

CITY OF YOUNGSVILLE, LOUISIANA

Financial Report

Year Ended June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

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The Honorable Ken Ritter, Mayor,
and Members of the City Council
City of Youngsville, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Youngsville, Louisiana, (the City) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, and each major fund of the City of Youngsville, Louisiana, as of June 30, 2019, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedules of employer's share of net pension liability and employer contributions on pages 49 through 55 be presented to supplement the basic financial statements. Such 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. 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 of Youngsville 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Youngsville, Louisiana's basic financial statements. The other supplementary information on pages 59 through 76 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative statements are 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. Such 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, this other supplementary information is 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 Youngsville's 2018 financial statements, which was 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, was fairly presented in all material respects in relation to the basic financial statements from which they have been derived.

The various schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2019, on our consideration of the City of Youngsville, 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 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
September 20, 2019

BASIC FINANCIAL STATEMENTS

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Net Position
June 30, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 5,760,527	\$ 2,032,278	\$ 7,792,805
Receivables, net	832,795	651,217	1,484,012
Internal balances	1,859,857	(1,859,857)	-
Inventory	5,790	-	5,790
Prepaid items	118,597	150,005	268,602
Total current assets	<u>8,577,566</u>	<u>973,643</u>	<u>9,551,209</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	12,027,394	893,835	12,921,229
Investments	359,600	-	359,600
Capital assets:			
Land and construction in progress	3,703,745	4,753,467	8,457,212
Capital assets, net	39,901,208	41,739,815	81,641,023
Total noncurrent assets	<u>55,991,947</u>	<u>47,387,117</u>	<u>103,379,064</u>
Total assets	<u>64,569,513</u>	<u>48,360,760</u>	<u>112,930,273</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	111,416	-	111,416
Deferred outflows related to pensions	992,111	-	992,111
Total deferred outflows of resources	<u>1,103,527</u>	<u>-</u>	<u>1,103,527</u>
LIABILITIES			
Current liabilities:			
Accounts, salaries and other payables	1,146,026	475,795	1,621,821
Customers' deposits	-	397,322	397,322
Capital lease payable	62,333	-	62,333
Note payable	93,528	-	93,528
Bonds payable	2,424,000	218,000	2,642,000
Accrued interest	365,709	4,643	370,352
Total current liabilities	<u>4,091,596</u>	<u>1,095,760</u>	<u>5,187,356</u>
Noncurrent liabilities:			
Capital lease payable	119,920	-	119,920
Note payable	498,824	-	498,824
DEQ water loan payable	-	170,432	170,432
Bonds payable	36,034,213	2,539,000	38,573,213
Net pension liability	1,898,512	-	1,898,512
Total noncurrent liabilities	<u>38,551,469</u>	<u>2,709,432</u>	<u>41,260,901</u>
Total liabilities	<u>42,643,065</u>	<u>3,805,192</u>	<u>46,448,257</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	97,018	-	97,018
NET POSITION			
Net investment in capital assets	13,790,759	43,702,156	57,492,915
Restricted for sales tax dedications	5,400,940	-	5,400,940
Restricted for debt service	2,626,741	246,590	2,873,331
Unrestricted	1,114,517	606,822	1,721,339
Total net position	<u>\$ 22,932,957</u>	<u>\$ 44,555,568</u>	<u>\$ 67,488,525</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2019

Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Position		
					Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,609,075	\$ 827,721	\$ -	\$ -	\$ (781,354)	\$ -	\$ (781,354)
Public safety:							
Police	3,523,138	840,405	381,621	9,300	(2,291,812)	-	(2,291,812)
Fire	1,000,305	-	-	-	(1,000,305)	-	(1,000,305)
Streets	2,618,126	-	-	-	(2,618,126)	-	(2,618,126)
Interest on long-term debt	1,580,519	-	-	-	(1,580,519)	-	(1,580,519)
Total governmental activities	<u>10,331,163</u>	<u>1,668,126</u>	<u>381,621</u>	<u>9,300</u>	<u>(8,272,116)</u>	<u>-</u>	<u>(8,272,116)</u>
Business-type activities:							
Water	2,407,937	2,377,069	-	-	-	(30,868)	(30,868)
Sewer	1,275,954	1,244,201	-	-	-	(31,753)	(31,753)
Sanitation	1,217,544	1,171,982	-	-	-	(45,562)	(45,562)
Recreation	2,893,731	1,016,962	-	-	-	(1,876,769)	(1,876,769)
Total business-type activities	<u>7,795,166</u>	<u>5,810,214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,984,952)</u>	<u>(1,984,952)</u>
Total	<u>\$ 18,126,329</u>	<u>\$ 7,478,340</u>	<u>\$ 381,621</u>	<u>\$ 9,300</u>	<u>(8,272,116)</u>	<u>(1,984,952)</u>	<u>(10,257,068)</u>
General revenues:							
Taxes -							
Ad valorem taxes							
					1,274,252	440,296	1,714,548
Sales and use taxes, levied for general purposes							
					10,161,925	-	10,161,925
Franchise taxes							
					713,298	-	713,298
Grants and contributions not restricted to specific programs -							
State sources							
					12,535	-	12,535
Non-employer pension contribution							
					44,315	-	44,315
Interest and investment earnings							
					127,709	2,834	130,543
Miscellaneous							
					140,243	-	140,243
Transfers							
					(1,550,752)	1,550,752	-
Total general revenues and transfers							
					<u>10,923,525</u>	<u>1,993,882</u>	<u>12,917,407</u>
Change in net position							
					2,651,409	8,930	2,660,339
Net position - July 1, 2018							
					<u>20,281,548</u>	<u>44,546,638</u>	<u>64,828,186</u>
Net position - June 30, 2019							
					<u>\$ 22,932,957</u>	<u>\$ 44,555,568</u>	<u>\$ 67,488,525</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR 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

1968 Sales Tax Fund -

To account for the receipt and use of proceeds of the City's 1968 1% sales and use tax. The tax is dedicated to constructing, acquiring, extending, improving and/or maintaining sewers and sewerage disposal works, waterworks, public streets, roads, alleys, sidewalks, and drainage facilities, including the purchase of equipment therefore. The tax proceeds may also be funded into bonds or used to pay any bonded or funded indebtedness of the City incurred for such capital purposes, to the extent and in the manner provided by state law.

1981 Sales Tax Fund -

To account for the receipt and use of proceeds of the City's 1981 1% sales and use tax. The tax is dedicated to maintain the City's law enforcement facilities, including the acquisition of equipment and furnishings therefore, the construction and/ or acquisition of buildings to house such facilities, and paying employees' and policemen's salaries. On November 15, 2012, 50% of the tax was rededicated to the General Fund for a period of two years ending December 31, 2014. On November 6, 2014, the 50% rededication was approved as a permanent change.

1999 Sales Tax Fund -

To account for the receipt and use of proceeds of the City's 1999 1/2% sales and use tax. The tax is dedicated to constructing, acquiring, improving, maintaining and operating sewers and sewerage disposal works for the City and to be funded into bonds to pay the capital costs thereof to the extent and in the manner permitted by state law.

Recreational Facilities Sales Tax Fund -

To account for the receipt and use of proceeds of the City's Recreational Facilities 1% sales and use tax. The tax is dedicated to pay for the debt service on the revenue bonds associated with the acquisition, construction, and equipping of a multi-purpose community center and related infrastructure and recreational facilities and ongoing operation and maintenance of the facilities.

Debt Service Fund

General Obligation Bonds Fund -

To accumulate monies for payment of the City's general obligation bonds, which are being financed by the 1968, 1999, and Recreational Facility's sales tax revenues, ad valorem tax revenues, and excess revenues of the City.

Capital Projects Fund

Street Improvements and Construction Fund -

To account for the improvements and construction of various street projects using proceeds from grant revenue and issuance of general obligation bonds.

Municipal Complex Construction Fund -

To account for the construction of the municipal complex utilizing the proceeds of the \$7,000,000 Sales Tax Bonds, Series 2018.

Enterprise Funds

Utility Fund -

To account for the provision of water, sewerage and sanitation 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.

Sports Complex Fund -

To account for the operation of the Youngsville Sports Complex facility. All fees and revenues derived from the facility and all related expenses are accounted for in this fund.

CITY OF YOUNGSVILLE, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2019

	General	1968 Sales Tax Special Revenue	1981 Sales Tax Special Revenue	1999 Sales Tax Special Revenue	Recreational Facilities Sales Tax Revenue	General Obligation Bonds	Street Improvements and Construction	Municipal Complex Construction	Total
ASSETS									
Cash and interest-bearing deposits	\$ 874,648	\$ 1,553,651	\$ 286,451	\$ 1,739,472	\$ 1,306,305	\$ 2,758,255	\$ 2,065,877	\$ 7,203,262	\$ 17,787,921
Investments	-	-	-	-	-	359,600	-	-	359,600
Receivables:									
Taxes	-	558,288	-	-	226,235	-	-	-	784,523
Due from other governmental units	-	-	-	-	-	-	-	-	-
Due from other funds	2,627,217	472,519	674,694	1,511,543	434,405	46,032	227,282	-	5,993,692
Other	48,272	-	-	-	-	-	-	-	48,272
Inventory	5,790	-	-	-	-	-	-	-	5,790
Prepaid items	56,710	-	61,887	-	-	-	-	-	118,597
Total assets	<u>\$3,612,637</u>	<u>\$2,584,458</u>	<u>\$1,023,032</u>	<u>\$3,251,015</u>	<u>\$1,966,945</u>	<u>\$3,163,887</u>	<u>\$2,293,159</u>	<u>\$7,203,262</u>	<u>\$25,098,395</u>
LIABILITIES AND FUND BALANCES									
Liabilities -									
Accounts payable	\$ 214,421	\$ 895	\$ 70,002	\$ 529	\$ 160,082	\$ -	\$ -	\$ 3,163	\$ 449,092
Contracts payable	-	-	-	-	-	-	460,169	-	460,169
Retainage payable	-	-	-	-	-	-	94,114	-	94,114
Accrued liabilities	95,325	-	47,326	-	-	-	-	-	142,651
Due to other funds	378,445	2,189,289	892,197	2,016	287	171,437	480,664	19,500	4,133,835
Total liabilities	<u>688,191</u>	<u>2,190,184</u>	<u>1,009,525</u>	<u>2,545</u>	<u>160,369</u>	<u>171,437</u>	<u>1,034,947</u>	<u>22,663</u>	<u>5,279,861</u>
Fund balances -									
Nonspendable (for prepaid items)	56,710	-	61,887	-	-	-	-	-	118,597
Restricted:									
Sales tax dedications	-	394,274	(48,380)	3,248,470	1,806,576	-	-	-	5,400,940
Debt service	-	-	-	-	-	2,992,450	-	-	2,992,450
Capital projects	-	-	-	-	-	-	1,258,212	7,180,599	8,438,811
Unassigned	2,867,736	-	-	-	-	-	-	-	2,867,736
Total fund balances	<u>2,924,446</u>	<u>394,274</u>	<u>13,507</u>	<u>3,248,470</u>	<u>1,806,576</u>	<u>2,992,450</u>	<u>1,258,212</u>	<u>7,180,599</u>	<u>19,818,534</u>
Total liabilities and fund balances	<u>\$3,612,637</u>	<u>\$2,584,458</u>	<u>\$1,023,032</u>	<u>\$3,251,015</u>	<u>\$1,966,945</u>	<u>\$3,163,887</u>	<u>\$2,293,159</u>	<u>\$7,203,262</u>	<u>\$25,098,395</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2019

Total fund balances for governmental funds at June 30, 2019		\$ 19,818,534
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. Those assets consist of:		
Land and construction in progress	\$ 3,703,745	
Buildings, net of \$767,894 accumulated depreciation	1,683,840	
Infrastructure, net of \$8,830,035 accumulated depreciation	37,076,535	
Equipment, net of \$1,620,367 accumulated depreciation	<u>1,140,833</u>	43,604,953
The deferred loss on bond refunding is not an available resource, and therefore, is not reported in the funds		111,416
The deferred outflows of expenditures for the municipal police employees retirement system are not a use of current resources, and therefore, are not reported in the funds		992,111
Long-term liabilities at June 30, 2019:		
Capital lease payable	(182,253)	
Note payable	(592,352)	
Bonds payable	(38,458,213)	
Net pension liability	(1,898,512)	
Accrued interest payable	<u>(365,709)</u>	(41,497,039)
The deferred inflows of contributions for the municipal police employees retirement system are not available resources, and therefore, are not reported in the funds		<u>(97,018)</u>
Total net position of governmental activities at June 30, 2019		<u>\$ 22,932,957</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended June 30, 2019

	General	1968 Sales Tax Special Revenue	1981 Sales Tax Special Revenue	1999 Sales Tax Special Revenue	Recreational Facilities Sales Tax Revenue	General Obligation Bonds	Street Improvements and Construction	Municipal Complex Construction	Total
Revenues:									
Taxes	\$ 3,441,995	\$ 2,902,493	\$ 1,451,247	\$ 1,451,247	\$ 2,902,493	\$ -	\$ -	\$ -	\$ 12,149,475
Licenses and permits	827,721	-	-	-	-	-	-	-	827,721
Intergovernmental	21,835	-	381,621	-	-	-	-	-	403,456
Fines and forfeits	60,335	-	780,070	-	-	-	-	-	840,405
Miscellaneous	60,416	3,185	33,312	3,060	27,249	36,002	22,526	94,515	280,265
Total revenues	<u>4,412,302</u>	<u>2,905,678</u>	<u>2,646,250</u>	<u>1,454,307</u>	<u>2,929,742</u>	<u>36,002</u>	<u>22,526</u>	<u>94,515</u>	<u>14,501,322</u>
Expenditures:									
Current -									
General government	1,415,555	33,534	23,403	17,923	26,379	-	66,878	-	1,583,672
Public safety:									
Police	-	-	2,976,880	-	-	-	-	-	2,976,880
Fire	1,000,305	-	-	-	-	-	-	-	1,000,305
Streets	1,183,914	-	-	-	-	-	-	-	1,183,914
Capital outlay	612,890	-	237,761	-	-	-	1,805,058	106,648	2,762,357
Debt service	18,369	36,738	71,842	18,369	1,683	3,194,434	-	202,065	3,543,500
Total expenditures	<u>4,231,033</u>	<u>70,272</u>	<u>3,309,886</u>	<u>36,292</u>	<u>28,062</u>	<u>3,194,434</u>	<u>1,871,936</u>	<u>308,713</u>	<u>13,050,628</u>
Excess (deficiency) of revenues over expenditures	<u>181,269</u>	<u>2,835,406</u>	<u>(663,636)</u>	<u>1,418,015</u>	<u>2,901,680</u>	<u>(3,158,432)</u>	<u>(1,849,410)</u>	<u>(214,198)</u>	<u>1,450,694</u>
Other financing sources (uses):									
Issuance of bonds	-	-	-	-	-	-	-	7,000,000	7,000,000
Premium on bonds	-	-	-	-	-	-	-	362,439	362,439
Proceeds from capital lease	-	-	40,703	-	-	-	-	-	40,703
Transfers in	984,617	-	-	-	-	3,338,035	49,335	32,358	4,404,345
Transfers out	(1,124,810)	(2,524,093)	535,379	(641,417)	(2,200,156)	-	-	-	(5,955,097)
Total other financing sources (uses)	<u>(140,193)</u>	<u>(2,524,093)</u>	<u>576,082</u>	<u>(641,417)</u>	<u>(2,200,156)</u>	<u>3,338,035</u>	<u>49,335</u>	<u>7,394,797</u>	<u>5,852,390</u>
Net changes in fund balances	41,076	311,313	(87,554)	776,598	701,524	179,603	(1,800,075)	7,180,599	7,303,084
Fund balances, beginning	<u>2,883,370</u>	<u>82,961</u>	<u>101,061</u>	<u>2,471,872</u>	<u>1,105,052</u>	<u>2,812,847</u>	<u>3,058,287</u>	<u>-</u>	<u>12,515,450</u>
Fund balances, ending	<u>\$ 2,924,446</u>	<u>\$ 394,274</u>	<u>\$ 13,507</u>	<u>\$ 3,248,470</u>	<u>\$ 1,806,576</u>	<u>\$ 2,992,450</u>	<u>\$ 1,258,212</u>	<u>\$ 7,180,599</u>	<u>\$ 19,818,534</u>

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

CITY OF YOUNGSVILLE, 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, 2019

Total net changes in fund balances at June 30, 2019 per Statement of Revenues, Expenditures and Changes in Fund Balances \$ 7,303,084

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 which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 2,750,258	
Depreciation expense for the year ended June 30, 2019	(1,644,069)	
Loss on sale/disposal of capital assets	<u>(214)</u>	1,105,975

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal and capital leases are recorded as expenditures in the governmental funds but reduce liability in the statement of net position. Also governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Bond proceeds	(7,000,000)	
Premium on bond	(362,439)	
Proceeds from capital lease	(40,703)	
Principal paid on long-term debt	2,092,000	
Principal paid on capital lease	47,172	
Principal paid on note payable	93,528	
Loss on bond refunding amortized	(138,329)	
Amortization of bond discount	<u>(5,087)</u>	(5,313,858)

Governmental funds record bond interest expense when the payments are made.

Bond interest payments owed for the current fiscal year which will be paid during the next fiscal year were accrued and are recorded as an expense in the statement of activities.	(126,303)
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Pension expense not requiring the use of current economic sources and, therefore, not recorded as a fund expenditure	(361,804)
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Non-employer's contributions to the municipal police employees retirement plan	<u>44,315</u>
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Total changes in net position at June 30, 2019 per Statement of Activities	<u>\$ 2,651,409</u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF YOUNGSRVILLE, LOUISIANA

Statement of Net Position
 Proprietary Funds
 June 30, 2019

	Utility Fund	Sports Complex Fund	Total
ASSETS			
Current assets:			
Cash	\$ 2,032,278	\$ -	\$ 2,032,278
Receivables:			
Accounts receivable (net)	478,442	131,892	610,334
Accrued interest receivable	931	-	931
Due from other funds	66,150	208	66,358
Other receivables	39,952	-	39,952
Prepaid Items	55,998	94,007	150,005
Total current assets	<u>2,673,751</u>	<u>226,107</u>	<u>2,899,858</u>
Noncurrent assets:			
Restricted assets -			
Cash	444,447	-	444,447
Interest-bearing deposits, at cost	449,388	-	449,388
Capital assets:			
Land and construction in progress	1,016,960	3,736,507	4,753,467
Other capital assets, net of accumulated depreciation	22,450,847	19,288,968	41,739,815
Total noncurrent assets	<u>24,361,642</u>	<u>23,025,475</u>	<u>47,387,117</u>
Total assets	<u>27,035,393</u>	<u>23,251,582</u>	<u>50,286,975</u>
LIABILITIES			
Current liabilities:			
Cash overdraft	-	93,603	93,603
Accounts payable	182,859	89,792	272,651
Customers' deposits	397,322	-	397,322
Contracts payable	65,924	-	65,924
Retainage payable	33,700	9,350	43,050
Other liabilities	567	-	567
Due to other funds	1,190,194	736,021	1,926,215
Payable from restricted assets -			
Revenue bonds	218,000	-	218,000
Accrued interest	4,643	-	4,643
Total current liabilities	<u>2,093,209</u>	<u>928,766</u>	<u>3,021,975</u>
Noncurrent liabilities:			
DEQ water loan payable	170,432	-	170,432
Revenue bonds payable	2,539,000	-	2,539,000
Total liabilities	<u>4,802,641</u>	<u>928,766</u>	<u>5,731,407</u>
NET POSITION			
Net investment in capital assets	20,686,031	23,016,125	43,702,156
Restricted for debt service	246,590	-	246,590
Unrestricted (deficit)	1,300,131	(693,309)	606,822
Total net position	<u>\$ 22,232,752</u>	<u>\$ 22,322,816</u>	<u>\$ 44,555,568</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position -
 Proprietary Funds
 For the Year Ended June 30, 2019

	Utility Fund	Sports Complex Fund	Total
Operating revenues:			
Charges for services -			
Water sales	\$ 2,065,918	\$ -	\$ 2,065,918
Sewer service charges	1,072,798	-	1,072,798
Sanitation charges	1,147,890	-	1,147,890
Recreation	-	904,927	904,927
Miscellaneous	506,646	112,035	618,681
Total operating revenues	<u>4,793,252</u>	<u>1,016,962</u>	<u>5,810,214</u>
Operating expenses:			
Water department	2,407,937	-	2,407,937
Sewerage department	1,247,765	-	1,247,765
Sanitation department	1,217,544	-	1,217,544
Recreation department	-	2,891,802	2,891,802
Total operating expenses	<u>4,873,246</u>	<u>2,891,802</u>	<u>7,765,048</u>
Operating loss	<u>(79,994)</u>	<u>(1,874,840)</u>	<u>(1,954,834)</u>
Nonoperating revenues (expenses):			
Ad valorem taxes	440,296	-	440,296
Interest income	2,834	-	2,834
Interest expense	(28,189)	-	(28,189)
Loss on disposal of capital assets	-	(1,929)	(1,929)
Total nonoperating revenues (expenses)	<u>414,941</u>	<u>(1,929)</u>	<u>413,012</u>
Income (loss) before transfers	334,947	(1,876,769)	(1,541,822)
Transfers in			
Transfers in	<u>550,752</u>	<u>1,000,000</u>	<u>1,550,752</u>
Change in net position	885,699	(876,769)	8,930
Net position, beginning	<u>21,347,053</u>	<u>23,199,585</u>	<u>44,546,638</u>
Net position, ending	<u>\$22,232,752</u>	<u>\$22,322,816</u>	<u>\$ 44,555,568</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended June 30, 2019

	Utility Fund	Sports Complex Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 4,328,481	\$ 852,325	\$ 5,180,806
Payments to suppliers	(3,376,398)	(1,490,792)	(4,867,190)
Payments to employees	(591,979)	(576,955)	(1,168,934)
Other receipts	506,646	112,035	618,681
Net cash provided (used) by operating activities	<u>866,750</u>	<u>(1,103,387)</u>	<u>(236,637)</u>
Cash flows from noncapital financing activities:			
Cash received from other funds	270,732	346,817	617,549
Transfers from other funds	550,752	1,000,000	1,550,752
Net cash provided by noncapital financing activities	<u>821,484</u>	<u>1,346,817</u>	<u>2,168,301</u>
Cash flows from capital and related financing activities:			
Principal paid on revenue bonds payable	(54,568)	-	(54,568)
Interest and fiscal charges paid on revenue bonds payable	(28,244)	-	(28,244)
Net increase in customer deposits payable	40,567	-	40,567
Acquisition of property, plant and equipment	(1,271,379)	(404,625)	(1,676,004)
Proceeds from ad valorem taxes	440,296	-	440,296
Net cash used by capital and related financing activities	<u>(873,328)</u>	<u>(404,625)</u>	<u>(1,277,953)</u>
Cash flows from investing activities:			
Purchase of interest-bearing deposits	(273,100)	-	(273,100)
Maturities of interest-bearing deposits	282,048	-	282,048
Interest on investments	2,963	-	2,963
Net cash provided by investing activities	<u>11,911</u>	<u>-</u>	<u>11,911</u>
Net increase (decrease) in cash and cash equivalents	826,817	(161,195)	665,622
Cash and cash equivalents, beginning of period	<u>1,826,196</u>	<u>67,592</u>	<u>1,893,788</u>
Cash and cash equivalents, end of period	<u>\$ 2,653,013</u>	<u>\$ (93,603)</u>	<u>\$ 2,559,410</u>

(continued)

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Cash Flows
 Proprietary Funds (Continued)
 For the Year Ended June 30, 2019

	Utility Fund	Sports Complex Fund	Total
Reconciliation of operating loss to net cash provided (used) by operating activities:			
Operating loss	\$ (79,994)	\$ (1,874,840)	\$ (1,954,834)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
Depreciation	820,025	889,848	1,709,873
Changes in current assets and liabilities:			
(Increase) decrease in accounts receivable	41,875	(52,602)	(10,727)
(Increase) decrease in prepaid items	(6,358)	(5,518)	(11,876)
Increase (decrease) in accounts payable	123,375	(26,196)	97,179
Increase in other liabilities	(32,173)	(34,079)	(66,252)
Net cash provided (used) by operating activities	<u>\$ 866,750</u>	<u>\$ (1,103,387)</u>	<u>\$ (236,637)</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:			
Cash and cash equivalents, beginning of period -			
Cash - unrestricted	\$ 1,269,993	\$ -	\$ 1,269,993
Cash - restricted	391,344	67,592	\$ 458,936
Interest-bearing deposits - restricted	446,907	-	446,907
Less: Interest-bearing deposits with a maturity over three months	(282,048)	-	(282,048)
Total cash and cash equivalents, beginning of period	<u>1,826,196</u>	<u>67,592</u>	<u>1,893,788</u>
Cash and cash equivalents, end of period -			
Cash - unrestricted	2,032,278	(93,603)	1,938,675
Cash - restricted	444,447	-	444,447
Interest-bearing deposits - restricted	449,388	-	449,388
Less: Interest-bearing deposits with a maturity over three months	(273,100)	-	(273,100)
Total cash and cash equivalents, end of period	<u>2,653,013</u>	<u>(93,603)</u>	<u>2,559,410</u>
Net increase (decrease)	<u>\$ 826,817</u>	<u>\$ (161,195)</u>	<u>\$ 665,622</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Youngsville (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

The City of Youngsville was incorporated under the provisions of the Lawrason Act. The City operates under the Mayor-City Council form of government.

This report includes all funds that are controlled by or dependent on the City executive and legislative branches (the Mayor and City Council). 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.

Based on the foregoing criteria, certain governmental organizations are not part of the City and are thus excluded from the accompanying financial statements. These organizations include the Youngsville Volunteer Fire Department and the Youngsville Auxiliary Police Department. Although the City does provide facilities and some of their financing, no control is exercised over their operations.

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

The major funds of the City are described below:

Governmental 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 for expenditures for specific purposes.

1981 Sales Tax Fund –

The 1981 Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted for expenditures for specific purposes.

1999 Sales Tax Fund –

The 1999 Sales Tax Fund is used to account for the proceeds of a half percent sales and use tax that is legally restricted for expenditures for specific purposes.

Recreational Facility Sales Tax Fund –

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Debt Service Fund – General Obligation Bonds Fund –

The General Obligation Bonds Fund is used to accumulate monies for payment of the City's various general obligation bonds, which are being financed by the 1968, 1999, and Recreational Facilities sales tax revenues, ad valorem tax revenues, and excess revenues of the City.

Capital Projects Funds

Street Improvements and Construction Fund –

The Street Improvements and Construction Fund is used to account for the improvements and construction of various street projects using proceeds from grant revenue and issuance of bonds.

Municipal Complex Construction Fund –

The Municipal Complex Facility Construction Fund is used to account for the construction of the municipal complex facility using proceeds from grant revenue and issuance of bonds.

Proprietary Funds -

Enterprise Funds

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 Youngsville's enterprise funds are the Utility Fund and the Sports Complex 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.

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- 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. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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

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

Cash and interest-bearing deposits

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. 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.

Under state law, the City may invest in United States bonds, treasury notes, or certificates.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Interfund receivables and payables

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

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and franchise 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 \$88,963 at June 30, 2019. 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.

Inventories

Inventory of the General Fund consists of supplies purchased which are valued at cost (first-in, first out).

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 \$1,000 or more for capitalizing capital assets.

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

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.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Sports Complex	30 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 in 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, interest-bearing deposits and investments that are legally restricted as to their use. The restricted assets are related to capital projects constructions accounts, revenue bond accounts and utility meter deposits.

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. The City recognizes deferred outflows of resources and deferred inflows of resources that are attributable to unamortized losses on bond refundings and its pension plan.

Long-term debt

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

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of the revenue bonds payable and utility meter deposits 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 principle and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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. Sick leave is accumulated by employees at a rate dependent upon number of years of employment. Although sick leave is available for employees when needed, it does not vest nor is it payable at termination of employment. Therefore, no liability has been recorded in the accounts as of June 30, 2019.

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.
- 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.
- 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 City Council, which is the highest level of decision-making authority for the City.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- 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 City Council.
- e. Unassigned – all other spendable amounts.

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 their commitment or assignment actions.

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

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

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

Interfund Transfers

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales Tax	See Note 3
Water and Sewer Revenue	Debt Service and Utility Operations

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

G. Capitalization of Interest Expense

It is the policy of the City of Youngsville to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. During the fiscal year ended June 30, 2019, there was no interest capitalized.

H. Bond Discount and Bond Issue Costs

Bond discount is being amortized by the straight-line method over the life of the related bond. Bond issue costs are expensed in the year they are incurred.

I. Use of Estimates

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(2) Ad Valorem Taxes

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

For the year ended June 30, 2019, taxes of 11.68 mills were levied on property with assessed valuations totaling \$149,116,106 and were dedicated for general corporate purposes (3.82 mills), fire protection (4.86 mills), and water services (3 mills).

Gross taxes levied for the current fiscal year totaled \$1,741,674. The taxes are remitted to the City net of deductions for pension fund contributions.

(3) Sales and Use Taxes

- A. Proceeds of a 1 percent sales and use tax, accounted for in the 1968 Sales Tax Special Revenue Fund, (2019 collections \$2,902,493) were rededicated on September 30, 2006 and are dedicated to constructing, acquiring, extending, improving and/or maintaining sewers and sewerage disposal works, waterworks, public streets, roads, alleys, sidewalks, and drainage facilities, including the purchase of equipment therefore. The tax proceeds may also be funded into bonds or used to pay any bonded or funded indebtedness of the City incurred for such capital purposes, to the extent and in the manner provided by state law. As of June 30, 2019, the net sales tax proceeds are dedicated to paying the City's \$5,000,000 2009 Sales Tax Bonds and the \$3,500,000 2014 Sales Tax Bonds.
- B. Proceeds of a 1% sales and use tax levied by the City of Youngsville, accounted for in the 1981 Sales Tax Special Revenue Fund, (2019 collections \$2,902,493) of which \$1,451,247 was transferred to the General Fund as per special election) are dedicated to providing funds to maintain the City's police force and law enforcement facilities, including the acquisition of equipment and furnishings therefore, the construction and/or acquisition of buildings to house such facilities and paying employees' and policemen's salaries. On November 15, 2012, a special election was held at which time the citizens of the City voted to rededicate 50% of the 1981 Sales Tax revenues to the General Fund for a period of two years beginning January 1, 2013 and ending December 31, 2014. On November 6, 2014, the 50% rededication was approved as a permanent change. In addition to the uses authorized in the original sales tax dedication, the rededicated tax may be used to pay for constructing, improving, and maintaining works of public improvement and acquiring equipment therefore; constructing, acquiring, operating and maintaining fire protection facilities and acquiring equipment and furnishings therefore and paying fire department salaries and benefits.
- C. Proceeds of a 1/2% percent sales and use tax, accounted for in the 1999 Sales Tax Special Revenue Fund, (2019 collections \$1,451,247) beginning September 1, 2000 are dedicated for constructing, acquiring, improving, maintaining and operating sewers and sewerage disposal works for the City, and to be funded into bonds to pay the capital costs thereof, to the extent and in the manner provided by state law. As of June 30, 2019, the net sales tax proceeds are dedicated to paying the City's \$848,000 Sales Tax Refunding Bonds, the 2010 Sewer Revenue Bonds, and the Sewer Revenue Refunding Bonds.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

D. Proceeds of a 1% percent sales and use tax, accounted for in the Recreational Facility Sales Tax Special Revenue Fund, (2019 collections \$2,902,493) beginning April 1, 2012 are dedicated for the payment of revenue bonds associated with the acquisition, construction and equipping of a Community Center and related infrastructure and recreational facilities and ongoing operation and maintenance expenses of the facilities, and for any and all other lawful purposes for which the tax may be expended. As of June 30, 2019, the net sales tax proceeds are dedicated to paying the City's \$10,000,000 Recreational Facility Sales Tax Revenue Bonds, dated May 23, 2012, and the City's \$9,500,000 Recreational Facility Sales Tax Revenue Bonds, dated May 2, 2013.

(4) 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, 2019, the City had cash and interest-bearing deposits (book balances) totaling \$20,714,034 as follows:

Non interest-bearing	\$ 5,315,597
Interest-bearing	15,107,175
Time deposits	<u>291,262</u>
Total	<u>\$20,714,034</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the City or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2019, are secured as follows:

Bank balances	<u>\$ 21,110,537</u>
Federal deposit insurance	1,078,626
Pledged securities	<u>20,031,911</u>
Total	<u>\$21,110,537</u>

Deposits in the amount of \$20,031,911 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. The City does not have a policy for custodial credit risk.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(5) Investments

Beginning with the fiscal year ended June 30, 2016, the City began categorizing its fair value measurements within the fair value hierarchy established by generally accepted accounting principles in accordance with GASB 72. As of June 30, 2019, the City had investments in U.S. treasury obligations in the amount of \$359,6010, which represents 100% of the City's investments as of this date. These investments mature in less than one year and are recorded at fair value based on quoted market rates using "level 1" inputs in accordance with GASB 72. The investments are rated AAA by Standard and Poor's and are guaranteed by the U.S. government. Accordingly, there is no interest rate risk or credit risk associated with these investments.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investments are in the name of the City. Accordingly, the City had no custodial credit risk related to investments at June 30, 2019. The City does not have a policy for custodial credit risk.

(6) Receivables

Receivables at June 30, 2019 of \$1,484,012 (\$832,795 and \$651,217 for governmental and business-type activities, respectively) consist of the following:

	General Fund	1968 Sales Tax Fund	Recreational Facilities Sales Tax	Proprietary Funds	Total
Accounts (net)	\$ -	\$ -	\$ -	\$ 610,334	\$ 610,334
Sales tax	-	558,288	226,235	-	784,523
Other	<u>48,272</u>	-	-	<u>40,883</u>	<u>89,155</u>
	<u>\$ 48,272</u>	<u>\$ 558,288</u>	<u>\$ 226,235</u>	<u>\$ 651,217</u>	<u>\$ 1,484,012</u>

(7) Restricted Assets

Restricted assets consisted of the following at June 30, 2019:

	Governmental Activities	Business-Type Activities	Total
Street improvements construction accounts	\$ 2,065,877	\$ -	\$ 2,065,877
Municipal construction account	7,203,262	-	7,203,262
Bond and interest sinking account - investments	359,600	-	359,600
Bond and interest sinking account	1,089,260	185,510	1,274,770
Bond reserve account	1,668,995	138,118	1,807,113
Bond contingency account	-	145,605	145,605
Customers' deposits	-	397,322	397,322
Revenue bond construction account	-	24,768	24,768
LCDBG sewer construction account	-	2,512	2,512
Total restricted assets	<u>\$ 12,386,994</u>	<u>\$ 893,835</u>	<u>\$ 13,280,829</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended June 30, 2019 was as follows:

	Balance 07/01/18	Additions	Deletions	Balance 06/30/19
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,288,761	\$ -	\$ -	\$ 1,288,761
Construction in progress	751,929	1,981,135	328,080	2,404,984
Other capital assets:				
Buildings	2,458,841	15,246	12,352	2,461,735
Infrastructure	45,258,268	648,302	-	45,906,570
Equipment	2,491,020	445,754	175,575	2,761,199
Totals	<u>52,248,819</u>	<u>3,090,437</u>	<u>516,007</u>	<u>54,823,249</u>
Less accumulated depreciation				
Buildings	700,045	67,889	39	767,895
Infrastructure	7,532,807	1,297,228	-	8,830,035
Equipment	1,516,989	278,952	175,575	1,620,366
Total accumulated depreciation	<u>9,749,841</u>	<u>1,644,069</u>	<u>175,614</u>	<u>11,218,296</u>
Governmental activities, capital assets, net	<u>\$42,498,978</u>	<u>\$1,446,368</u>	<u>\$340,393</u>	<u>\$43,604,953</u>
Business-type activities:				
Capital assets not being depreciated:				
Land - sewer system	\$ 241,745	\$ -	\$ -	\$ 241,745
Land - sports complex	3,471,000	-	-	3,471,000
Construction in progress	703,748	1,226,054	889,080	1,040,722
Other capital assets:				
Buildings	243,757	-	-	243,757
Water system	11,791,917	889,079	-	12,680,996
Sewer system	17,393,945	116,535	-	17,510,480
Machinery and equipment	2,157,154	199,521	3,506	2,353,169
Sports complex	22,566,257	108,161	-	22,674,418
Totals	<u>58,569,523</u>	<u>2,539,350</u>	<u>892,586</u>	<u>60,216,287</u>
Less accumulated depreciation				
Sports complex	2,896,077	831,033	-	3,727,110
Water system	3,867,880	387,399	-	4,255,279
Sewer system	4,521,214	432,626	-	4,953,840
Machinery and equipment	729,539	58,814	1,577	786,776
Total accumulated depreciation	<u>12,014,710</u>	<u>1,709,872</u>	<u>1,577</u>	<u>13,723,005</u>
Business-type activities, capital assets, net	<u>\$46,554,813</u>	<u>\$829,478</u>	<u>\$891,009</u>	<u>\$46,493,282</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Construction in progress of \$2,404,984 in the governmental activities consists of work performed through June 30, 2019 on various street improvement projects and drainage improvements. Construction in progress of \$1,040,722 in the business-type activities consists of work performed through June 30, 2019 on sewer system improvements.

Depreciation expense was charged to governmental activities as follows:

General government	\$ 25,403
Police	184,454
Streets	<u>1,434,212</u>
Total depreciation expense	<u>\$ 1,644,069</u>

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

Water	\$ 387,399
Sewer	432,626
Recreation	<u>889,847</u>
Total depreciation expense	<u>\$ 1,709,872</u>

(9) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at June 30, 2019:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ 449,092	\$ 366,254	\$ 815,346
Contracts and retainage	554,283	108,974	663,257
Other liabilities	<u>142,651</u>	<u>567</u>	<u>143,218</u>
Totals	<u>\$ 1,146,026</u>	<u>\$ 475,795</u>	<u>\$ 1,621,821</u>

(10) Long-Term Debt

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2019:

	Governmental Activities			Business-type Activities	
	General Obligation Bonds	Capital Lease	Note Payable	Revenue Bonds	Loan Payable
Balance, 07/01/2018	\$ 33,259,000	\$ 188,722	\$ 685,880	\$ 2,982,000	\$ -
Additions	7,000,000	40,703	-	-	170,432
Deletions	<u>(2,092,000)</u>	<u>(47,172)</u>	<u>(93,528)</u>	<u>(225,000)</u>	<u>-</u>
Balance, 06/30/2019	<u>\$ 38,167,000</u>	<u>\$ 182,253</u>	<u>\$ 592,352</u>	<u>\$ 2,757,000</u>	<u>\$ 170,432</u>

(continued)

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Long-Term Debt (Continued)

Long-term debt payable at June 30, 2019 is comprised of the following:

		Current Portion
General Obligation bonds -		
\$8,140,000 2011 Revenue Bonds, dated June 1, 2011; due in annual installments of \$170,000 to \$480,000 through July 1, 2041; interest at 4.625 percent, payable from lawfully available funds.	\$ 7,015,000	\$ 185,000
\$2,025,000 2012 Limited Tax Revenue Bonds, dated December 5, 2012; due in annual installments of \$222,000 to \$243,000 through May 1, 2021; interest at 2.25 percent, payable from ad valorem tax revenues.	476,000	233,000
\$848,000 2013 Sales Tax Refunding Bonds, dated January 31, 2013; due in annual installments of \$78,000 to \$87,000 through June 1, 2023; interest at 2.131 percent, payable from 1999 sales tax revenues.	336,000	81,000
\$9,500,000 2013 Recreational Facility Sales Tax Bonds, dated May 2, 2013; due in annual installments of \$400,000 to \$570,000 through December 1, 2033; interest at 3.625 percent, payable from 2012 sales tax revenues.	7,005,000	405,000
\$2,800,000 2014 Sales Tax Bonds, dated December 17, 2014; due in annual installments of \$295,000 to \$325,000 through May 1, 2026; interest at 2.41 percent, payable from 1968 sales tax revenues, rededicated in 2006.	2,205,000	305,000
\$3,495,000 2016 Sales Tax Refunding Bonds, dated September 14, 2016; due in annual installments of \$45,000 to \$385,000 through May 1, 2026; interest at 1.90 through 2.275 percent, payable from 1968 sales tax revenues, rededicated in 2006.	3,405,000	295,000
\$575,000 Water Refunding Bonds, Series 2012 2.35%, dated November 1, 2017; due in annual installments of \$45,000 to \$55,000 through May 1, 2028; interest at 2.350 percent, payable from annual revenues of the City.	480,000	50,000
\$3,500,000 2017 Sales Tax Revenue Bonds, dated December 19, 2017; due in annual installments of \$190,000 to \$280,000 through May 1, 2032; interest at 2.273 percent, payable from 1968 sales tax revenue, rededicated in 2006.	3,060,000	195,000
\$7,640,000 2017 Recreational Facility Sales Tax Revenue Refunding Bonds, date 09/13/2017; due in annual installments of \$405,000 to \$610,000 through December 1, 2032; interest at 2.29 percent, payable from 2012 sales tax revenues.	7,185,000	420,000

(continued)

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Long-Term Debt (Continued)

		<u>Current Portion</u>
\$7,000,000 Sales Tax Bonds, Series 2018, dated December 20, 2018; due in annual installments of \$255,000 to \$495,000 through December 1, 2038, interest at 4.000 percent, payable from 50 percent of the proceeds of the one percent 1981 sales tax revenues, which were permanently rededicated in 2014, and are transferred to the General Fund.	7,000,000	255,000
Total general obligation bonds payable	38,167,000	<u>\$2,424,000</u>
Add: Unamortized bond premium	362,439	
Less: Unamortized discount on issuance of debt	<u>(71,226)</u>	
Net general obligation bonds payable	<u>\$38,458,213</u>	
 Capital leases -		
\$29,973 vehicle lease dated December 12, 2016, due in 36 monthly installments of \$918, including interest at 6.84%, through December 12, 2019, secured by 1981 sales tax revenues and an asset with a carrying value of \$15,629 at June 30, 2019.	\$ 6,280	\$ 6,280
\$172,235 equipment lease dated May 10, 2018, due in 48 monthly installments of \$3,860, including interest at 3.62%, through July 29, 2022, secured by 1981 sales tax revenues and an asset with a carrying value of \$134,722 at June 30, 2019.	135,268	42,301
\$40,703 equipment lease dated February 22, 2019 due in 3 annual installments of \$14,793, including interest at 6.445%, through July 15, 2021, secured by 1981 sales tax revenues and an asset with a carrying value of \$40,703 at June 30, 2019.	<u>40,705</u>	<u>13,752</u>
Total capital leases	<u>\$ 182,253</u>	<u>\$ 62,333</u>
 Note payable -		
\$935,288 note payable to Lafayette Parish School Board, due in monthly installments of \$7,654, bearing no interest, through October 1, 2025, to recapture sales tax revenues erroneously remitted to the City by Lafayette Parish School Board.	<u>\$592,352</u>	<u>\$ 93,528</u>
 Revenue bonds -		
\$4,429,000 Sewer Revenue Bonds, Series 2010 dated June 28, 2010; due in annual installments of \$210,000 to \$242,000 through May 1, 2031; interest at .95%; secured by Utility Fund revenues, 1968 sales tax revenues, rededicated in 2006, and 1999 sales tax revenues.	<u>\$ 2,757,000</u>	<u>\$218,000</u>

(continued)

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(10) Long-Term Debt (Continued)

DEQ water loan payable -		<u>Current</u>
\$170,432 loan from Louisiana Department payable from utility system		<u>Portion</u>
revenues.	\$ 170,432	\$ -

During the fiscal year ended June 30, 2019, the city borrowed \$170,432, from the Louisiana Department of Environmental Quality as an interim loan to finance the costs of wastewater (sewer) treatment plant and upgrades. Upon completion of the project, the City will issue taxable water revenue bonds for permanent financing of the project.

The annual debt service requirements to maturity for all bonds, capital leases, and note payables as of June 30, 2019 are as follows:

Year Ending June 30,	Governmental Activities					Business-type Activities	
	Bonds		Capital Leases		Note Payable	Bonds	
	Principal payments	Interest payments	Principal payments	Interest payments	Principal payments	Principal payments	Interest payments
2020	\$ 2,424,000	\$ 1,190,741	\$ 62,333	\$ 5,200	\$ 93,528	\$ 218,000	\$ 26,192
2021	2,461,000	1,132,195	56,844	4,264	93,528	220,000	24,121
2022	2,285,000	1,071,959	59,226	1,882	93,528	222,000	22,031
2023	2,347,000	1,013,078	3,850	11	93,528	224,000	19,922
2024	2,320,000	950,540	-	-	93,528	226,000	67,251
2025-2029	11,555,000	3,747,463	-	-	124,712	1,165,000	13,709
2030-2034	9,205,000	2,091,129	-	-	-	482,000	-
2035-2039	4,190,000	815,841	-	-	-	-	-
2040-2044	1,380,000	103,390	-	-	-	-	-
Total	<u>\$38,167,000</u>	<u>\$ 12,116,336</u>	<u>\$182,253</u>	<u>\$ 11,357</u>	<u>\$592,352</u>	<u>\$2,757,000</u>	<u>\$173,226</u>

(11) Debt Defeasance

On September 14, 2016, the City defeased \$3,160,000 of Series 2009 Sales Tax Revenue Bonds by creating a separate irrevocable trust fund. On September 13, 2017, the City defeased \$8,520,000 of Series 2012 Recreation Sales Tax Revenue Bonds by creating a separate irrevocable trust fund. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore, has been removed as a liability from the City's financial statements. As of June 30, 2019, the amount of defeased debt outstanding but removed from the financial statements amounted to \$3,160,000 of Series 2009 Sales Tax Revenue Bonds and \$7,695,000 of Series 2012 Recreation Sales Tax Revenue Bonds.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(12) Flow of Funds; Restrictions on Use – Utilities and Sales Tax Revenues

Utility Revenue Bonds:

- A. Under the terms of the bond indenture on outstanding Water Revenue Bonds, Series 2009 dated April 6, 2009, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operation of the Utility System, are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into a fund called the “City of Youngsville Water Revenue Bond Sinking Fund” (the “Sinking Fund”) a sum equal to 1/6 of the interest falling due on the next interest payment date, and a sum equal to 1/12 of the principal falling due on the next principal date on all bonds payable from the Sinking Fund. Transfers from the Sinking Fund should be made to the paying agent bank at least three (3) days in advance of the date on which the payment of principal or interest falls due.

There shall also be set aside into a “City of Youngsville Water Revenue Bond Reserve Fund” (the “Reserve Fund”) a sum equal to 20% of the amount required to be paid into the Sinking Fund for each month until such time as there has been accumulated therein a sum equal to the Reserve Fund requirement of \$57,052. Such amounts may be used only for the payment of maturing bonds and interest on all bonds payable from the Sinking Fund as to which there would otherwise be default.

Funds will also be set aside into a “City of Youngsville Water Revenue Capital Additions and Contingencies Fund” (the “Contingencies Fund”), the sum of \$20,000. Money in this fund may be used to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the System. Money in this fund may also be used to pay principal or interest on the bonds falling due at any time there is not sufficient money for payment in the other bond funds. However, the balance may not fall below \$10,000.

Additionally, rates should be established and collected in order to generate net operating revenue from the System each year at least equal to 130% of the Reserve Fund requirement.

During the fiscal year ending June 30, 2018, the City issued \$575,000 of Excess Revenue Bonds, Series 2017. The proceeds from the bonds were used to purchase land and to pay off the Water Revenue Bonds Series 2009.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- B. Under the terms of the bond indentures on outstanding Sewer Revenue Bonds, Series 2010 dated June 28, 2010, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operation of the Utility System, are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into a fund called the "Sewer Revenue Bond and Interest Sinking Fund" (the Sinking Fund"), an amount sufficient to pay promptly and fully the principal and interest on the outstanding bond by transferring monthly in advance on or before the 20th day of each month a sum equal to the total amount of principal and interest accruing on the bonds for said month. Transfers from the Sinking Fund should be made to the paying agent bank at least three (3) days in advance of the date on which the payment of principal or interest falls due.

There shall also be set aside into a "Sewer Revenue Bond Reserve Fund" (the "Reserve Fund") a sum equal to 25% of the amount required to be paid into the Sinking Fund for each month until such time as there has been accumulated therein a sum equal to the Reserve Fund requirement, which amounts to \$136,220 through 2015. Such amount may be used only for the payment of maturing bonds and interest for which sufficient funds are not on deposit in the Sinking Fund and as to which there would otherwise be default.

Funds will also be set aside into a "Sewer Depreciation and Contingency Fund" (the "Contingency Fund") to care for depreciation, extensions, additions, improvements and replacements necessary to properly operate the System by transferring monthly in advance on or before the 20th day of each month until a sum equal to five percent (5%) of the net revenues for the preceding month, until \$100,000 is on deposit therein. Money in this fund shall be used to pay principal and interest on any bonds for the payment of which there is not sufficient money in the Sinking Fund or the Reserve Fund, but if so used, such money shall be replaced as soon as possible thereafter.

Additionally, rates should be established and collected in order to generate net operating revenue from the System each year at least equal to 125% of the Reserve Fund requirement.

All of the revenues received in any fiscal year and not required to be paid in such fiscal year into any of the above noted funds shall be regarded as surplus and may be used for any lawful corporate purpose.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Sales Tax Revenue Bonds:

Under the terms of the bond indentures on outstanding Sales Tax Bonds dated December 17, 2014 and September 14, 2016, all proceeds derived from the levy and collection of the 1968 sales tax are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into funds called the "Sales Tax Bond Sinking Fund, amounts constituting 1/12 of the interest, administrative fee, and principal due on the outstanding bonds for the bond year. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

There will be set aside into a fund called the "Sales Tax Bond Reserve Fund" an amount of \$414,158, a sum equal to the highest combined principal and interest in any future bond year. Such amounts may be used only for the payment of maturing bonds and interest for which sufficient funds are not on deposit in the Bond and Interest Sinking Funds and as to which there would otherwise be default.

Under the terms of the bond indentures on outstanding Recreational Facility Sales Tax Revenue Bonds dated May 23, 2012 and May 2, 2013, all proceeds derived from the levy and collection of the 2012 recreational facility sales tax are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into funds called the "Sales Tax Bond Sinking Fund", amounts constituting 1/12 of the interest and principal due on the outstanding bonds for the bond year. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

There will be set aside into a fund called the "Sales Tax Bond Reserve Fund" an amount of \$1,349,745 a sum equal to the highest combined principal and interest in any future bond year. Such amounts may be used only for the payment of maturing bonds and interest for which sufficient funds are not on deposit in the Bond and Interest Sinking Funds and as to which there would otherwise be default.

Under the terms of the bond indenture on outstanding Sales Tax Refunding Bonds dated January 31, 2013, all proceeds derived from the levy and collection of the 1999 sales tax are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into funds called the "Sales Tax Bond Sinking Fund – 2013", amounts constituting 1/12 of the interest and principal due on the outstanding bonds for the bond year. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Under the terms of the bond indenture on outstanding Sales Tax Bonds dated December 20, 2018, half of the proceeds derived from the levy and collection of the 1981 sales tax are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

Each month, there will be set aside into funds called the “Sales Tax Bond Sinking Fund – 2018”, amounts constituting 1/12 of the interest and principal due on the outstanding bonds for the bond year. Such transfers shall be fully sufficient to assure the prompt payment of principal and interest installments as they become due and may be used only for such payments.

All of the above sales taxes were issued in perpetuity.

The City of Youngsville was in compliance with all significant limitations and restrictions in the bond indentures at June 30, 2019.

(13) Pension Plan

The City participates in a cost-sharing defined benefit plan, administered by a public employee retirement system. 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 the public employee retirement system to the State Legislature. The plan is not closed to new entrants.

Municipal Police Employees’ Retirement System of Louisiana (MPERS) –

Plan Description: The Municipal Police Employees’ Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in MPERS is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing he or she does not have to pay social security and providing he or she meets the statutory criteria. MPERS provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through MPERS in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. MPERS issues a publicly available financial report that may be accessed on their website (<http://lampers.org>).

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

The system’s 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 are recognized when due and payable in accordance with the terms of the plan. Interest income is recognized when earned.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Membership Prior to January 1, 2013 – A member is eligible for regular retirement after he has been a member of MPERS and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of MPERS for 20 years of creditable service at any age with an actuarially reduced benefit. Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service, not to exceed 100% of final salary. Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from forty to sixty percent of the member's average final compensation for the surviving spouse. In addition, each child under age eighteen receives benefits equal to ten percent of the member's average final compensation or \$200 per month, whichever is greater.

Membership Commencing January 1, 2013 – Member eligibility for regular retirement, early retirement, disability and survivor benefits are based on Hazardous Duty and Non Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of MPERS and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of MPERS and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member of MPERS for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under the Hazardous and Non Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

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

Deferred Retirement Option Plan:

A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in MPERS is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty-six months or less. If employment is terminated after the three-year period, the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into MPERS shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of MPERS's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on MPERS's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account.

If the member elects a money market investment return, the funds are transferred to a government money market account.

Initial Benefit Option Plan:

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

Contributions:

Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay. For the year ended June 30, 2019, total contributions due for employers and employees were 42.25%. The employer and employee contribution rates for all members hired prior to January 1, 2013 and Hazardous Duty members hired after January 1, 2013 were 32.25% and 10%, respectively.

Net Pension Liability:

At June 30, 2019, the City reported a liability of \$1,898,512 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2018, the City's proportion was .224568%, which was an increase of .054305% from its proportion measured as of June 30, 2017.

Since the measurement date of the net pension liability was June 30, 2018, the net pension liability is based upon fiduciary net position for the plan as of those dates. Detailed information about the 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 report for those fiscal years.

CITY OF YOUNGSVILLE, 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 the defined benefit plan in which the City is a participating employer:

Date of experience study on which significant assumptions are based	7/1/2009 - 6/30/2014
Actuarial cost method	Entry Age Normal Cost
Expected remaining service lives	4 years
Investment rate of return	7.20%, net of investment expense
Inflation rate	2.60%
Projected salary increases	4.25% - 9.75%
Mortality rates	<p>RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries.</p> <p>RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for females for disabled annuitants.</p> <p>RP-2000 Employee Table set back 4 year for males and 3 years for females for active members.</p>
Cost-of-living adjustments	<p>The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.</p>

Cost of Living Adjustments:

The pension plan in which the City participates has 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 system 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 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 YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term Rate of Return:

For MPERS, the long-term expected rate of return 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 table:

<u>Asset Class</u>	<u>Expected Rate of Return</u>	
	<u>Target Asset Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Equity	52%	3.58%
Fixed income	22%	0.46%
Alternative	20%	1.07%
Other	6%	0.17%
	<u>100%</u>	<u>5.28%</u>
Inflation		<u>2.75%</u>
Expected nominal return		<u>8.03%</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, 2019, the City recognized \$642,468 in pension expense related to its participation in MPERS.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to MPERS from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 8,558	\$ 97,018
Changes of assumptions	124,067	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	485,096	-
Net differences between projected and actual earnings on plan investments	91,010	-
Contributions subsequent to the measurement date	<u>283,380</u>	<u>-</u>
Total	<u>\$ 992,111</u>	<u>\$ 97,018</u>

Deferred outflows of resources of \$283,380 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2019	\$ 381,000
2020	174,050
2021	53,360
2022	<u>3,303</u>
	<u>\$ 611,713</u>

Discount Rate:

The projection of cash flows used to determine the discount rate assumed that the 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, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure MPERS's net pension liability was 7.20% for the year ended June 30, 2019, which is a decrease of .125% from the prior year.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents MPERS's net pension liability of the participating employers calculated using the discount rate of 7.20%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease 6.20%	Current Discount Rate 7.20%	1% Increase 8.20%
Net Pension Liability	<u>\$ 2,667,934</u>	<u>\$ 1,898,512</u>	<u>\$ 1,252,449</u>

Payables to the Pension Plan

At June 30, 2019, the City's payables were \$22,479 for the month of June 2019, which was the contractually required contribution.

(14) Retirement and Deferred Compensation

A. Social Security System

All City of Youngsville employees, with the exception of those participating in the Municipal Police Employees' Retirement System, participate in the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the City, 7.65% by the employee). The City's contribution during the years ended June 30, 2019, 2018, and 2017 amounted to \$225,512, \$214,488, and \$191,350, respectively.

B. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The single employer plan, the City of Youngsville 457(B) Plan, administered by the Mass Mutual Financial Group, is available to all City employees, and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City contributes 5% of wages to each participating employee account. For the year ended June 30, 2019, the City and employees contributed \$129,458 and \$96,978 respectively. The City's contributions are not mandatory.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in a trust, custodial account or annuity contract described in IRC 457(g) for the exclusive benefit of the participants and their beneficiaries. The fair market value of the deferred compensation plan assets at June 30, 2019 was \$704,274.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(15) Segment Information for the Enterprise Funds

The City of Youngsville maintains one enterprise fund with three departments which provide water, sewerage and sanitation services. Segment information for the year ended June 30, 2019, was as follows:

	Water Department	Sewerage Department	Sanitation Department	Total Utility Fund	Sports Complex Fund
Operating revenues	<u>\$ 2,377,069</u>	<u>\$ 1,244,201</u>	<u>\$ 1,171,982</u>	<u>\$ 4,793,252</u>	<u>\$ 1,016,962</u>
Operating expenses:					
Depreciation	387,399	432,626	-	820,025	889,848
Other	<u>2,020,538</u>	<u>815,139</u>	<u>1,217,544</u>	<u>4,053,221</u>	<u>2,001,954</u>
Total expenses	<u>2,407,937</u>	<u>1,247,765</u>	<u>1,217,544</u>	<u>4,873,246</u>	<u>2,891,802</u>
Operating loss	<u>\$ (30,868)</u>	<u>\$ (3,564)</u>	<u>\$ (45,562)</u>	<u>\$ (79,994)</u>	<u>\$ (1,874,840)</u>

(16) Compensation of City Officials

A detail of compensation paid to the Mayor and City Council for the year ended June 30, 2019 follows:

Ken Ritter, Mayor	\$ 67,355
City Council:	
Jamison Abshire (7/1/18 - 6/30/19)	11,630
Grayson Bolgiano (1/1/19 - 6/30/19)	6,500
Dianne McClelland (7/1/18 - 12/31/18)	5,179
Lauren Michel (7/1/18 - 12/31/18)	4,600
Matthew Romero (7/1/18 - 6/30/19)	11,101
Kenneth Stansbury (7/1/18 - 6/30/19)	11,101
Gary Williams (1/1/19 - 6/30/19)	<u>6,500</u>
	<u>\$ 123,966</u>

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

The schedule of compensation, benefits, and other payments to Ken Ritter, Mayor, for the year ended June 30, 2019 follows:

Salary	\$ 67,355
Benefits - insurance	6,129
Benefits - retirement	3,651
Car allowance	12,000
Travel	403
Cell phone	1,200
Office expense	<u>160</u>
	<u>\$ 90,898</u>

CITY OF YOUNGSVILLE, LOUISIANA
Notes to Basic Financial Statements (Continued)

(18) Risk Management

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

(19) Pending Litigation

At June 30, 2019, the City was 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 in excess of insurance coverage.

(20) On-Behalf Payments of Salaries

During the year ended June 30, 2019, the State of Louisiana paid the City's policemen \$143,308 of supplemental pay, which is included in the accompanying financial statements as intergovernmental revenues and public safety – police expenses/expenditures in the government-wide and 1981 Sales Tax Special Revenue Fund financial statements.

(21) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2019:

	Receivable	Payable
Major governmental funds:		
General Fund	\$ 2,627,217	\$ 378,445
1968 Sales Tax Special Revenue Fund	472,519	2,189,289
1981 Sales Tax Special Revenue Fund	674,694	892,197
1999 Sales Tax Special Revenue Fund	1,511,543	2,016
Recreational Facility Sales Tax Special Revenue	434,405	287
General Obligation Bonds Fund	46,032	171,437
Street Improvements and Construction Fund	227,282	500,164
Total governmental funds	5,993,692	4,133,835
Proprietary Funds:		
Enterprise Fund	66,150	1,190,194
Sports Complex Fund	208	736,021
Total proprietary funds	66,358	1,926,215
Total	\$ 6,060,050	\$ 6,060,050

These balances resulted from short-term loans made to other funds. All interfund balances will be repaid within one year.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Transfers

Transfers consisted of the following at June 30, 2019:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 984,617	\$ 1,124,810
1968 Sales Tax Special Revenue Fund	-	2,524,093
1981 Sales Tax Special Revenue Fund	-	(535,379)
1999 Sales Tax Special Revenue Fund	-	641,417
Recreational Facility Sales Tax Special Revenue	-	2,200,156
General Obligation Bonds Fund	3,338,035	-
Street Improvements and Construction Fund	49,335	-
Municipal Complex Construction Fund	32,358	-
Total governmental funds	<u>4,404,345</u>	<u>5,955,097</u>
Proprietary Funds:		
Enterprise Fund	550,752	-
Sports Complex Fund	1,000,000	-
Total proprietary funds	<u>1,550,752</u>	<u>-</u>
Total	<u>\$ 5,955,097</u>	<u>\$ 5,955,097</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.

(22) Tax Abatement

The City is subject to tax abatements granted by the Department of Economic Development. This program has the stated purpose of increasing business activity and employment in the Parish and the State. Under the program, companies commit to expand or maintain facilities or employment in the Parish, establish a new business in the Parish, or relocate an existing business to the Parish. Agreements include an abatement of ad valorem taxes for a period of 10 years from the initial assessment due. The City's ad valorem tax revenues were reduced by \$6,706 as a result of the tax abatements.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Taxes	\$ 3,352,808	\$ 3,416,440	\$ 3,441,995	\$ 25,555
Licenses and permits	980,000	712,493	827,721	115,228
Intergovernmental	26,000	26,202	21,835	(4,367)
Fines and forfeits	250,000	69,139	60,335	(8,804)
Miscellaneous	4,102	38,771	60,416	21,645
Total revenues	<u>4,612,910</u>	<u>4,263,045</u>	<u>4,412,302</u>	<u>149,257</u>
Expenditures:				
Current -				
General government	1,559,186	1,407,717	1,415,555	(7,838)
Public safety:				
Fire	1,112,400	1,002,955	1,000,305	2,650
Streets	1,322,427	1,233,137	1,183,914	49,223
Capital outlay	1,045,450	590,563	612,890	(22,327)
Debt service	22,323	18,369	18,369	-
Total expenditures	<u>5,061,786</u>	<u>4,252,741</u>	<u>4,231,033</u>	<u>21,708</u>
Excess (deficiency) of revenues over expenditures	<u>(448,876)</u>	<u>10,304</u>	<u>181,269</u>	<u>170,965</u>
Other financing sources (uses):				
Transfer from 1968 Sales Tax Fund	1,100,000	984,617	984,617	-
Transfer to 1981 Sales Tax Fund	(750,000)	(535,379)	(535,379)	-
Transfer to Debt Service Fund	(242,966)	(507,738)	(507,738)	-
Transfer to Capital Projects Fund	-	(49,335)	(49,335)	-
Transfer to Municipal Complex Fund	-	(32,358)	(32,358)	-
Total other financing sources (uses)	<u>107,034</u>	<u>(140,193)</u>	<u>(140,193)</u>	<u>-</u>
Net change in fund balance	(341,842)	(129,889)	41,076	170,965
Fund balance, beginning	<u>2,883,370</u>	<u>2,883,370</u>	<u>2,883,370</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,541,528</u>	<u>\$ 2,753,481</u>	<u>\$ 2,924,446</u>	<u>\$ 170,965</u>

CITY OF YOUNGSVILLE, LOUISIANA
1968 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$2,714,201	\$2,933,641	\$2,902,493	\$ (31,148)
Miscellaneous - interest	-	7,538	3,185	(4,353)
Total revenues	<u>2,714,201</u>	<u>2,941,179</u>	<u>2,905,678</u>	<u>(35,501)</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	23,000	22,201	21,829	372
Professional fees	8,000	12,420	11,705	715
	<u>31,000</u>	<u>34,621</u>	<u>33,534</u>	<u>1,087</u>
Debt service				
Retirement of principal	36,738	36,738	36,738	-
Total expenditures	<u>67,738</u>	<u>71,359</u>	<u>70,272</u>	<u>1,087</u>
Excess of revenues over expenditures	<u>2,683,201</u>	<u>2,869,820</u>	<u>2,835,406</u>	<u>(34,414)</u>
Other financing uses:				
Transfer to General Fund	(1,100,000)	(984,617)	(984,617)	-
Transfer to Debt Service Fund	(1,549,743)	(1,539,476)	(1,539,476)	-
Total other financing uses	<u>(2,649,743)</u>	<u>(2,524,093)</u>	<u>(2,524,093)</u>	<u>-</u>
Net change in fund balance	33,458	345,727	311,313	(34,414)
Fund balance, beginning	<u>82,961</u>	<u>82,961</u>	<u>82,961</u>	<u>-</u>
Fund balance, ending	<u>\$ 116,419</u>	<u>\$ 428,688</u>	<u>\$ 394,274</u>	<u>\$ (34,414)</u>

CITY OF YOUNGSVILLE, LOUISIANA
1981 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Taxes	\$ 1,357,101	\$ 1,442,838	\$ 1,451,247	\$ 8,409
Intergovernmental -				
State of Louisiana:				
Police supplemental pay	144,000	143,170	143,308	138
Local:				
Lafayette Parish School Board	234,375	238,313	238,313	-
LACE fines and forfeitures	415,000	792,184	780,070	(12,114)
Miscellaneous	-	19,209	33,312	14,103
Total revenues	<u>2,150,476</u>	<u>2,635,714</u>	<u>2,646,250</u>	<u>10,536</u>
Expenditures:				
Current -				
General government	16,500	23,100	23,403	(303)
Public safety:				
Police	2,830,345	2,994,709	2,976,880	17,829
Capital outlay	50,000	195,600	237,761	(42,161)
Debt service	67,312	71,842	71,842	-
Total expenditures	<u>2,964,157</u>	<u>3,285,251</u>	<u>3,309,886</u>	<u>(24,635)</u>
Deficiency of revenues over expenditures	<u>(813,681)</u>	<u>(649,537)</u>	<u>(663,636)</u>	<u>(14,099)</u>
Other financing sources:				
Proceeds from capital lease	-	40,703	40,703	-
Transfer from General Fund	750,000	535,379	535,379	-
Total other financing sources	<u>750,000</u>	<u>576,082</u>	<u>576,082</u>	<u>-</u>
Net change in fund balance	(63,681)	(73,455)	(87,554)	(14,099)
Fund balance, beginning	<u>101,061</u>	<u>101,061</u>	<u>101,061</u>	<u>-</u>
Fund balance, ending	<u>\$ 37,380</u>	<u>\$ 27,606</u>	<u>\$ 13,507</u>	<u>\$ (14,099)</u>

CITY OF YOUNGSVILLE, LOUISIANA
1999 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 1,357,101	\$ 1,442,838	\$ 1,451,247	\$ 8,409
Miscellaneous - interest	-	1,493	3,060	1,567
Total revenues	<u>1,357,101</u>	<u>1,444,331</u>	<u>1,454,307</u>	<u>9,976</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	11,500	11,100	10,908	192
Professional fees	<u>5,000</u>	<u>7,398</u>	<u>7,015</u>	<u>383</u>
Total general government	16,500	18,498	17,923	575
Debt service -				
Retirement of principal	<u>18,369</u>	<u>18,369</u>	<u>18,369</u>	-
Total expenditures	<u>34,869</u>	<u>36,867</u>	<u>36,292</u>	<u>575</u>
Excess of revenues over expenditures	<u>1,322,232</u>	<u>1,407,464</u>	<u>1,418,015</u>	<u>10,551</u>
Other financing uses:				
Transfer to Debt Service Fund	(88,865)	(90,665)	(90,665)	-
Transfer to Utility Fund	<u>(1,225,000)</u>	<u>(550,752)</u>	<u>(550,752)</u>	-
Total other financing uses	<u>(1,313,865)</u>	<u>(641,417)</u>	<u>(641,417)</u>	-
Net change in fund balance	8,367	766,047	776,598	10,551
Fund balance, beginning	<u>2,471,872</u>	<u>2,471,872</u>	<u>2,471,872</u>	-
Fund balance, ending	<u>\$ 2,480,239</u>	<u>\$ 3,237,919</u>	<u>\$ 3,248,470</u>	<u>\$ 10,551</u>

CITY OF YOUNGSVILLE, LOUISIANA
Recreational Facilities Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 2,704,963	\$ 2,933,641	\$ 2,902,493	\$ (31,148)
Miscellaneous - interest	-	21,339	27,249	5,910
Total revenues	<u>2,704,963</u>	<u>2,954,980</u>	<u>2,929,742</u>	<u>(25,238)</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	23,000	22,201	21,829	372
Professional fees	-	5,607	4,550	1,057
Total general government	<u>23,000</u>	<u>27,808</u>	<u>26,379</u>	<u>1,429</u>
Debt service -				
Principal	<u>1,683</u>	<u>1,683</u>	<u>1,683</u>	<u>-</u>
Total expenditures	<u>24,683</u>	<u>29,491</u>	<u>28,062</u>	<u>1,429</u>
Excess of revenues over expenditures	<u>2,680,280</u>	<u>2,925,489</u>	<u>2,901,680</u>	<u>(23,809)</u>
Other financing uses:				
Transfer to Debt Service Fund	(1,289,495)	(1,200,156)	(1,200,156)	-
Transfer to Sports Complex Fund	(950,000)	(1,000,000)	(1,000,000)	-
Total other financing uses	<u>(2,239,495)</u>	<u>(2,200,156)</u>	<u>(2,200,156)</u>	<u>-</u>
Net change in fund balance	440,785	725,333	701,524	(23,809)
Fund balance, beginning	<u>1,105,052</u>	<u>1,105,052</u>	<u>1,105,052</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,545,837</u>	<u>\$ 1,830,385</u>	<u>\$ 1,806,576</u>	<u>\$ (23,809)</u>

CITY OF YOUNGSVILLE, LOUISIANA

Municipal Police Employees' Retirement System
 Schedule of Employer's Share of Net Pension Liability
 For the Year Ended June 30, 2019*

<u>Year Ended June 30,</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2019	0.224568%	\$ 1,898,512	\$ 878,697	216.1%	71.89%
2018	0.170263%	1,486,468	727,925	204.2%	70.08%
2017	0.167798%	1,572,740	506,611	310.4%	66.04%
2016	0.081512%	638,651	470,515	135.7%	70.73%
2015	0.044360%	277,519	216,095	241.4%	75.10%

* 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.

CITY OF YOUNGSVILLE, LOUISIANA

Municipal Police Employees' Retirement System
 Schedule of Employer Contributions
 For the Year Ended June 30, 2019

<u>Year Ended June 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
2019	\$ 283,380	\$ 283,380	\$ -	\$ 878,697	32.25%
2018	223,834	223,834	-	727,925	30.75%
2017	160,849	160,849	-	506,611	31.75%
2016	138,802	138,802	-	470,515	29.50%
2015	68,070	68,070	-	216,095	31.50%

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

CITY OF YOUNGSVILLE, 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:

1. Prior to June 15, the City Clerk submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing the following July 1.
2. A summary of the proposed budget is published, and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
5. 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 City Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the City Council. Such amendments were not material in relation to the original appropriations.

(2) Pension Plan

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 plan. There were no changes of benefit terms for the year ended June 30, 2019.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(3) Excess of Expenditures Over Appropriations

For the year ended June 30, 2019, the following funds had actual expenditures over appropriations, at the functional level, as follows:

Fund and Function	Budget	Actual	Excess
General Fund:			
Administrative	\$ 1,407,717	\$ 1,415,555	\$ (7,838)
Capital Outlay	590,563	612,890	(22,327)
1981 Sales Tax Special Revenue Fund:			
General government	23,100	23,403	(303)
Capital Outlay	195,600	237,761	(42,161)

OTHER SUPPLEMENTARY INFORMATION

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Net Position

June 30, 2019

With Comparative Totals for June 30, 2018

	2019			2018
	Governmental Activities	Business-Type Activities	Total	Total
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 5,760,527	\$ 2,032,278	\$ 7,792,805	\$ 6,073,770
Receivables, net	832,795	651,217	1,484,012	1,483,520
Internal balances	1,859,857	(1,859,857)	-	-
Inventory	5,790	-	5,790	5,790
Prepaid items	118,597	150,005	268,602	248,346
Total current assets	<u>8,577,566</u>	<u>973,643</u>	<u>9,551,209</u>	<u>7,811,426</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	12,027,394	893,835	12,921,229	6,728,151
Investments	359,600	-	359,600	349,708
Capital assets:				
Land and construction in progress	3,703,745	4,753,467	8,457,212	6,467,183
Capital assets, net	<u>39,901,208</u>	<u>41,739,815</u>	<u>81,641,023</u>	<u>82,586,608</u>
Total noncurrent assets	<u>55,991,947</u>	<u>47,387,117</u>	<u>103,379,064</u>	<u>96,131,650</u>
Total assets	<u>64,569,513</u>	<u>48,360,760</u>	<u>112,930,273</u>	<u>103,943,076</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on bond refunding	111,416	-	111,416	249,745
Deferred outflows related to pensions	992,111	-	992,111	811,963
Total deferred outflows	<u>1,103,527</u>	<u>-</u>	<u>1,103,527</u>	<u>1,061,708</u>
LIABILITIES				
Current liabilities:				
Accounts, salaries and other payables	1,146,026	475,795	1,621,821	1,038,557
Customers' deposits	-	397,322	397,322	356,755
Capital lease payable	62,333	-	62,333	47,172
Note payable	93,528	-	93,528	93,528
Bonds payable	2,424,000	218,000	2,642,000	2,317,000
Accrued interest	365,709	4,643	370,352	244,104
Total current liabilities	<u>4,091,596</u>	<u>1,095,760</u>	<u>5,187,356</u>	<u>4,097,116</u>
Noncurrent liabilities:				
Capital lease payable	119,920	-	119,920	141,550
Note payable	498,824	-	498,824	592,352
DEQ water loan payable	-	170,432	170,432	-
Bonds payable	36,034,213	2,539,000	38,573,213	33,847,687
Net pension liability	1,898,512	-	1,898,512	1,486,468
Total noncurrent liabilities	<u>38,551,469</u>	<u>2,709,432</u>	<u>41,260,901</u>	<u>36,068,057</u>
Total liabilities	<u>42,643,065</u>	<u>3,805,192</u>	<u>46,448,257</u>	<u>40,165,173</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	97,018	-	97,018	11,425
NET POSITION				
Net investment in capital assets	13,790,759	43,702,156	57,492,915	56,513,591
Restricted for sales tax dedications	5,400,940	-	5,400,940	3,702,467
Restricted for debt service	2,626,741	246,590	2,873,331	2,788,659
Unrestricted	1,114,517	606,822	1,721,339	1,823,469
Total net position	<u>\$ 22,932,957</u>	<u>\$ 44,555,568</u>	<u>\$ 67,488,525</u>	<u>\$ 64,828,186</u>

CITY OF YOUNGSVILLE, LOUISIANA

Balance Sheet
General and Special Revenue Funds
June 30, 2019

With Comparative Totals for June 30, 2018

	General		1968 Sales Tax Revenue		1981 Sales Tax Revenue		1999 Sales Tax Revenue		Recreational Facility Sales Tax Revenue	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
ASSETS										
Cash and interest-bearing deposits	\$ 874,648	\$ 1,183,402	\$ 1,553,651	\$ 768,506	\$ 286,451	\$ 335,197	\$ 1,739,472	\$ 1,741,162	\$ 1,306,305	\$ 707,918
Receivables:										
Taxes	-	-	558,288	621,585	-	-	-	-	226,235	251,565
Due from other funds	2,627,217	2,145,363	472,519	362,233	674,694	94,617	1,511,543	838,493	434,405	300,000
Other	48,272	8,992	-	-	-	-	-	-	-	-
Inventory	5,790	5,790	-	-	-	-	-	-	-	-
Prepaid items	56,710	51,738	-	-	61,887	58,479	-	-	-	-
Total assets	<u>\$3,612,637</u>	<u>\$3,395,285</u>	<u>\$2,584,458</u>	<u>\$1,752,324</u>	<u>\$1,023,032</u>	<u>\$488,293</u>	<u>\$3,251,015</u>	<u>\$2,579,655</u>	<u>\$1,966,945</u>	<u>\$1,259,483</u>
LIABILITIES AND FUND BALANCES										
Liabilities -										
Accounts payable	\$ 214,421	\$ 229,690	\$ 895	\$ 775	\$ 70,002	\$ 82,737	\$ 529	\$ 445	\$ 160,082	\$ -
Retainage payable	-	31,198	-	-	-	-	-	-	-	-
Accrued liabilities	95,325	154,721	-	-	47,326	113,844	-	-	-	-
Due to other funds	378,445	96,306	2,189,289	1,668,588	892,197	190,651	2,016	107,338	287	154,431
Total liabilities	<u>688,191</u>	<u>511,915</u>	<u>2,190,184</u>	<u>1,669,363</u>	<u>1,009,525</u>	<u>387,232</u>	<u>2,545</u>	<u>107,783</u>	<u>160,369</u>	<u>154,431</u>
Fund balances -										
Nonspendable (prepaid items)	56,710	51,738	-	-	61,887	58,479	-	-	-	-
Restricted for sales tax dedications	-	-	394,274	82,961	(48,380)	42,582	3,248,470	2,471,872	1,806,576	1,105,052
Unassigned	2,867,736	2,831,632	-	-	-	-	-	-	-	-
Total fund balances	<u>2,924,446</u>	<u>2,883,370</u>	<u>394,274</u>	<u>82,961</u>	<u>13,507</u>	<u>101,061</u>	<u>3,248,470</u>	<u>2,471,872</u>	<u>1,806,576</u>	<u>1,105,052</u>
Total liabilities and fund balances	<u>\$3,612,637</u>	<u>\$3,395,285</u>	<u>\$2,584,458</u>	<u>\$1,752,324</u>	<u>\$1,023,032</u>	<u>\$488,293</u>	<u>\$3,251,015</u>	<u>\$2,579,655</u>	<u>\$1,966,945</u>	<u>\$1,259,483</u>

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2019
With Comparative Amounts for the Year Ended June 30, 2018

	Budget		Actual	Variance with	2018
	Original	Final		Final Budget Positive (Negative)	
Revenues:					
Taxes	\$ 3,352,808	\$ 3,416,440	\$ 3,441,995	\$ 25,555	\$ 3,188,074
Licenses and permits	980,000	712,493	827,721	115,228	1,049,096
Intergovernmental	26,000	26,202	21,835	(4,367)	130,275
Fines and forfeits	250,000	69,139	60,335	(8,804)	85,885
Miscellaneous	4,102	38,771	60,416	21,645	26,138
Total revenues	<u>4,612,910</u>	<u>4,263,045</u>	<u>4,412,302</u>	<u>149,257</u>	<u>4,479,468</u>
Expenditures:					
Current -					
General government	1,559,186	1,407,717	1,415,555	(7,838)	1,749,468
Public safety:					
Fire	1,112,400	1,002,955	1,000,305	2,650	988,413
Streets	1,322,427	1,233,137	1,183,914	49,223	1,138,151
Capital outlay	1,045,450	590,563	612,890	(22,327)	1,271,952
Debt service	22,323	18,369	18,369	-	18,369
Total expenditures	<u>5,061,786</u>	<u>4,252,741</u>	<u>4,231,033</u>	<u>21,708</u>	<u>5,166,353</u>
Excess (deficiency) of revenues over expenditures	<u>(448,876)</u>	<u>10,304</u>	<u>181,269</u>	<u>170,965</u>	<u>(686,885)</u>
Other financing sources (uses):					
Transfer from 1968 Sales Tax Fund	1,100,000	984,617	984,617	-	1,000,000
Transfer to 1981 Sales Tax Fund	(750,000)	(535,379)	(535,379)	-	(674,470)
Transfer from (to) Debt Service Fund	(242,966)	(507,738)	(507,738)	-	33,212
Transfer to Capital Projects Fund	-	(49,335)	(49,335)	-	(21,459)
Transfer to Municipal Complex Fund	-	(32,358)	(32,358)	-	-
Total other financing sources (uses)	<u>107,034</u>	<u>(140,193)</u>	<u>(140,193)</u>	<u>-</u>	<u>337,283</u>
Net change in fund balance	<u>(341,842)</u>	<u>(129,889)</u>	<u>41,076</u>	<u>170,965</u>	<u>(349,602)</u>
Fund balance, beginning	<u>2,883,370</u>	<u>2,883,370</u>	<u>2,883,370</u>	<u>-</u>	<u>3,232,972</u>
Fund balance, ending	<u>\$ 2,541,528</u>	<u>\$ 2,753,481</u>	<u>\$ 2,924,446</u>	<u>\$ 170,965</u>	<u>\$ 2,883,370</u>

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2019
With Comparative Amounts for the Year Ended June 30, 2018

	2019		Actual	Variance with Final Budget Positive (Negative)	2018 Actual
	Budget				
	Original	Final			
Taxes:					
Ad valorem taxes	\$ 1,373,030	\$ 1,284,158	\$ 1,274,252	\$ (9,906)	\$ 1,202,791
Rededication from 1981 Sales Tax	1,337,278	1,442,838	1,451,247	8,409	1,335,550
Hotel motel sales tax	7,500	3,352	3,198	(154)	4,443
Franchise - electric	480,000	518,240	555,582	37,342	530,018
Franchise - gas	80,000	102,935	100,161	(2,774)	52,452
Franchise - cable	75,000	64,917	57,555	(7,362)	62,820
Total taxes	<u>3,352,808</u>	<u>3,416,440</u>	<u>3,441,995</u>	<u>25,555</u>	<u>3,188,074</u>
Licenses and permits:					
Occupational licenses	22,000	13,890	12,450	(1,440)	16,500
Insurance occupational licenses	220,000	207,931	318,905	110,974	283,567
Codes and permits	738,000	490,672	496,366	5,694	749,029
Total licenses and permits	<u>980,000</u>	<u>712,493</u>	<u>827,721</u>	<u>115,228</u>	<u>1,049,096</u>
Intergovernmental:					
Federal Grant - FEMA	-	-	-	-	103,849
State of Louisiana - Beer taxes	16,000	15,042	12,535	(2,507)	16,073
State grants	10,000	11,160	9,300	(1,860)	10,353
Total intergovernmental	<u>26,000</u>	<u>26,202</u>	<u>21,835</u>	<u>(4,367)</u>	<u>130,275</u>
Fines and forfeits:					
Fines and court costs	250,000	69,139	60,335	(8,804)	85,885
Miscellaneous:					
Interest	200	622	2,375	1,753	925
Other sources	3,902	38,149	58,041	19,892	25,213
Total miscellaneous	<u>4,102</u>	<u>38,771</u>	<u>60,416</u>	<u>21,645</u>	<u>26,138</u>
Total revenues	<u>\$ 4,612,910</u>	<u>\$ 4,263,045</u>	<u>\$ 4,412,302</u>	<u>\$ 149,257</u>	<u>\$ 4,479,468</u>

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019
With Comparative Amounts for the Year Ended June 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
General government:					
Administrative -					
Compensation - mayor and council	\$ 134,460	\$ 123,860	\$ 123,966	\$ (106)	\$ 124,420
Other salaries	258,571	188,558	189,680	(1,122)	205,217
Payroll taxes and retirement	51,000	36,975	37,073	(98)	44,600
Group insurance	28,000	19,411	19,322	89	26,027
Utilities and telephone	25,200	29,089	29,130	(41)	29,350
Mayor's expense	13,200	13,200	13,763	(563)	12,000
Auto allowance	16,200	11,232	11,272	(40)	8,047
Advertising	30,000	18,194	17,942	252	31,823
Repairs and maintenance	52,800	12,128	11,102	1,026	60,187
Dues and publications	14,000	10,867	8,923	1,944	14,796
Professional fees	75,000	80,494	79,371	1,123	148,781
General insurance	78,000	62,700	66,688	(3,988)	58,293
Office supplies	34,000	27,252	26,618	634	33,736
Computer expense	20,000	53,888	55,923	(2,035)	121,134
Convention expense	5,000	8,105	8,429	(324)	3,609
Community relations	34,000	42,492	41,569	923	29,523
Uniform expense	2,400	1,343	443	900	2,289
Engineering	180,000	316,415	340,930	(24,515)	187,453
Contract services	70,000	31,426	31,240	186	125,910
Annexation	12,000	11,699	14,809	(3,110)	10,003
Mardi Gras expense	18,000	20,595	20,595	-	16,285
Collection expense	12,500	11,100	10,908	192	11,325
Miscellaneous	10,000	13,151	16,616	(3,465)	18,055
Total administrative	<u>1,174,331</u>	<u>1,144,174</u>	<u>1,176,312</u>	<u>(32,138)</u>	<u>1,322,863</u>
Code enforcement -					
Salaries and related expenses	-	-	199	(199)	40,250
Auto expense	1,500	-	-	-	80
Convention expense	1,500	-	-	-	-
Telephone	500	-	-	-	-
Inspection fees	310,000	221,669	198,916	22,753	326,317
Total code enforcement	<u>313,500</u>	<u>221,669</u>	<u>199,115</u>	<u>22,554</u>	<u>366,647</u>
Magistrate court -					
Professional fees and other salaries	29,355	19,446	21,313	(1,867)	29,175
Payroll taxes and retirement	1,500	1,012	1,008	4	1,112
Computer services	5,000	-	-	-	0
Court costs	34,000	21,416	17,807	3,609	29,671
Dues and subscriptions	1,500	-	-	-	-
Total magistrate court	<u>71,355</u>	<u>41,874</u>	<u>40,128</u>	<u>1,746</u>	<u>59,958</u>
Total general government	<u>1,559,186</u>	<u>1,407,717</u>	<u>1,415,555</u>	<u>(7,838)</u>	<u>1,749,468</u>

(continued)

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended June 30, 2019
With Comparative Amounts for the Year Ended June 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
Public safety:					
Fire -					
Appropriation to volunteer fire department for operations	1,112,400	1,002,955	1,000,305	2,650	988,413
Streets and drainage:					
Salaries	288,627	309,190	308,268	922	267,045
Payroll taxes and retirement	44,800	39,080	38,894	186	30,150
Group insurance	40,000	53,083	52,887	196	39,665
General insurance	26,000	19,787	23,387	(3,600)	22,420
Contract labor	130,000	134,885	114,830	20,055	129,420
Telephone and utilities	8,000	23,762	18,889	4,873	18,607
Supplies, materials and repairs	260,000	358,645	335,700	22,945	296,879
Office supplies	8,000	9,271	7,489	1,782	12,423
Auto and truck expense	78,000	71,059	71,619	(560)	85,817
Street lighting	120,000	110,214	110,628	(414)	121,101
Engineering fees	100,000	84,514	79,824	4,690	102,915
Professional fees	10,000	9,426	11,703	(2,277)	8,650
Uniforms	3,000	7,021	6,509	512	2,321
Disaster cleanup	205,000	-	-	-	-
Miscellaneous	1,000	3,200	3,287	(87)	738
Total streets and drainage	<u>1,322,427</u>	<u>1,233,137</u>	<u>1,183,914</u>	<u>49,223</u>	<u>1,138,151</u>
Capital outlay:					
General government -					
Land	-	-	-	-	276,026
Buildings and improvements	300,000	9,893	10,046	(153)	29,096
City hall equipment	-	5,000	5,157	(157)	22,402
Highways and streets -					
Equipment	117,250	207,231	204,835	2,396	243,362
Vehicles	93,200	-	-	-	26,187
Street improvements and drainage	535,000	368,439	392,852	(24,413)	674,879
Total capital outlay	<u>1,045,450</u>	<u>590,563</u>	<u>612,890</u>	<u>(22,327)</u>	<u>1,271,952</u>
Debt service:					
Principal	22,323	18,369	18,369	-	18,369
Interest and fiscal charges	-	-	-	-	-
Total debt service	<u>22,323</u>	<u>18,369</u>	<u>18,369</u>	<u>-</u>	<u>18,369</u>
Total expenditures	<u>\$ 5,061,786</u>	<u>\$ 4,252,741</u>	<u>\$ 4,231,033</u>	<u>\$ 21,708</u>	<u>\$ 5,166,353</u>

CITY OF YOUNGSVILLE, LOUISIANA
1981 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2019
With Comparative Amounts for the Year Ended June 30, 2018

	2019			Variance with Final Budget Positive (Negative)	2018 Actual
	Budget		Actual		
	Original	Final			
General government -					
Sales tax collection fees	\$ 11,500	\$ 11,100	\$ 10,908	\$ 192	\$ 11,325
Professional fees	5,000	12,000	12,495	(495)	7,130
Total general government	<u>16,500</u>	<u>23,100</u>	<u>23,403</u>	<u>(303)</u>	<u>18,455</u>
Public safety -					
Police -					
Salaries	1,328,445	1,398,942	1,401,085	(2,143)	1,261,172
On-behalf payments - salaries	144,000	143,170	143,308	(138)	125,077
Civil service salaries	4,500	4,200	4,200	-	4,550
Payroll taxes and retirement	491,100	416,700	415,943	757	423,326
Group insurance	171,000	186,059	184,048	2,011	176,018
Repairs and maintenance	5,000	10,784	11,716	(932)	5,467
Office supplies and expense	26,500	26,032	23,883	2,149	25,850
Dues and subscriptions	1,800	667	856	(189)	1,689
Telephone and utilities	40,000	51,422	47,515	3,907	45,948
Insurance	94,000	87,236	88,144	(908)	83,535
Auto expense	172,000	216,169	214,361	1,808	169,200
Uniforms and supplies	24,000	23,158	23,481	(323)	24,820
Contract labor	92,000	21,830	14,952	6,878	10,193
Court expense	150,000	280,854	274,836	6,018	184,277
Training	26,000	10,452	9,654	798	12,154
Professional fees	45,000	92,272	92,451	(179)	101,924
Radio rent	-	7,459	8,185	(726)	423
Miscellaneous	15,000	17,303	18,262	(959)	8,255
Total public safety	<u>2,830,345</u>	<u>2,994,709</u>	<u>2,976,880</u>	<u>17,829</u>	<u>2,663,878</u>
Capital outlay -					
Police autos	50,000	133,131	128,610	4,521	102,746
Police equipment	-	62,469	109,151	(46,682)	180,035
Total capital outlay	<u>50,000</u>	<u>195,600</u>	<u>237,761</u>	<u>(42,161)</u>	<u>282,781</u>
Debt service -					
Retirement of principal	61,423	65,541	65,541	-	27,901
Interest expense	5,889	6,301	6,301	-	1,485
Total debt service	<u>67,312</u>	<u>71,842</u>	<u>71,842</u>	<u>-</u>	<u>29,386</u>
Total expenditures	<u>\$ 2,964,157</u>	<u>\$ 3,285,251</u>	<u>\$ 3,309,886</u>	<u>\$ (24,635)</u>	<u>\$ 2,994,500</u>

CITY OF YOUNGSVILLE, LOUISIANA
Debt Service Fund
General Obligation Bonds

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2019
With Comparative Amounts for the Year Ended June 30, 2018

	2019		Variance with Final Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenues (interest)	\$ 34,477	\$ 36,002	\$ 1,525	\$ 19,745
Expenditures:				
Debt service -				
Retirement of principal	2,092,000	2,092,000	-	1,780,000
Interest and fiscal charges	1,102,434	1,102,434	-	914,422
Transfer to escrow agent	-	-	-	1,099,076
Bond issuance costs	-	-	-	74,500
Total expenditures	<u>3,194,434</u>	<u>3,194,434</u>	<u>-</u>	<u>3,867,998</u>
Deficiency of revenues over expenditures	<u>(3,159,957)</u>	<u>(3,158,432)</u>	<u>1,525</u>	<u>(3,848,253)</u>
Other financing sources (uses):				
Bond proceeds	-	-	-	8,215,000
Transfer to escrow agent	-	-	-	(7,550,910)
Transfer to General Fund	-	-	-	(33,212)
Transfer to Utility Fund	-	-	-	(252,948)
Transfers from 1968 Sales Tax Fund	1,539,476	1,539,476	-	1,570,279
Transfers from 1999 Sales Tax Fund	90,665	90,665	-	263,488
Transfers from Recreational Sales Tax Fund	1,200,156	1,200,156	-	1,111,454
Transfer from Capital Projects Fund	-	-	-	275,464
Transfer from General Fund	<u>507,738</u>	<u>507,738</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>3,338,035</u>	<u>3,338,035</u>	<u>-</u>	<u>3,598,615</u>
Net change in fund balance	178,078	179,603	1,525	(249,638)
Fund balance, beginning	<u>2,812,847</u>	<u>2,812,847</u>	<u>-</u>	<u>3,062,485</u>
Fund balance, ending	<u>\$ 2,990,925</u>	<u>\$ 2,992,450</u>	<u>\$ 1,525</u>	<u>\$ 2,812,847</u>

CITY OF YOUNGSVILLE, LOUISIANA
 Capital Projects Fund
 Street Improvements and Construction Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2019
 With Comparative Amounts for the Year Ended June 30, 2018

	2019		Variance with Final Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenues:				
Miscellaneous -				
Interest	\$ 16,847	\$ 22,526	\$ 5,679	\$ 7,429
Expenditures:				
Current -				
General government:				
Professional fees	59,202	66,878	(7,676)	18,117
Capital outlay - streets	1,724,066	1,805,058	(80,992)	634,620
Debt service - bond issuance costs	-	-	-	55,610
Total expenditures	<u>1,783,268</u>	<u>1,871,936</u>	<u>(88,668)</u>	<u>708,347</u>
Deficiency of revenues over expenditures	<u>(1,766,421)</u>	<u>(1,849,410)</u>	<u>(82,989)</u>	<u>(700,918)</u>
Other financing sources (uses):				
Bond proceeds	-	-	-	3,500,000
Transfer from Utility Fund	-	-	-	42,180
Transfer from General Fund	49,335	49,335	-	21,459
Transfer from Recreational Facility Fund	-	-	-	25,186
Transfer to Debt Service Fund	-	-	-	(275,464)
Total other financing sources (uses)	<u>49,335</u>	<u>49,335</u>	<u>-</u>	<u>3,313,361</u>
Net change in fund balance	(1,717,086)	(1,800,075)	(82,989)	2,612,443
Fund balance, beginning	<u>3,058,287</u>	<u>3,058,287</u>	<u>-</u>	<u>445,844</u>
Fund balance, ending	<u>\$ 1,341,201</u>	<u>\$ 1,258,212</u>	<u>\$(82,989)</u>	<u>\$ 3,058,287</u>

CITY OF YOUNGSVILLE, LOUISIANA
 Capital Projects Fund
 Municipal Complex Construction Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2019
 With Comparative Amounts for the Year Ended June 30, 2018

	2019		Variance with Final Budget Positive (Negative)	2018 Actual
	Budget	Actual		
Revenues				
Miscellaneous - Interest	\$ 77,806	\$ 94,515	\$ 16,709	\$ -
Expenditures:				
Capital outlay - Municipal Complex	97,812	106,648	(8,836)	-
Debt service - bond issuance costs	202,065	202,065	-	-
Total expenditures	<u>299,877</u>	<u>308,713</u>	<u>(8,836)</u>	<u>-</u>
Deficiency of revenues over expenditures	<u>(222,071)</u>	<u>(214,198)</u>	<u>7,873</u>	<u>-</u>
Other financing sources:				
Bond proceeds	7,000,000	7,000,000	-	-
Premium on bonds	362,439	362,439	-	-
Transfer from General Fund	32,358	32,358	-	-
Total other financing sources	<u>7,394,797</u>	<u>7,394,797</u>	<u>-</u>	<u>-</u>
Net change in fund balance	7,172,726	7,180,599	7,873	-
Fund balance, beginning	-	-	-	-
Fund balance, ending	<u>\$ 7,172,726</u>	<u>\$ 7,180,599</u>	<u>\$ 7,873</u>	<u>\$ -</u>

CITY OF YOUNGSVILLE, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
June 30, 2019 and 2018

Records maintained by the City indicated the following number of customers were being served during the months of June 30, 2019 and 2018:

<u>Department</u>	<u>2019</u>	<u>2018</u>
Water (metered)	5,617	5,412
Sewerage	4,594	4,329
Garbage	5,649	5,217

CITY OF YOUNGSVILLE, LOUISIANA

Schedule of Insurance in Force
(Unaudited)
June 30, 2019

<u>Description of Coverage</u>	<u>Policy Expiration Date</u>	<u>Coverage Amounts</u>
Workmens' compensation: Employer's liability	01/01/20	\$ 1,000,000
Surety bonds: Position Bond	06/27/20	617,662
Automobile liability	05/01/20	2,078,027
Buildings, contents and machinery: Property coverage / wind and hail damage	05/19/20	500,250
Law enforcement officer's liability	05/01/20	500,000
General liability	05/01/20	1,000,000
Equipment	05/01/20	1,368,543
Sports complex:		
Property coverage	05/12/20	14,842,443
General liability (occurrence / aggregate)	05/12/20	1,000,000
Liquor Liability	05/12/20	1,000,000
Excess liability	05/12/20	1,000,000
Special Risk - Recreational Program	03/28/20	100,000
Automobile liability		
Hired Auto Liability	05/12/20	1,000,000
Non-Owed Auto Liability	05/12/20	1,000,000
Workmens' compensation: Employer's liability	01/01/20	1,000,000

CITY OF YOUNGSVILLE, LOUISIANA
 Combined Schedule of Interest-Bearing Deposits
 June 30, 2019

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
General Fund:				
Whitney Bank -				
Interest-bearing deposits	N/A	N/A	variable	<u>473,011</u>
Sales Tax Funds:				
Iberia Bank -				
Interest-bearing deposits	N/A	N/A	variable	1,310,245
Whitney Bank -				
Interest-bearing deposits				<u>1,423,187</u>
Total Sales Tax Funds				<u>2,733,432</u>
Street Improvements and Construction Capital Projects Fund:				
Iberia Bank -				
Interest-bearing deposits	N/A	N/A	variable	2,067,538
Interest-bearing deposits	N/A	N/A	variable	<u>7,203,262</u>
Total Street Improvements and Construction Capital Projects Fund				<u>9,270,800</u>
Debt Service Fund:				
Iberia Bank -				
Interest-bearing deposits	N/A	N/A	variable	<u>1,483,201</u>
Utility Fund:				
Whitney Bank -				
Interest-bearing deposits	N/A	N/A	variable	1,146,731
Certificate of deposit	365 days	05/10/20	0.80%	17,377
Certificate of deposit	365 days	11/16/19	0.70%	20,441
Certificate of deposit	365 days	07/06/19	0.80%	27,417
Certificate of deposit	365 days	05/10/20	0.80%	9,020
Certificate of deposit	60 days	08/12/19	0.54%	7,114
Certificate of deposit	365 days	07/06/19	0.80%	9,169
Certificate of deposit	365 days	04/07/20	0.80%	34,736
Certificate of deposit	365 days	11/28/19	0.80%	11,048
Farmers State Bank -				
Certificate of deposit	365 days	01/21/20	0.26%	11,000
Certificate of deposit	365 days	01/21/20	0.26%	10,917
Certificate of deposit	365 days	01/21/20	0.26%	10,832
Certificate of deposit	365 days	10/20/19	0.42%	<u>122,191</u>
Total Utility Fund				<u>1,437,993</u>
Total all funds				<u>\$ 15,398,437</u>

CITY OF YOUNGSVILLE, LOUISIANA
Enterprise Fund
Utility Fund

Statement of Net Position
June 30, 2019

With Comparative Amounts for the Year Ended June 30, 2018

	2019	2018
ASSETS		
Current assets:		
Cash	\$ 2,032,278	\$ 1,269,993
Receivables:		
Accounts receivable (net)	478,442	520,317
Accrued interest receivable	931	1,060
Due from other funds	66,150	173,488
Other receivables	39,952	711
Prepaid items	55,998	49,640
Total current assets	2,673,751	2,015,209
Noncurrent assets:		
Restricted assets -		
Cash	444,447	391,344
Interest-bearing deposits, at cost	449,388	446,907
Capital assets:		
Land and construction in progress	1,016,960	945,493
Other capital assets, net of accumulated depreciation	22,450,847	22,106,043
Total noncurrent assets	24,361,642	23,889,787
Total assets	27,035,393	25,904,996
LIABILITIES		
Current liabilities:		
Accounts payable	182,859	59,484
Customers' deposits	397,322	356,755
Contracts payable	65,924	69,423
Retainage payable	33,700	26,043
Other liabilities	567	32,740
Due to other funds	1,190,194	1,026,800
Payable from restricted assets -		
Revenue bonds	218,000	225,000
Accrued interest	4,643	4,698
Total current liabilities	2,093,209	1,800,943
Noncurrent liabilities:		
DEQ water loan payable	170,432	-
Revenue bonds payable	2,539,000	2,757,000
Total noncurrent liabilities	2,709,432	2,757,000
Total liabilities	4,802,641	4,557,943
NET POSITION		
Net investment in capital assets	20,686,031	20,235,650
Restricted for debt service	246,590	215,218
Unrestricted	1,300,131	896,185
Total net position	\$ 22,232,752	\$ 21,347,053

CITY OF YOUNGSVILLE, LOUISIANA
Enterprise Fund
Utility Fund

Departmental Statement of Revenues and Expenses
For the Year Ended June 30, 2019
With Comparative Amounts for the Year Ended June 30, 2018

	<u>Totals</u>	
	<u>2019</u>	<u>2018</u>
Operating revenues:		
Customer service charges	\$ 4,286,606	\$ 3,901,015
Miscellaneous	<u>506,646</u>	<u>620,229</u>
Total operating revenues	<u>4,793,252</u>	<u>4,521,244</u>
Operating expenses:		
Salaries	470,746	427,612
Payroll taxes and retirement	54,840	51,899
Group insurance	66,393	61,990
Sewer tests	23,105	25,898
Water purchases	1,052,025	950,033
Maintenance and repairs	401,397	544,461
Contract labor/ maintenance fees	157,394	160,116
Utilities and telephone	139,304	136,652
Professional fees	94,971	142,546
Engineering fees	118,869	185,248
General insurance	79,632	76,230
Office expense	53,476	57,303
Supplies and parts	150,013	230,305
Garbage collection fees	1,110,821	981,607
Depreciation	820,025	809,215
Miscellaneous	<u>80,235</u>	<u>68,891</u>
Total operating expenses	<u>4,873,246</u>	<u>4,910,006</u>
Operating income (loss)	<u>(79,994)</u>	<u>(388,762)</u>
Nonoperating revenues (expenses):		
Ad valorem taxes	440,296	422,324
Interest income	2,834	1,812
Interest expense	<u>(28,189)</u>	<u>(35,458)</u>
Total nonoperating revenues (expenses)	<u>414,941</u>	<u>388,678</u>
Income (loss) before contributions and transfers	<u>334,947</u>	<u>(84)</u>
Capital contributions	<u>-</u>	<u>221,940</u>
Transfers in (out):		
Transfers in	550,752	843,559
Transfers out	<u>-</u>	<u>(42,180)</u>
Total transfers in (out)	<u>550,752</u>	<u>801,379</u>
Change in net position	885,699	1,023,235
Net position, beginning	<u>21,347,053</u>	<u>20,323,818</u>
Net position, ending	<u>\$ 22,232,752</u>	<u>\$ 21,347,053</u>

Water		Sewerage		Sanitation	
2019	2018	2019	2018	2019	2018
\$2,065,918	\$1,922,145	\$1,072,798	\$ 904,448	\$1,147,890	\$1,074,422
<u>311,151</u>	<u>433,886</u>	<u>171,403</u>	<u>160,657</u>	<u>24,092</u>	<u>25,686</u>
<u>2,377,069</u>	<u>2,356,031</u>	<u>1,244,201</u>	<u>1,065,105</u>	<u>1,171,982</u>	<u>1,100,108</u>
271,995	238,685	130,075	129,292	68,676	59,635
30,488	28,619	16,540	16,386	7,812	6,894
34,187	29,982	19,222	19,772	12,984	12,236
-	-	23,105	25,898	-	-
1,052,025	950,033	-	-	-	-
223,390	358,257	178,007	186,204	-	-
24,270	27,478	133,124	132,638	-	-
21,656	18,784	117,648	117,868	-	-
52,149	62,763	42,368	58,742	454	21,041
42,869	77,978	76,000	107,270	-	-
51,170	49,325	28,462	26,905	-	-
39,626	49,161	13,850	8,142	-	-
117,779	194,910	15,437	19,183	16,797	16,212
-	-	-	-	1,110,821	981,607
387,399	403,098	432,626	406,117	-	-
<u>58,934</u>	<u>59,098</u>	<u>21,301</u>	<u>8,804</u>	<u>-</u>	<u>989</u>
<u>2,407,937</u>	<u>2,548,171</u>	<u>1,247,765</u>	<u>1,263,221</u>	<u>1,217,544</u>	<u>1,098,614</u>
<u>\$ (30,868)</u>	<u>\$ (192,140)</u>	<u>\$ (3,564)</u>	<u>\$ (198,116)</u>	<u>\$ (45,562)</u>	<u>\$ 1,494</u>

CITY OF YOUNGSVILLE, LOUISIANA
Enterprise Fund
Sports Complex Fund

Statement of Net Position

June 30, 2019

With Comparative Amounts for the Year Ended June 30, 2018

	2019	2018
ASSETS		
Current assets:		
Cash	\$ -	\$ 67,592
Receivables:		
Accounts receivable (net)	131,892	79,290
Due from other funds	208	208
Prepaid items	94,007	88,489
Total current assets	226,107	235,579
Noncurrent assets:		
Capital assets:		
Land and construction in progress	3,736,507	3,471,000
Other capital assets, net of accumulated depreciation	19,288,968	20,032,277
Total noncurrent assets	23,025,475	23,503,277
Total assets	23,251,582	23,738,856
LIABILITIES		
Current liabilities:		
Cash overdraft	93,603	-
Accounts payable	89,792	115,988
Retainage payable	9,350	-
Other liabilities	-	34,079
Due to other funds	736,021	389,204
Total current liabilities	928,766	539,271
NET POSITION		
Net investment in capital assets	23,016,125	23,503,277
Unrestricted (deficit)	(693,309)	(303,692)
Total net position	\$ 22,322,816	\$ 23,199,585

CITY OF YOUNGSVILLE, LOUISIANA
Enterprise Fund
Sports Complex Fund

Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2019
With Comparative Amounts for the Year Ended June 30, 2018

	Totals	
	2019	2018
Operating revenues:		
Charges for services -		
Sponsorship fees	\$ 348,908	\$ 315,081
Tournament and league income	416,669	322,409
Concession sales	70,519	70,344
Gate fees	66,983	85,979
Tennis fees	1,848	1,932
Miscellaneous	112,035	75,856
Total operating revenues	1,016,962	871,601
Operating expenses:		
Salaries	444,455	399,158
Payroll and retirement	60,052	55,702
Group insurance	72,448	68,250
Advertising	1,897	26,993
Auto expense	22,048	15,787
Awards	1,398	12,317
Contract labor	360,692	305,171
Depreciation expense	889,848	878,110
Equipment expense	9,063	10,967
General insurance	140,573	123,543
Professional fees	43,827	43,014
Office supplies and expense	27,185	62,207
Repairs and maintenance	210,357	157,864
Security expense	101,760	61,365
Sponsorship fees	60,319	70,506
Supplies	91,431	125,706
Telephone and utilities	136,326	166,548
Training	7,639	449
Tournament fees	174,343	216,751
Uniforms	4,986	3,197
Miscellaneous	31,155	93,523
Total operating expenses	2,891,802	2,897,128
Operating loss	(1,874,840)	(2,025,527)
Nonoperating income (expenses):		
Loss on disposal of capital assets	(1,929)	(3,488)
Total nonoperating income (expenses)	(1,929)	(3,488)
Loss before transfers	(1,876,769)	(2,029,015)
Transfers in	1,000,000	980,000
Change in net position	(876,769)	(1,049,015)
Net position, beginning	23,199,585	24,248,600
Net position, ending	\$ 22,322,816	\$ 23,199,585

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

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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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*

WWW.KCSRCPAS.COM

* A Professional Accounting Corporation

The Honorable Ken Ritter, Mayor
and Members of the City Council
City of Youngsville, 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, and each major fund of the City of Youngsville, Louisiana (the City) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated September 20, 2019.

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) to determine the 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 were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2019-001(IC) that we consider to be a material weakness.

Compliance and Other Matters

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

The City of Youngsville, Louisiana's Response to Findings

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

Purpose of this Report

The purpose of this report is intended 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 and compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Statements* 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
September 20, 2019

CITY OF YOUNGSVILLE, LOUISIANA

Summary Schedule of Current and Prior Year Findings
And Management's Corrective Action Plan (Continued)

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

A. Internal Control Findings –

2019-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

CONDITION: The City did not have adequate segregation of functions within the accounting system.

CRITERIA: The City should have a control policy according to which no person should be given responsibility for more than one related function.

CAUSE: Due to the size of the City, there are a small number of available employees.

EFFECT: The City has employees that are performing more than one related function.

RECOMMENDATION: The City should establish and monitor mitigating controls over functions that are not completely segregated.

MANAGEMENT'S CORRECTION ACTION PLAN: Due to the size of the operations and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.

Part II. Prior Year Findings

A. Internal Control Findings -

2018-001 Inadequate Segregation of Accounting Functions

Fiscal year finding initially occurred: Unknown

CONDITION: The City did not have adequate segregation of functions within the accounting system.

RECOMMENDATION: The City should establish and monitor mitigating controls over functions that are not completely segregated.

CURRENT STATUS: Unresolved. See finding 2019-001.

2018-002 Qualified Staff Person to Apply GAAP

Fiscal year finding initially occurred: 2007

CONDITION: The City did not have a staff person with the necessary qualifications and training to apply GAAP in recording their financial transactions or to prepare their financial statements and related notes.

RECOMMENDATION: The City should evaluate the cost-benefit of establishing internal controls over the preparation of the financial statements and related notes in accordance with GAAP.

CURRENT STATUS: Resolved.

CITY OF YOUNGSVILLE

Youngsville, Louisiana

Agreed-Upon Procedures Report

Year Ended June 30, 2019

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

* A Professional Accounting Corporation

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To the Mayor and Board of Aldermen of the
City of Youngsville, Louisiana and the
Louisiana Legislative Auditor

We have performed the procedures enumerated below, which were agreed to by the City of Youngsville (City) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2018 through June 30, 2019. The entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. We obtained and inspected the entity's written policies and procedures and observed that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes
 - c) **Disbursements**, including processing, reviewing, and approving
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation)
 - e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked
 - f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read 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) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Board or Finance Committee

(The following procedures were not performed since there were no exceptions in the prior year.)

- 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 referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds.
 - c) Obtain the prior year audit report and observed the unrestricted fund balance in the General Fund. If the General Fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the General Fund.

Bank Reconciliations

- 3. We obtained a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. We asked management to identify the entity's main operating account. We selected the entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). We randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for selected accounts, and observed that:
 - a) Bank reconciliations included 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 evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections

- 4. We obtained 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. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
- 5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed 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. We inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
- 7. We randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected 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.* Obtained supporting documentation for each of the 10 deposits and:
 - a) We observed that receipts are sequentially pre-numbered.
 - b) We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) We traced the deposit slip total to the actual deposit per the bank statement.
 - d) We observed 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).
 - e) We traced the actual deposit per the bank statement to the general ledger.

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

(The following procedures were not performed since there were no exceptions in the prior year.)

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

Credit Cards/Debit Cards/Fuel Cards/P-Cards

11. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
12. Using the listing prepared by management, we randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtained supporting documentation, and:
 - a) Observed 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, by someone other than the authorized card holder.
 - b) Observed that finance charges and late fees were not assessed on the selected statements.
13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, we randomly selected 10 transactions (or all transactions if less than 10) from each statement, and obtained supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, we observed 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).

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

14. We obtained 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. We randomly selected 5 reimbursements, obtained 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, we agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) We observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

(The following procedures were not performed since there were no exceptions in the prior year.)

15. 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.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

(The following procedures were not performed since there were no exceptions in the prior year.)

16. 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.
- a) Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
 - b) 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.)

- c) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - d) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
17. 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, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
18. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

19. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
- a) Observed that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
 - b) Observed that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

Debt Service

(The following procedures were not performed since there were no exceptions in the prior year.)

20. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
21. 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.

Other

22. We obtained a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. We selected all misappropriations on the listing, obtained supporting documentation, and observed that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
23. We observed that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions:

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

Written Policies and Procedures:

1. The entity does not have written policies and procedures regarding disaster recovery/business continuity.

Management's response: The entity will update their written policies and procedures to include a disaster recovery/business continuity policy.

Bank Reconciliations:

2. There was no evidence on the bank reconciliations that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation.

Management's response: The entity will implement a policy to review all bank reconciliations prepared and to provide evidence on the bank reconciliation that the procedure has been done.

Credit Cards:

3. Of the five credit card statements tested, one incurred a finance charge.

Management's response: Management will pay their credit card statements timely in order to ensure finance charges are not incurred.

4. Of the 5 credit cards tested, two did not have original receipts attached.

Management's response: Management will require for all individuals to turn in the original receipts.

Travel and Expense Reimbursement:

5. The entity does not use the State of Louisiana nor the U.S. General Services Administration per diem disbursement rates.

Management's response: The entity will implement the approved rates by the State.

Ethics:

6. Of the five employees selected, four did not take the ethics training during the fiscal year.

Management's response: Management will make sure employees comply with their ethics training within the fiscal year.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the City of Youngsville and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
September 20, 2019