamppool.com)).

(5) Receivables

Receivables at June 30, 2024 of \$1,769,401 consist of the following:

	<u>General</u>	<u>1968 Sales Tax</u>	<u>1984 Sales Tax</u>	<u>Apollo EDD Sales Tax</u>
Accounts, net	\$ -	\$ -	\$ -	\$ -
Unbilled utility	-	-	-	-
Taxes:				
Ad valorem	7,270	-	-	-
Sales tax	-	329,528	329,528	134,470
Interest	-	773	773	312
Totals	<u>\$ 7,270</u>	<u>\$ 330,301</u>	<u>\$ 330,301</u>	<u>\$ 134,782</u>
	<u>2023</u>	<u>Non-major</u>		
	<u>Sales Tax</u>	<u>funds</u>	<u>Utility</u>	<u>Total</u>
Accounts, net	\$ -	\$ -	\$ 360,707	\$ 360,707
Unbilled utility	-	-	268,874	268,874
Taxes:				
Ad valorem	-	-	-	7,270
Sales tax	311,016	25,360	-	1,129,902
Interest	728	62	-	2,648
Totals	<u>\$ 311,744</u>	<u>\$ 25,422</u>	<u>\$ 629,581</u>	<u>\$ 1,769,401</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Due from Other Governmental Units

Amounts due from other governmental units at June 30, 2024 consisted of the following:

Fund financial statements:

Governmental Funds:

State of Louisiana:

Department of Transportation	\$ 5,550
State grant funds	<u>37,862</u>

Total governmental funds	<u>\$ 43,412</u>
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Proprietary Funds -

State of Louisiana:

Federal grant funds	<u>\$ 33,374</u>
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Government-wide financial statements:

Total amount reported in -

Governmental Funds, from above	\$ 43,412
Proprietary Funds, from above	<u>33,374</u>

Total amounts due from other governments	<u>\$ 76,786</u>
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(7) Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance 06/30/23	Additions	Deletions	Balance 06/30/24
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,298,674	\$ 70,185	\$ -	\$ 3,368,859
Construction in progress	13,361,993	3,396,991	15,377,298	1,381,686
Other capital assets:				
Buildings and improvements	7,922,231	80,398	7,000	7,995,629
Infrastructure	5,581,021	713,250	203,809	6,090,462
Equipment, furniture and fixtures	<u>34,759,920</u>	<u>15,867,177</u>	<u>-</u>	<u>50,627,097</u>
Totals	<u>64,923,839</u>	<u>20,128,001</u>	<u>15,588,107</u>	<u>69,463,733</u>
Less accumulated depreciation				
Buildings and improvements	2,720,109	215,365	4,083	2,931,391
Infrastructure	3,491,559	708,944	194,900	4,005,603
Equipment, furniture and fixtures	<u>15,221,897</u>	<u>806,646</u>	<u>-</u>	<u>16,028,543</u>
Total accumulated depreciation	<u>21,433,565</u>	<u>1,730,955</u>	<u>198,983</u>	<u>22,965,537</u>
Governmental activities, capital assets, net	<u>\$ 43,490,274</u>	<u>\$ 18,397,046</u>	<u>\$ 15,389,124</u>	<u>\$ 46,498,196</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Balance 06/30/23	Additions	Deletions	Balance 06/30/24
<b>Business-type activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land - sewer system	\$ 50,420	\$ -	\$ -	\$ 50,420
Construction in progress - water and sewer systems projects	778,358	1,831,833	879,995	1,730,196
<b>Other capital assets:</b>				
Gas system	1,041,423	157,438	-	1,198,861
Water system	8,283,342	22,888	-	8,306,230
Sewer system	15,159,027	888,392	-	16,047,419
Machinery and equipment	1,009,583	-	-	1,009,583
Totals	<u>26,322,153</u>	<u>2,900,551</u>	<u>879,995</u>	<u>28,342,709</u>
<b>Less accumulated depreciation</b>				
Gas system	981,929	6,098	-	988,027
Water system	3,688,142	235,283	-	3,923,425
Sewer system	5,845,837	353,409	-	6,199,246
Machinery and equipment	513,835	55,403	-	569,238
Total accumulated depreciation	<u>11,029,743</u>	<u>650,193</u>	<u>-</u>	<u>11,679,936</u>
<b>Business-type activities, capital assets, net</b>	<u>\$ 15,292,410</u>	<u>\$ 2,250,358</u>	<u>\$ 879,995</u>	<u>\$ 16,662,773</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 80,463
Police	319,083
Fire	201,034
Streets	1,074,494
Culture and recreation	55,881
Total depreciation expense	<u>\$ 1,730,955</u>

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

Gas	\$ 6,098
Water	235,283
Sewer	408,812
Total depreciation expense	<u>\$ 650,193</u>

(8) Restricted Assets

Restricted assets in the proprietary fund at June 30, 2024 consisted of water revenue bond debt service, reserve, and depreciation and contingencies funds of \$105,817 and amounts owed to customers for utility deposits in the amount of \$270,082.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(9) Accounts and Other Payables

The accounts and other payables of \$739,146 consisted of the following at June 30, 2024:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ 356,571	\$ 271,465	\$ 628,036
Accrued liabilities	111,624	3,386	115,010
Totals	<u>\$ 468,195</u>	<u>\$ 274,851</u>	<u>\$ 743,046</u>

(10) Unearned Revenue

Unearned revenue at June 30, 2024 consists of the following:

Governmental activities:

Governmental funds -

Unspent grant proceeds received through local sources	\$ 500,000
Amount received from unsettled police narcotics cases as of June 30, 2024	4,286
Total governmental activities	<u>\$ 504,286</u>

Business-type activities: Utility Fund -

Unspent grant proceeds received through the American Rescue Plan Act	\$ 220,136
Amount billed in June 2024 for garbage service revenues for July 2024	69,401
Total business-type activities	<u>289,537</u>
Total unearned revenue	<u>\$ 793,823</u>

Unearned revenue of \$220,136 at June 30, 2024 consists of federal awards received under the American Rescue Plan Act (ARPA). The ARPA established the Coronavirus State and Local Fiscal Recovery Funds on March 11, 2022, to provide governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. The City is required to spend these funds in accordance with the assistance listing 21.027 guidance. These funds must be obligated by December 31, 2024 and expended by December 31, 2026.

As of June 30, 2024, the city has expended \$2,993,560 of the \$3,213,696 received from the ARPA.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Changes in Long-Term Liabilities

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2024:

	<u>Long-Term Debt</u>			<u>Other Liabilities</u>
	<u>General Obligation Bonds</u>	<u>Water Revenue Bonds</u>	<u>Notes Payable</u>	<u>Compensated Absences</u>
Long-term debt as of July 1, 2023	\$18,057,293	\$ 595,863	\$ 1,504,891	\$ 62,160
Additions	299,404	-	118,859	7,159
Retirements	<u>(1,241,000)</u>	<u>(36,000)</u>	<u>(513,143)</u>	<u>(3,722)</u>
Long-term debt as of June 30, 2024	<u>\$17,115,697</u>	<u>\$ 559,863</u>	<u>\$ 1,110,607</u>	<u>\$ 65,597</u>

Long-term debt payable at June 30, 2024 is comprised of the following:

Governmental activities:

		<u>Current</u>
Direct borrowing general obligation bonds -		
\$10,000,000 Public Improvement Sales Tax Bonds, Series 2012, due in annual installments of \$365,000 to \$665,000 through December 1, 2032; interest at 2.5 to 4.0 percent; payable from Apollo Economic Development District sales tax revenues	\$ 5,290,000	\$ 515,000
\$10,000,000 Public Improvement Sales Tax Bonds, Series 2020, due in annual installments of \$375,000 to \$650,000 through December 1, 2032; interest at 2.77 percent; payable from 1968 sales tax revenues	8,440,000	420,000
\$2,000,000 Public Improvement Sales Tax Bonds, Series 2020A, due in annual installments of \$75,000 to \$130,000 through December 1, 2032; interest at 2.5 to 4.0 percent; payable from 1968 sales tax revenues	1,690,000	85,000
\$1,951,697 draw down Sales Tax Bonds, Series 2023, due in annual installments of \$256,000 to \$348,000, through May 1, 2033; interest at 3.91%; payable from 1984 sales tax revenues	<u>1,695,697</u>	<u>265,000</u>
	<u>\$17,115,697</u>	<u>\$ 1,285,000</u>

In accordance with the Series 2023 issuing ordinance, the bond proceeds are maintained by the paying agent in a special fund to be known as the "City of Scott Sales Tax Bonds, Series 2023 - Construction Fund". The paying agent releases the funds to the city as requested. As of June 30, 2024, the City has \$1,048,303 remaining to be drawn.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

Notes payable-	<u>Current</u>	
\$227,887 Note payable to Scott Financial Services, for the lease-purchase of a street sweeper, due in monthly installments of \$4,255 through 2/1/27, bearing interest at 4.5%, payable from any non-restricted revenues of the City.	\$ 119,741	\$ 46,182
Note payable of \$118,859 for the lease-purchase of a dump truck, due in annual installments of \$26,217 through 9/14/27, bearing interest at 5.15%, payable from any non-restricted revenues of the City.	92,642	21,446
\$778,898 Note payable to Republic First National for the purchase of a Ferrara Aerial firetruck, due in annual installments of \$188,193 to \$201,355 through 8/1/25, bearing interest at 2.279%, payable from any non-restricted revenues of the City.	398,224	196,868
Note payable of \$1,013,000 for the purchase of a public safety building, due in annual installments of \$250,000 to \$263,000 through 8/22/25, bearing no interest, payable from any non-restricted revenues of the City.	<u>500,000</u>	<u>250,000</u>
	<u>\$ 1,110,607</u>	<u>\$ 514,496</u>

Business-type activities:

Direct borrowing water revenue bonds -

\$782,863 Taxable Water Revenue Bonds, Series 2016, due in annual installments of \$20,000 to \$49,863 through November 1, 2036; interest at 1.95 percent; payable from water utility revenues	<u>\$ 559,863</u>	<u>\$ 37,000</u>
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The debt is due as follows:

Year Ending June 30,	<u>Governmental Activities</u>				<u>Business-type Activities</u>	
	<u>General Obligation Bonds</u>		<u>Notes Payable</u>		Principal Payments	Interest Payments
	Principal Payments	Interest Payments	Principal Payments	Interest Payments		
2025	1,285,000	285,532	514,496	18,729	37,000	13,263
2026	1,319,000	264,455	522,240	10,988	38,000	12,345
2027	1,369,000	242,740	49,273	3,082	39,000	11,402
2028	1,413,000	219,497	24,598	1,284	40,000	10,434
2029	1,454,000	195,607	-	-	41,000	9,442
2030-2034	5,905,697	1,129,817	-	-	220,000	31,465
2035-2039	3,590,000	428,903	-	-	144,863	5,395
2040	780,000	22,492	-	-	-	-
Total	<u>\$ 17,115,697</u>	<u>\$ 2,789,043</u>	<u>\$ 1,110,607</u>	<u>\$ 34,083</u>	<u>\$ 559,863</u>	<u>\$ 93,746</u>

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

On April 4<sup>th</sup>, 2024, the City authorized the issuance of Sewer Revenue Bonds (DEQ), Series 2024 through the Clean Water State Revolving Fund in the custody of the Louisiana Department of Environmental Quality (LDEQ). In accordance with the Series 2024 issuing ordinance, the bond proceeds are maintained by the LDEQ in a special fund to be known as the "Construction Fund". The LDEQ releases the funds to the city as requested. As of June 30, 2024, no amounts have been requested.

#### (12) Flow of Funds; Restrictions on Use - Sales Tax and Utility Revenues

##### Sales Tax Revenues:

##### Apollo Economic Development District Sales Tax Revenues

Under the terms of the bond indenture on outstanding Public Improvement Sales Tax Bonds, Series 2012, as long as any bonds are outstanding, the City is required to budget annually to maintain sufficient excess annual revenues available for repayment of debt service on bonds. Payment of annual debt service on the bonds shall be a priority and the City must ensure that sufficient excess annual revenues remain available to pay such debt service as and when due. As a result, the City is required to maintain a separate account within the debt service fund that is designated as the "Series 2012 Sinking Fund Account". Each month, there will be set aside into the fund an amount constituting 1/12<sup>th</sup> of the next maturing installment of principal and 1/6<sup>th</sup> of the interest due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments.

Pursuant to the general bond ordinance, the City covenants to fix, establish, maintain, and collect revenues so long as any principal and interest is unpaid on the bonds, and to provide excess annual revenues in each fiscal year in an amount equal to at least 130% of the highest annual principal and interest requirements on the bonds issued.

##### 1968 Sales Tax Revenues

Under the terms of the bond indenture on outstanding Public Improvement Sales Tax Bonds, Series 2020 and Series 2020A, the City must ensure that the 1968 Sales Tax Fund has sufficient excess annual revenues available to pay such debt service as and when due. As a result, the City is required to maintain a separate account within the debt service fund that is designated as the "Sales Tax Bond Sinking Fund 2020". Each month, there will be set aside into the fund an amount constituting 1/12<sup>th</sup> of the next maturing installment of principal and 1/6<sup>th</sup> of the interest due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments.

Pursuant to the Bond Ordinance, the City's average annual net revenues of the 1968 sales tax for the two preceding fiscal years must be 1.5 times the highest combined principal and interest requirements for any succeeding fiscal year on all bonds outstanding.



## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### 1984 Sales Tax Revenues

Under the terms of the bond indenture on outstanding sales tax bonds, Series 2023, the City must ensure that the 1984 sales tax fund has sufficient excess revenues to pay debt service as and when due. As a result, the City is required to maintain a separate account within the debt service fund that is designated as the "1984 Sales Tax Sinking Fund". Each month, there will be set aside into the fund an amount constituting 1/12th of the next maturing installment of principal and 1/6th of the interest due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments.

#### Utility Revenues:

##### Water Utility Revenues

Under the terms of the general bond ordinance on outstanding Taxable Water Revenue Bonds, Series 2016, as long as any bonds are outstanding, the City is required to budget annually to maintain sufficient excess annual revenues available for repayment of debt service on bonds. Payment of annual debt service on the bonds shall be a priority and the City must ensure that sufficient excess annual revenues remain available to pay such debt service as and when due. As a result, the City is required to maintain a separate account within the Utility Fund that is designated as the "Water Revenue Bond Debt Service Fund". Each month, there will be set aside into the fund an amount constituting 1/12<sup>th</sup> of the next maturing installment of principal and 1/6<sup>th</sup> of the interest (and any administrative fee) due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments. The City is also required to maintain a "Water Revenue Bond Debt Service Reserve Fund" and a "Depreciation and Contingencies Fund" for additional transfers to be made solely for the purpose of paying the principal, interest, and administrative fees on the outstanding bonds payable and to fund extensions, additions, improvements, renewals and replacements necessary to operate the system. The deposits into the Contingencies Fund may cease once the sum of \$50,000 has been accumulated.

Pursuant to the general bond ordinance, the City covenants to fix, establish, maintain and collect revenues so long as any principal and interest is unpaid on the bonds, and to provide excess annual revenues in each fiscal year in an amount equal to at least 1.20 times the highest combined annual principal and interest requirements on the bonds issued.

The City of Scott was in compliance with all significant limitations and restrictions in the various bond indentures and ordinances as of June 30, 2024.

#### (13) Post Employment Health Care and Life Insurance Benefits

Plan description – The City of Scott (the City) provides certain continuing health care and life insurance benefits for its retired employees. The City'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) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Benefits Provided** – Benefits are provided through comprehensive plans and are made available to employees upon actual retirement. The employees are covered by one of three retirement systems: first, the Municipal Employees’ Retirement System of Louisiana, whose retirement eligibility (D.R.O.P entry) provisions are as follows: 25 years of services at any age; or age 60 and 10 years of service; second, the Firefighters’ Retirement System of Louisiana, and third, the Municipal Police Retirement System of Louisiana. Both the Fire and Police systems have retirement eligibility (D.R.O.P.) 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. For each system, employees hired on and after January 1, 2013, must meet the following retirement (D.R.O.P.) entry requirements: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Employees covered by benefit terms – At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	11
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>56</u>
Total	<u>67</u>

**Total OPEB Liability**

The City’s total OPEB liability of \$1,748,342 was measured as of June 30, 2024 and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions and other inputs** – The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	3.0%, including inflation
Discount rate	3.65% annually beginning of the year, 3.93% annually end of year
Healthcare cost trend rates	Getzen model, initial trend of 5.5%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2024, the end of the applicable measurement period.

Mortality rates were based on the Pub-2010/2021 Table.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2024.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Changes in the Total OPEB Liability**

OPEB liability at June 30, 2023	\$1,804,763
Changes for the year:	
Service Cost	31,394
Interest	66,447
Differences between expected and actual experience	(37,208)
Changes of assumptions	(65,535)
Benefit payments and net transfers	<u>(51,519)</u>
Net changes	<u>(56,421)</u>
OPEB liability at June 30, 2024	<u>\$1,748,342</u>

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 (2.93%) or 1-percentage-point higher (4.93%) than the current discount rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB liability	<u>\$2,016,262</u>	<u>\$ 1,748,342</u>	<u>\$ 1,531,085</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1% Decrease (4.5%)	Current Trend (5.5%)	1% Increase (6.5%)
Total OPEB liability	<u>\$1,521,418</u>	<u>\$ 1,748,342</u>	<u>\$ 2,029,909</u>

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

For the year ended June 30, 2024, the City recognized OPEB expense of \$173,102. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 513,419	\$ 44,660
Changes in assumptions	<u>117,085</u>	<u>153,206</u>
Total	<u>\$ 630,504</u>	<u>\$ 197,866</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Year Ended	
<u>June 30</u>	
2025	\$ 75,262
2026	75,262
2027	49,360
2028	26,742
2029	26,742
Thereafter	<u>179,270</u>
Total	<u>\$ 432,638</u>

(14) Pension Plans

The City participates in three cost-sharing defined benefit plans, each administered by separate public employee retirement systems. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by these public employee retirement systems to the State Legislature. These plans are not closed to new entrants. Substantially all City employees participate in one of the following retirement systems:

**Plan Descriptions:**

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

State of Louisiana - Municipal Police Employees' Retirement System (MPERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2211 and 11:2220.

State of Louisiana - Firefighters' Retirement System (FRS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2251-2254 and 11:2256.

The systems' financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

	MERS	MPERS	FRS
Final average salary	Highest 60 months	Highest 36 months or 60 months <sup>2</sup>	Highest 60 months
Years of service required and/or age eligible for benefits	30 years of any age 10 years age 60	25 years of any age 20 years age 55 12 years age 55 20 years any age <sup>1</sup> 30 years any age <sup>3</sup> 25 years age 55 <sup>3</sup> 10 years age 60 <sup>3</sup>	30 years of any age 10 years age 60
Benefit percent per years of service	3.00%	2.50 - 3.33% <sup>4</sup>	3.0 % - 3.33%

<sup>1</sup> With actuarial reduced benefits

<sup>2</sup> Membership commencing January 1, 2013

<sup>3</sup> Under non hazardous duty sub plan commencing January 1, 2013

<sup>4</sup> Membership commencing January 1, 2013 non hazardous duty plan 2.5%, hazardous duty plan 3.0%, membership prior to January 1, 2013 3.33%

**Contributions**

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer’s portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems’ Actuarial Committee.

Contributions of employees, employers, and non-employer contributing entities effective for the year ended June 30, 2024 for the defined benefit pension plans in which the City is a participating employer were as follows:

Plan	Active Member Contribution Percentage	Employer Contribution Percentage	Nonemployer Contributing Entities	Government Contributions
MERS	5.00%	15.50%	\$ 42,183	\$ 198,566
MPERS	10.00%	33.925%	91,128	550,628
FRS	10.00%	33.25%	12,427	48,452

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Net Pension Liability**

The City’s net pension liability at June 30, 2024 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City’s net pension liability for each plan was measured as of the plan’s measurement date (June 30, 2023 for all plans) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City’s proportionate share of the net pension liability for each of the plans in which it participates was based on the City’s required contributions in proportion to total required contributions for all employers. As of the most recent measurement date, the City’s proportion for each plan and the change in proportion from the prior measurement date were as follows:

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
MERS	\$ 1,061,887	1.324279%	-0.007845%
MPERS	4,174,441	0.395121%	-0.087559%
FRS	276,965	0.042435%	-0.002048%
Total	<u>\$ 5,513,293</u>		

Since the measurement date of the net pension liability was June 30, 2023, the net pension liability is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan’s assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City’s net pension liability is available in the separately issued plan financial reports for those fiscal years.

The financial report for each plan may be accessed on their website as follows:

- MERS - <http://www.mersla.com/>
- MPERS - <http://lampers.org/>
- FRS - <http://ffret.com/>

**Cost of Living Adjustments**

The pension plans in which the City participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis.

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

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Actuarial Assumptions**

The following table provides information concerning actuarial assumptions used in the determination of the total pension liability for each of the defined benefit plans in which the City is a participating employer:

	MERS	MPERS	FRS
Date of experience study on which significant assumptions are based	7/1/2014 - 6/30/2019	7/1/2014 - 6/30/2019	7/1/2014 - 6/30/2019
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment rate of return	6.85%, net of investment expense	6.75%, net of investment expense	6.90%, net of investment expense
Expected remaining service	3	4	7
Inflation rate	2.5%	2.5%	2.5%
Projected salary increases	4.9% - 7.4%	4.7% - 12.3%	5.20% - 14.10%
Projected benefit changes including COLAs	None	None	None
Source of mortality	(1), (2), (3)	(4), (5), (6)	(4), (5), (6)

(1) PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using MP2018 scales

(2) PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using MP2018 scales

(3) PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with full generational MP2018 scale

(4) Pub-2010 Safety Below-Median Healthy Retiree Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale.

(5) Pub-2010 Safety Below-Median Employee Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale

(6) Pub-2010 Safety Disable Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale

**Discount Rate**

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net positions 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 discount rate used to measure the total pension liability for MERS was 6.85%, which was no change from the prior valuation. The discount rate used to measure the total pension liability for MPERS was 6.75%, which was no change from the prior valuation. The discount rate used to measure the total pension liability for FRS was 6.90% which was no change from the prior year.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Long-term Rate of Return**

For MERS, MPERS and FRS, the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for each plan in the following tables:

Asset Class	MERS		MPERS		FRS	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	29%	1.26%	34.0%	1.12%	26%	2.64%
Public Equity	56%	2.44%	52.0%	3.29%	56%	6.90%
Alternative Investments	15%	0.65%	14.0%	0.95%	18%	6.53%
Multi-Asset Strategies	-	-	-	-	0%	4.02%
Totals	<u>100%</u>	<u>4.35%</u>	<u>100%</u>	5.36%	<u>100%</u>	20.09%
Inflation		<u>2.50%</u>		<u>2.54%</u>		<u>2.50%</u>
Expected nominal return		<u>6.85%</u>		<u>7.90%</u>		<u>22.59%</u>

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:**

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2024, the City recognized \$125,364, \$393,466 and \$45,250 in pension expense related to the MERS, MPERS and FRS defined benefit plans, respectively.



CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			
	MERS	MPERS	FRS	Total
Difference between expected and actual experience	\$ 15,259	\$ 294,048	\$ 8,647	\$ 317,954
Changes of assumptions	-	69,659	16,759	86,418
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	148,996	614,639	175,332	938,967
Contributions subsequent to the measurement date	<u>198,566</u>	<u>550,628</u>	<u>48,452</u>	<u>797,646</u>
Total	<u>\$ 362,821</u>	<u>\$ 1,528,974</u>	<u>\$ 249,190</u>	<u>\$ 2,140,985</u>

	Deferred Inflows of Resources			
	MERS	MPERS	FRS	Total
Difference between expected and actual experience	\$ 370	\$ 1,750	\$ 9,489	\$ 11,609
Change in assumptions	<u>3,757</u>	<u>535,426</u>	<u>9,063</u>	<u>548,246</u>
Total	<u>\$ 4,127</u>	<u>\$ 537,176</u>	<u>\$ 18,552</u>	<u>\$ 559,855</u>

Deferred outflows of resources of \$797,646 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending June 30, 2024.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended June 30	MERS	MPERS	FRS	Total
2025	\$ 52,930	\$ 192,666	\$ 47,040	\$ 292,636
2026	22,967	(40)	40,806	63,733
2027	90,070	270,941	69,731	430,742
2028	(5,839)	(22,397)	20,170	(8,066)
2029	-	-	4,750	4,750
2030	-	-	(311)	(311)
Total	<u>\$ 160,128</u>	<u>\$ 441,170</u>	<u>\$ 182,186</u>	<u>\$ 783,484</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Sensitivity of the Government’s Proportional Share of the Net Pension Liabilities to Changes in the Discount Rate:**

The following presents the Government’s proportionate shares of the net pension liabilities of the plans, calculated using their respective discount rates, as well as what the Government’s proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	6.85%	\$ 1,500,456	\$ 1,061,887	\$ 690,930
MPERS	6.75%	5,873,768	4,174,441	2,754,877
FRS	6.90%	427,274	276,965	151,601
Total		<u>\$ 7,801,498</u>	<u>\$ 5,513,293</u>	<u>\$ 3,597,408</u>

**Payables to the Pension Plans**

At June 30, 2024, the City’s payables MERS, MPERS and FRS were \$19,879, \$52,218 and \$4,848, respectively, which were the contractually required contributions payable for the month of June 2024.

(15) On-Behalf Payment of Salaries

During the year ended June 30, 2024, the City recognized \$203,154 as a revenue and expenditure for on-behalf salary payments received from the State of Louisiana.

(16) Utility Fund Contracts

A. The City, under contract dated October 1, 1991, is required to purchase its natural gas from Louisiana Municipal Natural Gas Purchasing and Distribution Authority. Termination of the contract requires a six-month notice. The City purchased natural gas during the year ended June 30, 2024 in the amount of \$124,550, of which \$6,578 was owed for purchases for the month of June 2024.

B. The City, under a contract dated June 1, 1997, is required to purchase its water from the City of Lafayette. The City purchased water during the fiscal year ended June 30, 2024 in the amount of \$1,143,595, of which \$99,256 was owed for purchases for the month of June 2024.

(17) Litigation and Claims

At June 30, 2024, the City is involved in several lawsuits claiming damages. In the opinion of the City’s legal counsel, the only exposure to the City would be any costs in defense of the lawsuits with no liability to the City in excess of insurance coverage.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

(18) Compensation of City Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended June 30, 2024 follows:

Jan-Scott Richard, Mayor	\$ 95,439
Aldermen:	
Mark Moreau	19,611
Doyle Boudreaux	14,008
Lee Domingue	14,008
Terry Montoucet	14,008
Blaine Roy	14,008
Total	\$ 171,082

(19) Risk Management

The City is exposed to risks of loss in the areas of general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year, nor have settlements exceeded coverage for the past three years.

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

The schedule of compensation, benefits, and other payments to Jan-Scott Richard, Mayor, for the year ended June 30, 2024 follows:

Salary	\$ 95,439
Benefits - insurance	7,714
Benefits - retirement	14,793
Car allowance	7,200
Auto expense	2,123
Registration fees	3,000
Conference travel	400
Phone	900
Total	\$ 131,569

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(21) Net Position

Net position is presented as net investment in capital assets, restricted, and unrestricted on the City's government-wide statement of net position. The City's net position is affected by transactions that resulted in the recognition of deferred outflow of resources and deferred inflow of resources, and the difference between the deferred outflow of resources and deferred inflow of resources and the balance of the related asset or liability is significant. As discussed in Notes 13 and 14, the City's recognition of net pension liability and OPEB obligations in accordance with GASBS Nos. 68 and 75, respectively, significantly affected the City's unrestricted component of net position as of June 30, 2024.

(22) Interfund Transactions

Interfund transfers consisted of the following for the year ended June 30, 2024:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
Governmental funds -		
General Fund	\$ 4,279,158	\$ -
1968 Sales Tax Special Revenue Fund	2,900,664	4,906,802
1984 Sales Tax Special Revenue Fund	1,077,020	2,472,686
Apollo EDD Sales Tax Special Revenue Fund	-	3,718,914
Sales Tax Bonds Fund	1,866,784	-
Proprietary Fund -		
Enterprise Fund	2,396,192	3,483,190
Non-major funds:		
Capital Projects Fund	<u>2,061,774</u>	<u>-</u>
Total	<u>\$ 14,581,592</u>	<u>\$ 14,581,592</u>

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

**REQUIRED  
SUPPLEMENTARY INFORMATION**

CITY OF SCOTT, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
<b>Revenues:</b>				
Taxes	\$ 1,079,500	\$ 1,085,136	\$ 1,102,042	\$ 16,906
Licenses and permits	929,700	609,997	520,471	(89,526)
Intergovernmental	573,218	547,009	534,029	(12,980)
Fines and forfeits	400,000	451,474	442,981	(8,493)
Miscellaneous	160,500	211,190	227,494	16,304
Total revenues	<u>3,142,918</u>	<u>2,904,806</u>	<u>2,827,017</u>	<u>(77,789)</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government	1,526,334	1,376,783	1,418,696	(41,913)
Public safety -				
Police	3,794,250	3,706,985	3,676,590	30,395
Streets	1,189,037	1,193,505	1,193,404	101
Culture and tourism	532,365	584,767	632,556	(47,789)
Capital outlay	535,150	918,014	599,523	318,491
Total expenditures	<u>7,577,136</u>	<u>7,780,054</u>	<u>7,520,769</u>	<u>259,285</u>
Deficiency of revenues over expenditures	<u>(4,434,218)</u>	<u>(4,875,248)</u>	<u>(4,693,752)</u>	<u>181,496</u>
<b>Other financing sources:</b>				
Sale of assets	15,000	19,148	14,148	(5,000)
Transfers in	4,000,000	4,000,000	4,279,158	279,158
Total other financing sources	<u>4,015,000</u>	<u>4,019,148</u>	<u>4,293,306</u>	<u>274,158</u>
Net change in fund balance	(419,218)	(856,100)	(400,446)	455,654
Fund balance, beginning	<u>1,014,111</u>	<u>1,661,601</u>	<u>1,661,601</u>	<u>-</u>
Fund balance, ending	<u>\$ 594,893</u>	<u>\$ 805,501</u>	<u>\$ 1,261,155</u>	<u>\$ 455,654</u>

See notes to required supplementary information.

CITY OF SCOTT, LOUISIANA  
1968 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 3,600,000	\$ 3,812,891	\$ 3,842,786	\$ 29,895
Intergovernmental	-	323,351	299,431	(23,920)
Miscellaneous -				
Donations	-	225,000	223,982	(1,018)
Miscellaneous	67,000	131,724	133,049	1,325
Total revenues	<u>3,667,000</u>	<u>4,492,966</u>	<u>4,499,248</u>	<u>6,282</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government	67,500	69,413	67,109	2,304
Streets	541,985	504,057	531,123	(27,066)
Capital outlay	1,354,025	3,452,194	3,381,414	70,780
Total expenditures	<u>1,963,510</u>	<u>4,025,664</u>	<u>3,979,646</u>	<u>46,018</u>
Excess of revenues over expenditures	<u>1,703,490</u>	<u>467,302</u>	<u>519,602</u>	<u>52,300</u>
<b>Other financing sources (uses)</b>				
Sale of capital assets	-	-	36,000	36,000
Transfers in	-	2,859,685	2,900,664	40,979
Transfers out	(1,449,346)	(4,989,346)	(4,906,802)	82,544
Total other financing sources (uses)	<u>(1,449,346)</u>	<u>(2,129,661)</u>	<u>(1,970,138)</u>	<u>159,523</u>
Net change in fund balance	254,144	(1,662,359)	(1,450,536)	211,823
Fund balance, beginning	<u>2,570,712</u>	<u>3,350,870</u>	<u>3,350,870</u>	-
Fund balance, ending	<u>\$ 2,824,856</u>	<u>\$ 1,688,511</u>	<u>\$ 1,900,334</u>	<u>\$ 211,823</u>

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA  
1984 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$3,600,000	\$ 3,812,891	\$ 3,842,786	\$ 29,895
Intergovernmental -				
Local grant	-	21,047	8,000	(13,047)
Miscellaneous -				
Other miscellaneous	-	8,000	8,220	220
Interest	<u>15,000</u>	<u>41,733</u>	<u>73,570</u>	<u>31,837</u>
Total revenues	<u>3,615,000</u>	<u>3,883,671</u>	<u>3,932,576</u>	<u>48,905</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government	67,500	71,057	65,689	5,368
Public safety -				
Fire	941,104	945,036	906,296	38,740
Streets	114,160	177,977	136,222	41,755
Debt service	507,009	507,008	533,438	(26,430)
Capital outlay	<u>200,000</u>	<u>603,702</u>	<u>610,314</u>	<u>(6,612)</u>
Total expenditures	<u>1,829,773</u>	<u>2,304,780</u>	<u>2,251,959</u>	<u>52,821</u>
Excess (deficiency) of revenues over expenditures	<u>1,785,227</u>	<u>1,578,891</u>	<u>1,680,617</u>	<u>101,726</u>
<b>Other financing sources/(uses):</b>				
Proceeds from issuance of long-term debt	-	278,010	418,263	140,253
Transfers in	-	650,000	1,077,020	427,020
Transfers out	<u>(2,222,695)</u>	<u>(2,472,695)</u>	<u>(2,472,686)</u>	<u>9</u>
Total other financing sources (uses)	<u>(2,222,695)</u>	<u>(1,544,685)</u>	<u>(977,403)</u>	<u>567,282</u>
Net change in fund balance	(437,468)	34,206	703,214	669,008
Fund balance, beginning	<u>2,256,977</u>	<u>903,054</u>	<u>903,054</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,819,509</u>	<u>\$ 937,260</u>	<u>\$ 1,606,268</u>	<u>\$ 669,008</u>

See notes to the required supplementary information.



CITY OF SCOTT, LOUISIANA  
Apollo Economic Development District Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 1,300,000	\$ 1,485,558	\$ 1,470,163	\$ (15,395)
Licenses and permits	-	276,167	276,167	-
Miscellaneous	6,500	41,892	49,774	7,882
<b>Total revenues</b>	<u>1,306,500</u>	<u>1,803,617</u>	<u>1,796,104</u>	<u>(7,513)</u>
<b>Expenditures:</b>				
<b>Current -</b>				
<b>General government -</b>				
Collection fees	16,000	9,825	8,889	936
Building permits	-	276,167	276,167	-
<b>Total general government</b>	<u>16,000</u>	<u>285,992</u>	<u>285,056</u>	<u>936</u>
Capital outlay	<u>300,000</u>	<u>159,452</u>	<u>159,452</u>	<u>-</u>
<b>Total expenditures</b>	<u>316,000</u>	<u>445,444</u>	<u>444,508</u>	<u>936</u>
<b>Excess (deficiency) of revenues     over expenditures</b>	<u>990,500</u>	<u>1,358,173</u>	<u>1,351,596</u>	<u>(6,577)</u>
<b>Other financing sources:</b>				
Transfers out	<u>(994,793)</u>	<u>(4,220,960)</u>	<u>(3,718,914)</u>	<u>502,046</u>
<b>Total other financing     sources</b>	<u>(994,793)</u>	<u>(4,220,960)</u>	<u>(3,718,914)</u>	<u>502,046</u>
<b>Net change in fund balance</b>	(4,293)	(2,862,787)	(2,367,318)	495,469
Fund balance, beginning	<u>3,648,854</u>	<u>3,657,002</u>	<u>3,657,002</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,644,561</u>	<u>\$ 794,215</u>	<u>\$ 1,289,684</u>	<u>\$ 495,469</u>

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA  
2023 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 1,500,000	\$ 1,500,000	\$ 1,479,236	\$ (20,764)
Miscellaneous	<u>3,342</u>	<u>3,342</u>	<u>4,755</u>	<u>1,413</u>
Total revenues	<u>1,503,342</u>	<u>1,503,342</u>	<u>1,483,991</u>	<u>(19,351)</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government -				
Collection fees	<u>7,182</u>	<u>7,182</u>	<u>6,202</u>	<u>980</u>
Total general government	<u>7,182</u>	<u>7,182</u>	<u>6,202</u>	<u>980</u>
Excess (deficiency) of revenues over expenditures	<u>1,496,160</u>	<u>1,496,160</u>	<u>1,477,789</u>	<u>(18,371)</u>
Fund balance, beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,496,160</u>	<u>\$ 1,496,160</u>	<u>\$ 1,477,789</u>	<u>\$ (18,371)</u>

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA

Schedule of Changes in Net OPEB Liability and Related Ratios  
For the Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability:</b>							
Service Cost	\$ 31,394	\$ 31,334	\$ 35,796	\$ 33,851	\$ 116,711	\$ 13,592	\$ 12,839
Interest	66,447	61,159	31,287	28,585	35,276	27,033	26,488
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(37,208)	67,604	370,243	71,008	(60,402)	261,792	7,348
Changes of assumptions	(65,535)	(25,774)	(116,527)	28,755	241,715	51,000	-
Benefit payments	<u>(51,519)</u>	<u>(41,541)</u>	<u>(39,375)</u>	<u>(50,170)</u>	<u>(45,311)</u>	<u>(42,949)</u>	<u>(21,956)</u>
Net changes	(56,421)	92,782	281,424	112,029	287,989	310,468	24,719
Total OPEB liability - beginning	<u>1,804,763</u>	<u>1,711,981</u>	<u>1,430,557</u>	<u>1,318,528</u>	<u>1,030,539</u>	<u>720,071</u>	<u>695,352</u>
Total OPEB liability - ending	\$ 1,748,342	\$ 1,804,763	\$ 1,711,981	\$ 1,430,557	\$ 1,318,528	\$ 1,030,539	\$ 720,071
Covered employee payroll	<u>\$ 3,117,445</u>	<u>\$ 2,864,520</u>	<u>\$ 2,781,087</u>	<u>\$ 2,468,083</u>	<u>\$ 2,373,157</u>	<u>\$ 2,281,881</u>	<u>\$ 2,432,936</u>
Net OPEB liability as a percentage of covered-employee payroll	56.1%	63.0%	61.6%	58.0%	55.6%	45.2%	29.6%

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

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA

Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2024\*

Plan	Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
MERS	2024	1.324279%	\$ 1,061,887	\$1,136,622	93.4%	73.25%
	2023	1.332124%	1,169,583	1,070,978	109.2%	69.56%
	2022	1.286280%	745,153	988,523	75.4%	79.14%
	2021	1.215575%	1,101,587	942,043	116.9%	66.26%
	2020	1.755280%	1,028,368	898,647	114.4%	66.14%
	2019	1.232423%	1,042,423	891,955	116.9%	65.60%
	2018	1.179990%	1,020,966	869,409	117.4%	63.49%
	2017	1.191381%	987,546	909,888	108.5%	63.34%
	2016	1.260809%	856,905	874,830	98.0%	68.71%
	2015	1.190261%	558,823	805,041	69.4%	76.94%
MPERS	2024	0.395121%	4,174,441	1,340,797	311.3%	71.30%
	2023	0.482680%	4,933,867	1,490,104	331.1%	70.80%
	2022	0.450241%	2,400,031	1,373,603	174.7%	70.94%
	2021	0.430681%	3,980,496	1,332,840	298.6%	70.94%
	2020	0.385657%	3,502,411	1,210,075	289.4%	71.01%
	2019	0.393213%	3,324,247	1,160,042	286.6%	71.89%
	2018	0.319637%	2,790,566	944,827	295.4%	70.08%
	2017	0.309268%	2,898,712	864,272	335.4%	66.04%
	2016	0.363479%	2,847,478	916,405	310.7%	70.73%
	2015	0.312685%	1,956,183	797,969	245.1%	75.10%
FRS	2024	0.042435%	276,965	114,263	242.4%	77.69%
	2023	0.044483%	313,663	114,726	273.4%	74.68%
	2022	0.036586%	129,655	98,015	132.3%	72.61%
	2021	0.016685%	115,653	41,539	278.4%	72.61%

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

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

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA

Schedule of Employer Contributions  
For the Year Ended June 30, 2024

Plan	Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
MERS	2024	\$ 198,566	\$ 198,566	-	\$1,281,078	15.50%
	2023	176,176	176,176	-	1,136,622	15.50%
	2022	166,000	166,000	-	1,070,978	15.50%
	2021	153,221	153,221	-	988,523	15.50%
	2020	131,886	131,886	-	942,043	14.00%
	2019	125,811	125,811	-	898,647	14.00%
	2018	118,184	118,184	-	891,955	13.25%
	2017	95,635	95,635	-	869,409	11.00%
	2016	87,512	87,512	-	909,888	9.62%
	2015	83,109	83,109	-	874,830	9.50%
MPERS	2024	550,628	550,628	-	1,623,073	33.93%
	2023	418,999	418,999	-	1,340,797	31.25%
	2022	443,306	443,306	-	1,490,104	29.75%
	2021	463,591	463,591	-	1,373,603	33.75%
	2020	433,178	433,178	-	1,332,840	32.50%
	2019	390,249	390,249	-	1,210,075	32.25%
	2018	356,713	356,713	-	1,160,042	30.75%
	2017	300,681	300,681	-	944,827	31.82%
	2016	255,601	255,601	-	864,272	29.57%
	2015	289,676	289,676	-	916,405	31.61%
FRS	2024	48,452	48,452	-	145,732	33.25%
	2023	38,564	38,564	-	114,263	33.75%
	2022	38,720	38,897	(177)	114,726	33.75%
	2021	31,610	31,610	-	98,015	32.25%

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

See notes to the required supplementary information.

## CITY OF SCOTT, LOUISIANA

### Notes to the Required Supplementary Information

#### (1) Budget and Budgetary Accounting

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

- a) Prior to June 15, the City Clerk submits to the Mayor and Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1.
- b) A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
- e) Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
- f) All budgetary appropriations lapse at the end of each fiscal year.
- g) Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted and finally amended by the Board of Aldermen.

#### (2) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plans.

#### (3) Other Postemployment Benefits

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

Change in the discount rate – The discount rate at June 30, 2024 is 3.93%, a increase of .28 % from the prior year rate of 3.65%.

CITY OF SCOTT, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(4) Excess of Expenditures Over Appropriations

For the year ended June 30, 2024, the following funds had actual expenditures over appropriations at the function level, as follows:

<u>Fund and Function</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
General government	\$ 1,376,783	\$ 1,418,696	\$ (41,913)
Culture and tourism	584,767	632,556	(47,789)
1968 Sales Tax Fund:			
Streets	504,057	531,123	(27,066)
1984 Sales Tax Fund:			
Debt service	507,008	533,438	(26,430)
Capital outlay	603,702	610,314	(6,612)

**SUPPLEMENTARY INFORMATION**



CITY OF SCOTT, LOUISIANA

Statement of Net Position  
June 30, 2024  
With Comparative Totals as of June 30, 2023

	2024			2023 Totals
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and interest-bearing deposits	\$ 6,274,922	\$ 2,973,312	\$ 9,248,234	\$ 11,042,178
Investments	2,556,364	142,523	2,698,887	2,547,095
Receivables, net	1,139,820	629,581	1,769,401	1,449,679
Due from other governmental units	43,412	33,374	76,786	144,094
Prepaid items	123,255	15,577	138,832	87,441
<b>Total current assets</b>	<b>10,137,773</b>	<b>3,794,367</b>	<b>13,932,140</b>	<b>15,270,487</b>
<b>Noncurrent assets:</b>				
<b>Restricted assets:</b>				
Cash and interest-bearing deposits	-	216,658	216,658	598,663
Investments	-	159,241	159,241	162,757
<b>Capital assets</b>				
Land and construction in progress	4,750,545	1,780,616	6,531,161	17,489,445
Other capital assets, net	41,747,651	14,882,157	56,629,808	41,293,239
<b>Total noncurrent assets</b>	<b>46,498,196</b>	<b>17,038,672</b>	<b>63,536,868</b>	<b>59,544,104</b>
<b>Total assets</b>	<b>56,635,969</b>	<b>20,833,039</b>	<b>77,469,008</b>	<b>74,814,591</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources related to pensions	2,067,517	73,468	2,140,985	2,610,491
Deferred outflows of resources related to net OPEB obligation	574,209	56,295	630,504	745,472
<b>Total deferred outflows of resources</b>	<b>2,641,726</b>	<b>129,763</b>	<b>2,771,489</b>	<b>3,355,963</b>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts and other payables	468,195	274,851	743,046	887,243
Contracts and retainage payables	893,709	77,578	971,287	1,740,753
Unearned revenue	504,286	289,537	793,823	1,793,779
Customers deposits payable	-	270,082	270,082	257,024
Bonds payable	1,285,000	37,000	1,322,000	1,277,000
Accrued interest payable	111,427	7,986	119,413	125,748
Notes payable - short term	514,496	-	514,496	487,367
<b>Total current liabilities</b>	<b>3,777,113</b>	<b>957,034</b>	<b>4,734,147</b>	<b>6,568,914</b>
<b>Noncurrent liabilities:</b>				
Compensated absences payable	65,146	451	65,597	62,160
Notes payable - long term	596,111	-	596,111	1,017,524
Bonds payable	15,830,697	522,863	16,353,560	17,376,156
Net OPEB obligation payable	1,592,240	156,102	1,748,342	1,804,763
Net pension payable	5,300,916	212,377	5,513,293	6,417,113
<b>Total noncurrent liabilities</b>	<b>23,385,110</b>	<b>891,793</b>	<b>24,276,903</b>	<b>26,677,716</b>
<b>Total liabilities</b>	<b>27,162,223</b>	<b>1,848,827</b>	<b>29,011,050</b>	<b>33,246,630</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources related to pensions	559,030	825	559,855	106,576
Deferred inflows of resources related to net OPEB obligation	180,199	17,667	197,866	134,828
<b>Total deferred inflows of resources</b>	<b>739,229</b>	<b>18,492</b>	<b>757,721</b>	<b>241,404</b>
<b>NET POSITION</b>				
Net investment in capital assets	26,553,149	16,062,332	42,615,481	36,919,884
Restricted for sales tax dedications	6,379,745	-	6,379,745	7,908,648
Restricted for debt service	514,111	60,831	574,942	564,037
Unrestricted (deficit)	(2,070,762)	2,972,320	901,558	(710,049)
<b>Total net position</b>	<b>\$ 31,376,243</b>	<b>\$ 19,095,483</b>	<b>\$50,471,726</b>	<b>\$ 44,682,520</b>

CITY OF SCOTT, LOUISIANA

Balance Sheets  
 General and Major Special Revenue Funds  
 June 30, 2024  
 With Comparative Totals as of June 30, 2023

	General		1968 Sales Tax Special Revenue		1984 Sales Tax Special Revenue		Apollo Economic Development District Sales Tax Special Revenue		2023 Sales Tax Special Revenue	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>										
Cash and interest bearing deposits	\$1,295,067	\$1,144,961	\$ 750,339	\$4,583,667	\$1,162,180	\$2,072,409	\$1,188,983	\$1,005,593	\$1,167,313	\$ -
Investments	583,907	553,615	1,842,191	1,746,621	130,266	123,508	-	-	-	-
Receivables:										
Taxes	7,270	4,046	329,528	321,473	329,528	321,473	134,470	127,792	311,016	-
Accrued interest	-	-	773	1,245	773	1,245	312	491	728	-
Due from other funds	-	940,544	-	419,390	\$ -	536,658	\$ -	3,162,538	-	-
Other	-	20,645	-	-	-	-	-	-	-	-
Due from other governmental units	5,550	-	37,862	92,084	-	-	-	-	-	-
Prepaid items	118,110	72,734	-	330	5,145	1,948	-	-	-	-
Total assets	<u>\$2,009,904</u>	<u>\$2,736,545</u>	<u>\$2,960,693</u>	<u>\$7,164,810</u>	<u>\$1,627,892</u>	<u>\$3,057,241</u>	<u>\$1,323,765</u>	<u>\$4,296,414</u>	<u>\$1,479,057</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES</b>										
<b>Liabilities:</b>										
Accounts payable	\$ 171,551	\$ 135,536	\$ 165,117	\$ 136,571	\$ 19,903	\$ 32,010	\$ -	\$ -	\$ -	\$ -
Contracts payable	-	14,154	227,065	-	-	-	-	-	-	-
Retainage payable	-	29,681	666,644	-	-	-	-	-	-	-
Accrued liabilities	72,912	95,344	1,533	1,790	1,721	1,979	34,081	263,983	1,268	-
Due to other funds	-	795,957	-	1,950,512	-	2,120,198	-	375,429	-	-
Unearned revenue	504,286	4,272	-	1,725,067	-	-	-	-	-	-
Total liabilities	<u>748,749</u>	<u>1,074,944</u>	<u>1,060,359</u>	<u>3,813,940</u>	<u>21,624</u>	<u>2,154,187</u>	<u>34,081</u>	<u>639,412</u>	<u>1,268</u>	<u>-</u>
<b>Fund balances -</b>										
Nonspendable (prepaid items)	118,110	72,734	-	330	5,145	1,948	-	-	-	-
Restricted - sales tax dedications	-	-	1,900,334	3,350,540	1,601,123	901,106	1,289,684	3,657,002	1,477,789	-
Unassigned	1,143,045	1,588,867	-	-	-	-	-	-	-	-
Total fund balances	<u>1,261,155</u>	<u>1,661,601</u>	<u>1,900,334</u>	<u>3,350,870</u>	<u>1,606,268</u>	<u>903,054</u>	<u>1,289,684</u>	<u>3,657,002</u>	<u>1,477,789</u>	<u>-</u>
Total liabilities and fund balances	<u>\$2,009,904</u>	<u>\$2,736,545</u>	<u>\$2,960,693</u>	<u>\$7,164,810</u>	<u>\$1,627,892</u>	<u>\$3,057,241</u>	<u>\$1,323,765</u>	<u>\$4,296,414</u>	<u>\$1,479,057</u>	<u>\$ -</u>

CITY OF SCOTT, LOUISIANA  
Comparative Statement of Net Position  
Enterprise Fund  
June 30, 2024 and 2023

ASSETS	Utility Fund	
	2024	2023
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 2,973,312	\$ 2,235,548
Investments	142,523	123,351
Receivables:		
Accounts, net of allowance for doubtful accounts	360,707	399,379
Unbilled utility receivables	268,874	251,890
Due from other governmental units	33,374	52,010
Due from other funds	-	1,979,446
Prepaid items	15,577	12,429
Total current assets	3,794,367	5,054,053
Noncurrent assets:		
Restricted assets -		
Interest-bearing deposits	216,658	199,983
Investments	159,241	162,757
Capital assets -		
Land and construction in progress	1,780,616	828,778
Other capital assets, net of accumulated depreciation	14,882,157	14,463,632
Total noncurrent assets	17,038,672	15,655,150
Total assets	20,833,039	20,709,203
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to pensions	73,468	93,149
Deferred outflows of resources related to net OPEB obligation	56,295	66,560
Total deferred outflows of resources	129,763	159,709
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	271,465	210,026
Retainage payable	77,578	22,010
Accrued liabilities	3,386	7,543
Unearned revenue	289,537	64,440
Due to other funds	-	1,633,468
Payable from restricted assets:		
Customers' deposits payable	270,082	257,024
Water revenue bonds payable	37,000	36,000
Accrued interest payable	7,986	2,719
Total current liabilities	957,034	2,233,230
Noncurrent liabilities:		
Compensated absences payable	451	116
Water revenue bonds payable	522,863	559,863
Net OPEB obligation payable	156,102	161,140
Net pension liability	212,377	245,612
Total noncurrent liabilities	891,793	966,731
Total liabilities	1,848,827	3,199,961
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to pensions	825	3,125
Deferred inflows of resources related to net OPEB obligation	17,667	12,038
Total deferred inflows of resources	18,492	15,163
<b>NET POSITION</b>		
Net investment in capital assets	16,062,332	14,710,537
Restricted for debt service	60,831	66,997
Unrestricted	2,972,320	2,876,254
Total net position	\$ 19,095,483	\$ 17,653,788

CITY OF SCOTT, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Departmental Statement of Revenues and Expenses  
For the Years Ended June 30, 2024 and 2023

	Totals		Gas	
	2024	2023	2024	2023
Operating revenues:				
Customers service charges	\$ 3,914,325	\$ 3,738,630	\$ 517,247	\$ 521,116
Permits, reconnections and penalties	260,902	316,195	69,375	73,770
Total operating revenues	<u>4,175,227</u>	<u>4,054,825</u>	<u>586,622</u>	<u>594,886</u>
Operating expenses:				
Salaries	281,848	258,534	107,763	100,198
Retirement - current	40,619	36,695	15,094	13,721
Retirement expense (benefit) - GASB 68	(7,417)	1,666	(2,744)	633
OPEB expense (benefit)	10,856	12,580	4,342	5,032
Gas and water purchases	1,268,145	1,214,548	124,550	174,240
Garbage collection fees	769,460	725,039	-	-
Supplies and repairs	407,472	432,033	58,723	86,817
Supplies - plant	68,088	47,475	-	-
Utilities	40,401	37,298	720	1,001
Utilities - plant	56,695	56,715	-	-
Professional fees	52,719	48,565	20,065	17,881
Insurance	45,700	61,122	15,548	20,842
Insurance - plant	15,279	24,727	-	-
Group insurance	62,586	60,151	23,737	23,827
Office expense	28,670	32,075	8,376	9,065
Payroll taxes	21,085	19,263	8,071	7,461
Truck expenses	16,428	17,257	5,834	4,066
Training	90	18,828	20	17,772
Uniforms	2,899	1,628	1,100	428
Depreciation	594,790	550,495	6,098	5,201
Depreciation - plant	55,403	55,403	-	-
Total operating expenses	<u>3,831,816</u>	<u>3,712,097</u>	<u>397,297</u>	<u>488,185</u>
Net operating income (loss)	<u>\$ 343,411</u>	<u>\$ 342,728</u>	<u>\$ 189,325</u>	<u>\$ 106,701</u>

Water		Sewerage		Garbage	
2024	2023	2024	2023	2024	2023
\$ 1,703,585	\$ 1,636,287	\$ 880,594	\$ 831,511	\$ 812,899	\$ 749,716
119,539	131,820	57,330	98,105	14,658	12,500
<u>1,823,124</u>	<u>1,768,107</u>	<u>937,924</u>	<u>929,616</u>	<u>827,557</u>	<u>\$ 762,216</u>
124,551	112,797	49,534	45,539	-	-
18,331	16,666	7,194	6,308	-	-
(3,338)	750	(1,335)	283	-	-
4,342	5,032	2,172	2,516	-	-
1,143,595	1,040,308	-	-	-	-
-	-	-	-	769,460	725,039
256,738	198,849	92,011	146,367	-	-
-	-	68,088	47,475	-	-
720	1,061	38,961	35,236	-	-
-	-	56,695	56,715	-	-
16,327	15,342	16,327	15,342	-	-
16,214	22,939	13,938	17,341	-	-
-	-	15,279	24,727	-	-
26,938	24,120	11,911	12,204	-	-
10,347	11,505	9,947	11,505	-	-
9,413	8,490	3,601	3,312	-	-
5,207	6,192	5,387	6,999	-	-
-	1,056	70	-	-	-
1,124	800	675	400	-	-
235,283	240,005	353,409	305,289	-	-
-	-	55,403	55,403	-	-
<u>1,865,792</u>	<u>1,705,912</u>	<u>799,267</u>	<u>792,961</u>	<u>769,460</u>	<u>725,039</u>
\$ (42,668)	\$ 62,195	\$ 138,657	\$ 136,655	\$ 58,097	37,177

CITY OF SCOTT, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity  
June 30, 2024

	First Six Month Period Ended <u>12/31/2023</u>	Second Six Month Period Ended <u>6/30/2024</u>
Beginning Balance of Amounts Collected	\$ -	\$ 15,752
Add: Collections -		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	182,012	203,409
Criminal Fines - Contempt	-	-
Criminal Fines - Other	133,813	121,836
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	-	-
Interest Earnings on Collected Balances	-	-
Other	-	-
Subtotal Collections	<u>315,825</u>	<u>325,245</u>
Less: Disbursements to Governments and Nonprofits -		
Lafayette Crime Stoppers	2,834	2,744
Acadiana Criminalistics Lab	43,420	43,160
15th JDC Indigent Defender Fund	49,455	47,845
Louisiana Commission on Law Enforcement - Criminal Fines	3,004	3,094
Louisiana State Treasurer CMIS - Criminal Fines	4,251	4,116
LA Dept of Health & Hospitals THI/SCI - Criminal Fines	3,665	3,245
LA Association of Chiefs of Police	1,424	1,384
Louisiana Supreme Court - Criminal Fines	704	681
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	<u>191,316</u>	<u>219,153</u>
Subtotal Disbursements/Retainage	<u>300,073</u>	<u>325,422</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 15,752</u>	<u>\$ 15,575</u>

**OTHER INFORMATION**

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Revenues  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
<b>Taxes:</b>					
Ad valorem	\$ 383,000	\$ 409,991	\$ 431,230	\$ 21,239	\$ 377,905
Franchise -					
Electric	585,000	592,571	590,356	(2,215)	615,341
Natural gas	55,000	32,490	32,490	-	37,732
Cable TV	53,500	48,134	46,516	(1,618)	51,454
Telephone	3,000	1,950	1,450	(500)	524
Total taxes	<u>1,079,500</u>	<u>1,085,136</u>	<u>1,102,042</u>	<u>16,906</u>	<u>1,082,956</u>
<b>Licenses and permits:</b>					
Liquor and beer licenses	17,400	17,220	17,820	600	8,580
Occupational licenses	47,300	45,525	45,775	250	24,060
Insurance occupational licenses	280,000	280,000	216,094	(63,906)	279,115
Building permits	395,000	133,278	123,652	(9,626)	368,749
Electrical permits	95,000	28,904	19,104	(9,800)	84,339
Other permits	95,000	105,070	98,026	(7,044)	46,075
Total licenses and permits	<u>929,700</u>	<u>609,997</u>	<u>520,471</u>	<u>(89,526)</u>	<u>810,918</u>
<b>Intergovernmental:</b>					
Federal	-	37,948	14,405	(23,543)	-
State of Louisiana	265,101	200,944	241,507	40,563	186,202
Local	308,117	308,117	278,117	(30,000)	267,957
Total intergovernmental	<u>573,218</u>	<u>547,009</u>	<u>534,029</u>	<u>(12,980)</u>	<u>454,159</u>

(continued)



CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Revenues (Continued)  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024		Actual	Variance with Final Budget Positive (Negative)	2023 Actual
	Budget				
	Original	Final			
Fines and forfeits:					
Fines and court costs - regular	175,000	223,129	187,332	(35,797)	160,126
Fines and court costs - LACE	<u>225,000</u>	<u>228,345</u>	<u>255,649</u>	<u>27,304</u>	<u>202,807</u>
Total fines and forfeits	<u>400,000</u>	<u>451,474</u>	<u>442,981</u>	<u>(8,493)</u>	<u>362,933</u>
Miscellaneous:					
Interest	30,000	32,717	39,072	6,355	25,402
Begnaud House inventory sales	7,000	15,585	16,041	456	8,368
Begnaud House event admission	1,500	5,500	5,325	(175)	1,610
Event Center revenues	50,000	63,025	56,225	(6,800)	50,725
Chamber of Commerce	-	2,100	-	(2,100)	-
Scott park income	20,000	10,000	5,000	(5,000)	-
Donations	-	-	-	-	650
Veterans Memorial	50,000	56,300	62,900	6,600	101,560
Other sources	<u>2,000</u>	<u>25,963</u>	<u>42,931</u>	<u>16,968</u>	<u>181,867</u>
Total miscellaneous	<u>160,500</u>	<u>211,190</u>	<u>227,494</u>	<u>16,304</u>	<u>370,182</u>
 Total revenues	 <u>\$3,142,918</u>	 <u>\$2,904,806</u>	 <u>\$2,827,017</u>	 <u>\$ (77,789)</u>	 <u>\$ 3,081,148</u>

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
<b>General government:</b>					
<b>Administration:</b>					
Mayor and council salaries	\$ 155,530	\$ 171,082	\$ 171,082	\$ -	\$ 155,524
Other salaries	202,437	188,113	190,413	(2,300)	162,803
Payroll taxes	27,002	27,801	27,603	198	24,228
Retirement	39,499	39,820	40,206	(386)	35,908
Telephone and utilities	23,971	26,072	27,212	(1,140)	29,962
Advertising and publications	30,000	30,455	29,383	1,072	30,602
Repairs and maintenance	33,000	43,451	60,277	(16,826)	67,217
Dues and conventions	7,600	9,957	9,629	328	2,491
Legal fees	200,000	256,709	276,883	(20,174)	328,419
Government relations and consulting	-	-	781	(781)	352
Accounting and auditing	44,000	44,000	42,865	1,135	40,285
Computer service	18,500	17,869	15,931	1,938	18,860
General insurance	86,225	69,889	50,678	19,211	115,287
Group insurance	47,231	46,688	42,573	4,115	41,937
Office expenditures	72,584	64,650	66,106	(1,456)	66,813
Uniforms	2,800	1,611	1,011	600	2,873
Scott business appreciation	4,000	3,513	3,513	-	3,551
Cultural activities	5,600	9,115	8,385	730	6,085
Collection fees	8,900	8,900	10,364	(1,464)	10,364
Election fees	5,000	3,505	-	3,505	-
Miscellaneous	8,780	7,069	6,205	864	11,719
	<u>1,022,659</u>	<u>1,070,269</u>	<u>1,081,100</u>	<u>(10,831)</u>	<u>1,155,280</u>
<b>Code Department:</b>					
Salaries	155,619	147,207	147,207	-	136,732
Payroll taxes and retirement	33,033	33,071	32,929	142	30,193
Group insurance	15,773	14,504	12,761	1,743	12,913
Building permits	296,250	109,177	142,960	(33,783)	385,907
Training	3,000	2,555	1,739	816	1,678
	<u>503,675</u>	<u>306,514</u>	<u>337,596</u>	<u>(31,082)</u>	<u>567,423</u>
<b>Total general government</b>	<u>1,526,334</u>	<u>1,376,783</u>	<u>1,418,696</u>	<u>(41,913)</u>	<u>1,722,703</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024				
	Budget		Actual	Variance with	2023 Actual
	Original	Final		Final Budget Positive (Negative)	
Public safety:					
Police -					
Salaries	1,993,409	1,938,599	1,933,749	4,850	1,658,657
Salaries - Chief	92,664	101,930	101,930	-	92,664
Payroll taxes	156,315	150,944	157,523	(6,579)	133,686
Retirement	515,586	535,850	552,239	(16,389)	418,999
Vehicle allowance	9,600	9,600	9,600	-	9,600
Auto fuel and oil	100,000	90,000	91,747	(1,747)	89,657
Uniforms and supplies	26,000	26,000	23,973	2,027	21,658
Training, lodging and travel	16,000	18,500	11,686	6,814	11,143
Dues and subscriptions	20,000	20,000	16,119	3,881	18,124
General insurance	275,432	261,461	229,479	31,982	241,252
Group insurance	249,944	240,824	244,212	(3,388)	195,717
Hazard material/coroner	5,000	-	-	-	-
Advertising	3,000	860	360	500	2,713
Miscellaneous	1,000	1,000	416	584	2,023
Auto repairs and maintenance	65,000	76,435	74,008	2,427	48,608
Firearms and ammunition	9,000	9,000	8,470	530	7,301
Telephone and utilities	75,700	68,330	67,755	575	70,612
Computer services	98,000	86,432	91,732	(5,300)	29,030
Office repairs and maintenance	60,000	46,493	43,253	3,240	80,400
Office supplies	17,000	19,055	14,517	4,538	20,275
Civil service -					
Contract services	3,600	3,672	3,672	-	3,600
Office supplies/miscellaneous	2,000	2,000	150	1,850	1,011
Total public safety	<u>3,794,250</u>	<u>3,706,985</u>	<u>3,676,590</u>	<u>30,395</u>	<u>3,156,730</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
<b>Streets:</b>					
Salaries	639,119	675,454	696,455	(21,001)	621,411
Retirement	99,063	94,473	95,814	(1,341)	83,638
Payroll taxes	50,171	51,659	52,663	(1,004)	47,224
Street lighting	110,000	114,280	135,395	(21,115)	121,587
General insurance	131,551	123,996	95,042	28,954	162,326
Group insurance	98,033	99,285	88,247	11,038	75,645
Dues and subscriptions	-	-	3,572	(3,572)	3,240
Grass cutting/condemnation	30,000	3,000	-	3,000	-
Utilities	8,500	8,258	8,779	(521)	8,734
Engineering	-	-	-	-	5,298
Repairs and maintenance	12,500	12,500	11,623	877	10,103
Uniforms	5,000	5,500	5,814	(314)	4,268
Miscellaneous	5,100	5,100	-	5,100	95
Total streets	<u>1,189,037</u>	<u>1,193,505</u>	<u>1,193,404</u>	<u>101</u>	<u>1,143,569</u>
<b>Culture and tourism:</b>					
<b>Begnaud House -</b>					
Salaries	27,568	28,004	28,357	(353)	26,231
Payroll taxes	2,165	2,041	2,129	(88)	2,030
General insurance	6,949	6,950	2,707	4,243	3,364
Cost of sales	4,500	11,315	10,181	1,134	6,551
Telephone and utilities	7,020	7,248	7,857	(609)	4,690
Advertising and marketing	-	-	14	(14)	-
Events	1,600	4,528	4,509	19	2,000
Office expenditures	1,500	4,899	4,360	539	4,177
Building and grounds maintenance	3,500	9,562	56,250	(46,688)	15,181
Conferences	150	150	150	-	150
Miscellaneous	150	101	101	-	190
Total Begnaud House	<u>55,102</u>	<u>74,798</u>	<u>116,615</u>	<u>(41,817)</u>	<u>64,564</u>
<b>Scott Event Center -</b>					
Contract labor	400	371	172	199	326
General insurance	9,353	9,353	4,784	4,569	9,630
Utilities	11,800	11,695	14,573	(2,878)	15,618
Repairs and maintenance	16,625	16,426	12,848	3,578	19,351
Total Scott Event Center	<u>38,178</u>	<u>37,845</u>	<u>32,377</u>	<u>5,468</u>	<u>44,925</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024				2023 Actual
	Budget		Actual	Variance with Final Budget Positive (Negative)	
	Original	Final			
Scott Park -					
Utilities	55,000	54,057	54,773	(716)	59,470
Insurance	70,361	86,259	66,035	20,224	70,513
Repairs and supplies	20,000	38,400	45,764	(7,364)	31,770
Miscellaneous	-	-	-	-	665
Improvements note	<u>293,724</u>	<u>293,408</u>	<u>316,992</u>	<u>(23,584)</u>	<u>254,514</u>
Total Scott Community Center	<u>439,085</u>	<u>472,124</u>	<u>483,564</u>	<u>(11,440)</u>	<u>416,932</u>
Total culture and recreation	<u>532,365</u>	<u>584,767</u>	<u>632,556</u>	<u>(47,789)</u>	<u>526,421</u>
Capital outlay	<u>535,150</u>	<u>918,014</u>	<u>599,523</u>	<u>318,491</u>	<u>1,025,618</u>
Total expenditures	<u>\$7,577,136</u>	<u>\$7,780,054</u>	<u>\$7,520,769</u>	<u>\$ 259,285</u>	<u>\$7,575,041</u>

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
1968 Sales Tax Fund  
Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$ 3,600,000	\$3,812,891	\$3,842,786	\$ 29,895	\$3,582,337
Intergovernmental -					
Federal	-	106,259	24,315	(81,944)	605,092
State grant	-	217,092	275,116	58,024	-
Miscellaneous -					
Donations	-	225,000	223,982	(1,018)	-
Interest	67,000	131,724	133,049	1,325	87,148
Total revenues	<u>3,667,000</u>	<u>4,492,966</u>	<u>4,499,248</u>	<u>6,282</u>	<u>4,274,577</u>
<b>Expenditures:</b>					
General government -					
Collection fees	35,000	36,413	36,489	(76)	28,153
Professional fees	32,500	33,000	30,620	2,380	28,885
Total general government	<u>67,500</u>	<u>69,413</u>	<u>67,109</u>	<u>2,304</u>	<u>57,038</u>
Streets -					
Supplies and repairs	96,000	94,998	89,208	5,790	87,392
Herbicide program	35,985	45,086	67,631	(22,545)	45,087
Channel cleaning	50,000	-	-	-	65,827
Engineering fees - annexations, etc	360,000	363,973	374,284	(10,311)	592,015
Total streets	<u>541,985</u>	<u>504,057</u>	<u>531,123</u>	<u>(27,066)</u>	<u>790,321</u>
Capital outlay	<u>1,354,025</u>	<u>3,452,194</u>	<u>3,381,414</u>	<u>70,780</u>	<u>779,510</u>
Total expenditures	<u>1,963,510</u>	<u>4,025,664</u>	<u>3,979,646</u>	<u>46,018</u>	<u>1,626,869</u>
Excess of revenues over expenditures	<u>1,703,490</u>	<u>467,302</u>	<u>519,602</u>	<u>52,300</u>	<u>2,647,708</u>
<b>Other financing sources/(uses)</b>					
Sale of capital assets	-	-	36,000	36,000	-
Transfers in	-	2,859,685	2,900,664	40,979	7,197
Transfers out	<u>(1,449,346)</u>	<u>(4,989,346)</u>	<u>(4,906,802)</u>	<u>82,544</u>	<u>(1,396,398)</u>
Total other financing sources/(uses)	<u>(1,449,346)</u>	<u>(2,129,661)</u>	<u>(1,970,138)</u>	<u>159,523</u>	<u>(1,389,201)</u>
Net change in fund balance	254,144	(1,662,359)	(1,450,536)	211,823	1,258,507
Fund balance, beginning	<u>2,570,712</u>	<u>3,350,870</u>	<u>3,350,870</u>	<u>-</u>	<u>2,092,363</u>
Fund balance, ending	<u>\$ 2,824,856</u>	<u>\$ 1,688,511</u>	<u>\$ 1,900,334</u>	<u>\$ 211,823</u>	<u>\$3,350,870</u>

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
1984 Sales Tax Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$3,600,000	\$3,812,891	\$ 3,842,786	\$ 29,895	\$ 3,582,337
<b>Intergovernmental -</b>					
Local grant	-	21,047	8,000	(13,047)	-
<b>Miscellaneous -</b>					
Other	-	8,000	8,220	220	39,054
Interest	15,000	41,733	73,570	31,837	16,601
Total revenues	<u>3,615,000</u>	<u>3,883,671</u>	<u>3,932,576</u>	<u>48,905</u>	<u>3,637,992</u>
<b>Expenditures:</b>					
<b>General government -</b>					
Sales tax collection fee	35,000	38,557	36,489	2,068	28,153
Bond issuance costs	-	-	-	-	48,775
Professional fees	32,500	32,500	29,200	3,300	37,173
Total general government	<u>67,500</u>	<u>71,057</u>	<u>65,689</u>	<u>5,368</u>	<u>114,101</u>
<b>Public safety - fire</b>					
Contract	75,000	75,000	75,000	-	75,000
Telephone and supplies	4,594	4,594	3,017	1,577	8,142
Uniforms	6,850	6,850	4,457	2,393	4,553
Professional fees	19,500	19,015	31,850	(12,835)	27,790
Salaries and benefits	663,689	662,645	645,168	17,477	558,115
Payroll taxes	48,862	47,913	24,605	23,308	41,041
Retirement	40,161	46,614	48,548	(1,934)	38,564
Contract labor	58,087	58,076	57,403	673	57,776
Miscellaneous	-	-	66	(66)	-
Insurance	24,361	24,329	16,182	8,147	27,342
Total public safety	<u>941,104</u>	<u>945,036</u>	<u>906,296</u>	<u>38,740</u>	<u>838,323</u>
<b>Streets -</b>					
Vehicle and equipment repairs and maintenance	95,000	105,262	114,894	(9,632)	102,985
Equipment	19,160	72,715	21,328	51,387	19,160
Total streets	<u>114,160</u>	<u>177,977</u>	<u>136,222</u>	<u>41,755</u>	<u>122,145</u>
Debt service	<u>507,009</u>	<u>507,008</u>	<u>533,438</u>	<u>(26,430)</u>	<u>520,008</u>
Capital outlay	<u>200,000</u>	<u>603,702</u>	<u>610,314</u>	<u>(6,612)</u>	<u>1,686,032</u>
Total expenditures	<u>1,829,773</u>	<u>2,304,780</u>	<u>2,251,959</u>	<u>52,821</u>	<u>3,280,609</u>
Excess (deficiency) of revenues over expenditures	<u>1,785,227</u>	<u>1,578,891</u>	<u>1,680,617</u>	<u>101,726</u>	<u>357,383</u> (continued)

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
1984 Sales Tax Fund

Detailed Budgetary Comparison Schedule (Continued)  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Other financing sources (uses):					
Proceeds from issuance of debt	-	278,010	418,263	140,253	1,652,293
Transfers in	-	650,000	1,077,020	427,020	-
Transfers out	<u>(2,222,695)</u>	<u>(2,472,695)</u>	<u>(2,472,686)</u>	<u>9</u>	<u>(2,249,852)</u>
Total other financing sources (uses)	<u>(2,222,695)</u>	<u>(1,544,685)</u>	<u>(977,403)</u>	<u>567,282</u>	<u>(597,559)</u>
Net change in fund balance	(437,468)	34,206	703,214	669,008	(240,176)
Fund balance, beginning	<u>2,256,977</u>	<u>903,054</u>	<u>903,054</u>	<u>-</u>	<u>1,143,230</u>
Fund balance, ending	<u>\$ 1,819,509</u>	<u>\$ 937,260</u>	<u>\$ 1,606,268</u>	<u>\$ 669,008</u>	<u>\$ 903,054</u>



CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
Apollo Economic Development District Sales Tax Special Revenue Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$1,300,000	\$ 1,485,558	\$ 1,470,163	\$ (15,395)	\$1,312,298
Licenses and permits	-	276,167	276,167	-	-
Miscellaneous	6,500	41,892	49,774	7,882	15,502
Total revenues	<u>1,306,500</u>	<u>1,803,617</u>	<u>1,796,104</u>	<u>(7,513)</u>	<u>1,327,800</u>
<b>Expenditures:</b>					
<b>General government -</b>					
Collection fees	16,000	9,825	8,889	936	13,269
Building permits	-	276,167	276,167	-	-
Total general government	<u>16,000</u>	<u>285,992</u>	<u>285,056</u>	<u>936</u>	<u>13,269</u>
Capital outlay	<u>300,000</u>	<u>159,452</u>	<u>159,452</u>	<u>-</u>	<u>300,000</u>
Total expenditures	<u>316,000</u>	<u>445,444</u>	<u>444,508</u>	<u>936</u>	<u>313,269</u>
Excess of revenues over expenditures	<u>990,500</u>	<u>1,358,173</u>	<u>1,351,596</u>	<u>(6,577)</u>	<u>1,014,531</u>
<b>Other financing uses:</b>					
Transfers out	(994,793)	(4,220,960)	(3,718,914)	502,046	(747,239)
Total other financing uses	<u>(994,793)</u>	<u>(4,220,960)</u>	<u>(3,718,914)</u>	<u>502,046</u>	<u>(747,239)</u>
Net change in fund balance	(4,293)	(2,862,787)	(2,367,318)	495,469	267,292
Fund balance, beginning	<u>3,468,854</u>	<u>3,657,002</u>	<u>3,657,002</u>	<u>-</u>	<u>3,389,710</u>
Fund balance, ending	<u>\$3,464,561</u>	<u>\$ 794,215</u>	<u>\$ 1,289,684</u>	<u>\$ 495,469</u>	<u>\$3,657,002</u>

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
2023 Sales Tax Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2024  
With Comparative Actual Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$ 1,500,000	\$ 1,500,000	\$1,479,236	\$ (20,764)	\$ -
Miscellaneous	3,342	3,342	4,755	1,413	-
Total revenues	<u>1,503,342</u>	<u>1,503,342</u>	<u>1,483,991</u>	<u>(19,351)</u>	<u>-</u>
<b>Expenditures:</b>					
General government -					
Collection fees	7,182	7,182	6,202	980	-
Total general government	<u>7,182</u>	<u>7,182</u>	<u>6,202</u>	<u>980</u>	<u>-</u>
Excess of revenues over expenditures	<u>1,496,160</u>	<u>1,496,160</u>	<u>1,477,789</u>	<u>(18,371)</u>	<u>-</u>
Fund balance, beginning	-	-	-	-	-
Fund balance, ending	<u>\$ 1,496,160</u>	<u>\$ 1,496,160</u>	<u>\$1,477,789</u>	<u>\$ (18,371)</u>	<u>\$ -</u>

**INTERNAL CONTROL, COMPLIANCE,  
AND  
OTHER MATTERS**

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

The Honorable Jan-Scott Richard, Mayor  
and Members of the Board of Aldermen  
City of Scott, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Scott, Louisiana (the City) as of and for the year ended June 30, 2024, and the related notes to the financial statements which collectively comprise the City's basic financial statements and have issued our report thereon dated October 22, 2024.

### 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 combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be material weaknesses.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial 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*.

## **The City of Scott, Louisiana's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Scott's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **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. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

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

Lafayette, Louisiana  
October 22, 2024

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

The Honorable Jan-Scott Richard, Mayor  
and Members of the Board of Aldermen  
City of Scott, Louisiana

### Report on Compliance for the Major Federal Program

#### Adverse Opinion

We have audited the City of Scott's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended June 30, 2024. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### Adverse Opinion on the Coronavirus State and Local Fiscal Recovery Funds

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the City did not comply, in all material respects with the compliance requirements referred to above that could have a direct and material effect on the Coronavirus State and Local Fiscal Recovery Funds for the year ended June 30, 2024.

#### Basis for Adverse Opinion

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 of Scott 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 adverse 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.

### *Matters Giving Rise to Adverse Opinion on Coronavirus State and Local Fiscal Recovery Funds (21.027)*

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding the Coronavirus State and Local Fiscal Recovery Funds as described in findings number 2024-002 through 2024-004 for allowable costs, procurement, and reporting. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

#### **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.

#### **Auditor's 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 of Scott'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. We 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. We obtain an understanding of 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 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.

#### **Report on Internal Control over Compliance**

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses.

*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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-006 through 2024-009 be material weaknesses.

*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 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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the City of Scott's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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

Lafayette, Louisiana  
October 22, 2024



CITY OF SCOTT, LOUISIANA

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2024

Federal Grantor / Pass-Through Grantor / Program Name	Pass-through Identifying Number	Assistance Listing	Expenditures
Direct Programs:			
U S Department of the Treasury - COVID-19 Coronavirus State and Local Fiscal Recovery Funds	*	N/A	21 027    \$ <u>1,504,931</u>
Indirect Programs:			
U S Department of the Treasury - Passed through Louisiana Division of Administration COVID-19 Coronavirus State and Local Fiscal Recovery Funds	*	LAWSP10174	21.027 <u>620,500</u>
U.S. Department of Homeland Security- Passed through Louisiana Department of Homeland Security Hazard Mitigation Grant Program (HGMP)	N/A	97 039	<u>133,222</u>
U.S. Federal Highway Administration Passed through Louisiana Department of Transportation and Development Highway Planning and Construction - Transportation Alternative Program	N/A	20 205	<u>24,315</u>
Total indirect programs			<u>778,037</u>
TOTAL FEDERAL EXPENDITURES			<u>\$ 2,282,968</u>

\* Indicates major program

CITY OF SCOTT, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2024

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the City of Scott (City) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements for the year ended June 30, 2024. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

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

CITY OF SCOTT, LOUISIANA

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024

Part I. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City were prepared in accordance with GAAP.
2. One deficiency in internal control was disclosed during the audit of the financial statements. This deficiency was considered to be a material weakness.
3. No instances of noncompliance material to the financial statements of the City, which would be required to be reported in accordance with *Governmental Auditing Standards*, were disclosed during the audit.
4. Four material weaknesses in internal control over major federal award programs were reported during the audit.
5. The auditor's report on compliance for the Coronavirus State and Local Fiscal Recovery Funds (21.027) expresses an adverse opinion.
6. The audit findings that are required to be reported in accordance with 2 CFR section 200.516 (a) are reported in this schedule.
7. The following program is considered to be the only major program: Coronavirus State and Local Fiscal Recovery Funds (21.027).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The auditee did not qualify as a low-risk auditee.

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

Internal Control Finding -

**2024-001      Inadequate Controls Over Financial Statement Preparation**

Fiscal year finding initially occurred: 2022

Criteria

The City does not have a staff person who has the qualifications and training necessary to apply generally accepted accounting principles (GAAP) in recording the City's financial transactions or preparing its financial statements, including the notes.

Condition

The City should be able to record financial transactions and prepare financial statements in accordance with GAAP.

CITY OF SCOTT, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2024

Cause

The City does not have the personnel with the qualifications needed to perform this function.

Effect

The City's financial transactions and financial statements may not be prepared in accordance with GAAP.

Recommendation

The City should be able to record financial transactions and prepare financial statements in accordance with GAAP. The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

Management's Corrective Action Plan

The City has evaluated the cost vs benefit of establishing internal controls over the preparation of the financial statements in accordance with GAAP and determined that it is in the best interest of the City to outsource this task to the independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Part III. Findings and questioned cost for Federal awards which include audit findings as defined in 2 CFR section 200 of the Uniform Guidance:

Compliance Findings –

**2024-002 Unallowable Use of Funds**

Assistance Listing # 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Fiscal year finding initially occurred: 2024

Criteria

Costs charged to federal grant programs must follow the Uniform Guidance when determining if a cost is allowable under the program. One of the requirements is that a cost can only be funded by one program.

Condition

The City received reimbursement through the State of Louisiana's Water Sector Program for expenditures that were already claimed through Coronavirus State and Local Fiscal Recovery Funds.

CITY OF SCOTT, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2024

Cause

The City did not have proper controls in place to ensure that expenditures were not paid by multiple federal award programs.

Effect

The City utilized federal funds to pay for expenditures that had already been charged to other grant programs.

Context

A sample of 19 transactions were selected for audit from a population of 29 disbursements. The test found that one disbursement had already been charged to other federal grant programs. It was determined that \$248,060 was charged to other federal programs and are considered questioned costs.

Recommendation

The City should review policies and procedures to ensure that the City does not continue to request reimbursement amounts that were received from other sources.

Management's Corrective Action Plan

The City of Scott will implement policies and procedures to ensure that the City does not continue to request reimbursement for amounts that were received from other sources.

**2024-003 Procurement**

Assistance Listing # 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Fiscal year finding initially occurred: 2024

Criteria

In accordance with 2 CFR 200.320, the City of Scott is required to formally bid contracts that exceed \$250,000.

Condition

The City expended \$261,009 of Coronavirus State and Local Fiscal Recovery Funds on a contract that exceeded the required threshold but was not formally bid.

CITY OF SCOTT, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2024

Cause

The City expended federal funds on contracts that were not properly bid by federal guidelines.

Effect

As a result, the City was not in compliance with procurement requirements with questioned costs totaling \$261,009.

Context

A sample of 19 transactions were selected for audit from a population of 29 disbursements. The test found that a vendor was not properly contracted. This resulted in questioned costs of \$261,009.

Recommendation

The City should review their policies and procedures to ensure that all contracts that have federal expenditures are properly bid in accordance with 2 CFR 200.320.

Management's Corrective Action Plan

The City of Scott will review their policies and procedures to ensure that all contracts that have federal expenditures are properly bid in accordance with 2 CFR 200.320.

**2024-004 Controls Over Reporting**

Assistance Listing # 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Fiscal year finding initially occurred: 2023

Criteria

In accordance with 31 CFR section 35.4(c), the City should provide an annual report detailing the accounting for the use of the federal award program funds.

Condition

The report included inaccurate information regarding the amount spent.

Cause

The City does not have adequate controls and procedures over reporting.

CITY OF SCOTT, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2024

Effect

The City's annual report did not reconcile to the total amount expended since inception in the amount of \$946,521.

Recommendation

The City should review their established policies and procedures and make any necessary changes to ensure an effective control environment.

Management's Corrective Action Plan

The City of Scott will review financial policies and procedures and make any necessary changes to ensure an effective control environment.

**2024-005 Reimbursement Requests**

Assistance Listing # 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Fiscal year finding initially occurred: 2024

Criteria

The Water Sector Program guidelines do not allow for advance payments.

Condition

The City requested reimbursement for amounts for which it had not paid the funds as of the date of the request.

Cause

The City was unaware of the program requirements.

Effect

The City requested reimbursement for amounts that had not been paid at the time of request in the amount of \$620,500.

Recommendation

The City should carefully review grant reimbursement requests to ensure that all amounts requested have been paid prior to requesting reimbursement.

CITY OF SCOTT, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2024

Management's Corrective Action Plan

The City of Scott will review grant reimbursements before submitted to ensure that all amounts requested represent actual expenditures.

Internal Control Findings –

**2024-006 Unallowable Use of Funds**

Assistance Listing # 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Fiscal year finding initially occurred: 2024

See compliance finding 2024-002.

**2024-007 Procurement**

Assistance Listing # 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Fiscal year finding initially occurred: 2024

See compliance finding 2024-003.

**2024-008 Reporting**

Assistance Listing # 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Fiscal year finding initially occurred: 2023

See compliance finding 2024-004.

**2024-009 Reimbursement Requests**

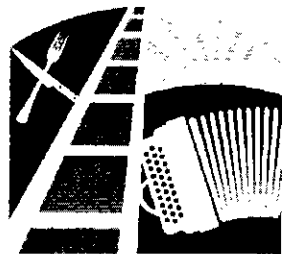
Assistance Listing # 21.027 – COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Fiscal year finding initially occurred: 2024

See compliance finding 2024-005.



MAYOR  
JAN-SCOTT RICHARD  
CITY MANAGER  
BRENDA T. DUGAS  
CITY CLERK  
SHELLEY M. GAUTREAU



**SCOTT**  
LOUISIANA  
EST. 1907

BOUDIN CAPITAL OF THE WORLD

COUNCIL  
MARK MOREAU  
*Councilman At Large*  
DOYLE J. BOUDREAU  
TERRY MONTGUCET  
LEE DOMINGUE  
BLAINE ROY

**Corrective Action Plan  
October 22, 2024**

U.S. Department of the Treasury

The City of Scott respectfully submits the following corrective action plan for the year ended 6/30/24.

**Audit conducted by:**  
Kolder, Slaven, & Company, LLC  
183 S. Beadle Road  
Lafayette, LA 70508

**Audit Period:** 7/1/23-6/30/24

The findings from the 6/30/24 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

**FINDINGS – FINANCIAL STATEMENT AUDIT:**

**Internal Control:**

**Material Weakness -**

**2024-001: Inadequate Controls Over Financial Statement Preparation**

**Recommendation:** The City should be able to record financial transactions and prepare financial statements in accordance with GAAP. The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

**Corrective Action Plan:** The City has evaluated the cost vs benefit of establishing internal controls over the preparation of the financial statements in accordance with GAAP and determined that it is in the best interest of the City to outsource this task to the independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

## **FINDINGS – FEDERAL AWARD PROGRAMS AUDIT:**

### **Compliance:**

#### **Material Weakness –**

#### **U.S. Department of the Treasury**

##### **2024-002 Unallowable Use of Funds**

**Recommendation:** The City should review policies and procedures to ensure that the City does not continue to request reimbursement amounts that were received from other sources.

**Corrective Action Plan:** The City of Scott will implement policies and procedures to ensure that the City does not continue to requires reimbursement for amounts that were received from other sources.

##### **2024-003 Procurement**

**Recommendation:** The City should review their policies and procedures to ensure that all contracts that have federal expenditures are properly bid in accordance with 2 CFR 200.320.

**Corrective Action Plan:** The City of Scott will review their policies and procedures to ensure that all contracts that have federal expenditures are properly bid in accordance with 2 CFR 200.320.

##### **2024-004 Controls Over Reporting**

**Recommendation:** The City should review their established policies and procedures and make any necessary changes to ensure an effective control environment.

**Corrective Action Plan:** The City of Scott will review financial policies and procedures and make any necessary changes to ensure an effective control environment.

##### **2024-005 Reimbursement Requests**

**Recommendation:** The City should carefully review grant reimbursement requests to ensure that all amounts requested have been paid prior to requesting reimbursement.

**Corrective Action Plan:** The City of Scott will review grant reimbursements before submitted to ensure that all amounts requested represent actual expenditures.

**Internal Control -**

**U.S. Department of the Treasury**

**2024-006 Unallowable Use of Funds**

See Internal Control Finding 2024-002.

**2024-007 Procurement**

See Internal Control Finding 2024-003.

**2024-008 Controls Over Reporting**

See Internal Control Finding 2024-004.

**2024-009 Reimbursement Requests**

See Internal Control Finding 2024-005.

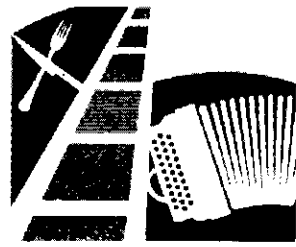
If the U.S. Department of Treasury has questions regarding this plan, please call Mayor Jan Richard at 337-233-1130.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jan Richard', written in a cursive style.

Jan Richard  
Mayor

MAYOR  
JILL-SCOTT RICHARD  
CITY MANAGER  
BRENDA T. DUGAS  
CITY CLERK  
SHELLEY M. GAUTREAU



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LEE DOMINIQUE  
BLAINE ROY

City of Scott  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2024

**FINDINGS – FINANCIAL STATEMENT AUDIT:**

**2023-001 Inadequate Controls Over Financial Statement Preparation**

Fiscal year finding initially occurred: 2022

Condition

The City should be able to record financial transactions and prepare financial statements in accordance with GAAP.

Recommendation

The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

Current Status

Unresolved. See finding 2024-001.

**2023-002 Inadequate Controls Over Bank Reconciliations**

Fiscal year finding initially occurred: 2023

Condition

The City should have a control policy in place that provides for the proper and timely reconciliation of all bank accounts.

Recommendation

The City should ensure internal control policies and procedures over bank reconciliations are being properly implemented. Manual reconciling items should be used to reconcile bank accounts to the general ledger.

Current Status

Resolved.

**FINDINGS – FEDERAL AWARD PROGRAMS AUDIT:**

A. Internal Control Findings –

**2023-003 Controls Over Reporting**

Condition

The City's internal controls over reporting were determined to be ineffective during the performance of internal control testing over the major federal program.

Recommendation

The City should review their established policies and procedures and make any necessary changes to ensure an effective control environment.

Current Status

Unresolved. See finding 2024-008.

B. Compliance Findings –

**2023-004 Controls Over Reporting**

Condition

See internal control finding 2023-003.

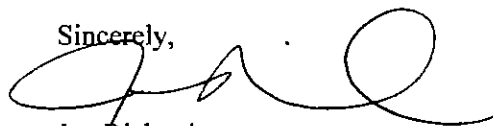
Recommendation

See internal control finding 2023-003.

Current Status

Unresolved. See finding 2024-004.

Sincerely,



Jan Richard,  
Mayor

**CITY OF SCOTT**

Scott, Louisiana

**Agreed-Upon Procedures Report**

Year Ended June 30, 2024

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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Arthur R. Mixon, CPA\*  
Stephen J. Anderson, CPA\*  
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Nicholas Fowlkes, CPA  
Deidre L. Stock, CPA

*Of Counsel*  
C. Burton Kolder, CPA\*

Victor R. Slaven, CPA\* - retired 2020  
Christine C. Doucet, CPA - retired 2022  
Gerald A. Thibodeaux, Jr., CPA\* - retired 2024

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Jan-Scott Richard, Mayor  
Members of the Board of Alderman  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2023 through June 30, 2024. The City of Scott's (The City) management is responsible for those C/C areas identified in the SAUPs.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

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

reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (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) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) **Credit Cards (and debit cards, fuel cards, purchase cards, 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).
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

#### **Board or Finance Committee**

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- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) Observe that the minutes reference or include 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) 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 reference or include a formal plan to eliminate the negative unassigned fund balance in the General Fund.
  - d) Observe whether the board/finance committee received written updates of the progress of resolving audit findings, according to management's corrective action plan at each meeting until the findings are considered fully resolved.



### ***Bank Reconciliations***

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3. Obtain a listing of the City's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the City's main operating account. Select the City'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 selected accounts, and observe that:
  - a) Bank reconciliations included written evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - b) Bank reconciliations included written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### ***Collections (excluding electronic fund transfers)***

---

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (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.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

7. 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). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - e) Trace the actual deposit per the bank statement to the general ledger.

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

---

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
  - 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.
10. For each location selected under #8 above, obtain the City's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe whether by paper or electronic means, the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - b) Observe that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3 above, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was:
  - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy.
  - b) Approved by the required number of authorized signers per the entity's policy.

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

---

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
  - a) Observe 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.
14. Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (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, describe the nature of the transaction and note whether management had compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increase scrutiny.

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

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15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, 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 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](http://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 #1g).
  - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

## ***Contracts***

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16. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe 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 agree to the terms and conditions of the contract.

## ***Payroll and Personnel***

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

### *Ethics*

---

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

### *Debt Service*

---

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

### *Fraud Notice*

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25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the City reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the City is domiciled as required by R.S. 24:523.

**The City represented that there were no misappropriations of public funds and assets during the fiscal year.**

26. Observe that the City has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

### *Information Technology Disaster Recovery/Business Continuity*

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27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
  - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

***We performed the procedure and discussed the results with management.***

- 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.

***We performed the procedure and discussed the results with management.***

- 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.

*We performed the procedure and discussed the results with management.*

- 28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 above and:

- a) Observe evidence that the selected terminated employees have been removed or disabled from the network.

*We performed the procedure and discussed the results with management.*

- 29. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the City's information technology assets completed cybersecurity training as required by R.S. 42:1267:

- a) Completed the training if hired before June 9, 2020; and
- b) Completed the training within 30 days of initial service or employment if hired on or after June 9, 2020.

*We performed the procedure and discussed the results with management.*

### ***Prevention of Sexual Harassment***

---

- 30. Using the 5 randomly selected employees/officials from procedure #17 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

- 31. Observe that the City 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).

- 32. Obtain the City's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe 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.

**Exceptions:**

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

**Credit Cards**

1. One of the monthly credit card statements selected for testing did not have evidence of approval by someone other than the authorized card holder.

**Management's Response:**

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Management concurs with the exception noted and is working to address the deficiency identified.

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

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

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

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

Lafayette, Louisiana  
October 22, 2024