

CITY OF YOUNGSVILLE, LOUISIANA

Financial Report

Year Ended June 30, 2024

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter

As described in Note 22 to the financial statements, the 2023 financial statements have been restated to correct a misstatement.

Change in Accounting Principle

As described in Note 22 to the financial statements, in 2024, the City adopted new accounting guidance, GASB Statement No. 100, Accounting Changes and Error Corrections. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we exercise professional judgement and maintain professional skepticism throughout the audit. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed. We evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements. We conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, schedule of employer's share of net pension liability and schedule of employer contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The City of Youngsville has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements.

Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

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

The prior year comparative information on these statements has been derived from the City of Youngsville's 2023 financial statements, which were restated in the current year, 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 as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules but does not include the basic financials and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2025, on our consideration of the City of Youngsville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Youngsville, Louisiana's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
February 28, 2025

BASIC FINANCIAL STATEMENTS

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Net Position
June 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 11,248,562	\$ 674,711	\$ 11,923,273
Investments	2,961,342	-	2,961,342
Receivables, net	3,089,311	940,005	4,029,316
Due from other governmental agencies	1,067,760	-	1,067,760
Prepaid items	111,375	240,308	351,683
Restricted cash and cash equivalents	-	7,882,220	7,882,220
Capital assets:			
Land and construction in progress	10,320,145	23,399,884	33,720,029
Capital assets, net	74,888,584	53,695,889	128,584,473
Right-of-use lease assets, net	31,088	-	31,088
Total assets	<u>103,718,167</u>	<u>86,833,017</u>	<u>190,551,184</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	-	64,991	64,991
Deferred outflows related to pensions	2,533,794	-	2,533,794
Total deferred outflows of resources	<u>2,533,794</u>	<u>64,991</u>	<u>2,598,785</u>
LIABILITIES			
Accounts, salaries and other payables	3,498,273	2,597,505	6,095,778
Unearned revenue	1,427,661	-	1,427,661
Customers' deposits	-	780,966	780,966
Right-of-use lease liability	31,712	-	31,712
Accrued interest	154,988	84,777	239,765
Long-term liabilities:			
Portion due or payable within one year	2,268,820	1,975,000	4,243,820
Portion due or payable after one year	30,121,180	35,414,769	65,535,949
Net pension liability	5,659,855	-	5,659,855
Total liabilities	<u>43,162,489</u>	<u>40,853,017</u>	<u>84,015,506</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	2,372	-	2,372
NET POSITION			
Net investment in capital assets	50,100,057	37,901,459	88,001,516
Restricted for:			
Sales tax dedications	6,147,657	-	6,147,657
Debt service	2,981,724	3,649,206	6,630,930
Capital projects	3,294,441	3,367,271	6,661,712
Unrestricted	563,221	1,127,055	1,690,276
Total net position	<u>\$ 63,087,100</u>	<u>\$ 46,044,991</u>	<u>\$ 109,132,091</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, 2024

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 4,034,120	\$ 1,532,936	\$ -	\$ 3,959,149	\$ 1,457,965	\$ -	\$ 1,457,965
Public safety:							
Police	5,800,669	1,105,764	634,558	-	(4,060,347)	-	(4,060,347)
Fire	2,019,303	-	-	-	(2,019,303)	-	(2,019,303)
Streets	3,852,081	-	123,645	-	(3,728,436)	-	(3,728,436)
Interest on long-term debt	1,105,426	-	-	-	(1,105,426)	-	(1,105,426)
Total governmental activities	<u>16,811,599</u>	<u>2,638,700</u>	<u>758,203</u>	<u>3,959,149</u>	<u>(9,455,547)</u>	<u>-</u>	<u>(9,455,547)</u>
Business-type activities:							
Water	4,816,292	4,248,860	-	-	-	(567,432)	(567,432)
Sewer	2,315,873	2,419,794	-	-	-	103,921	103,921
Sanitation	2,154,141	1,991,981	-	-	-	(162,160)	(162,160)
Recreation	6,573,733	1,376,184	-	1,000,000	-	(4,197,549)	(4,197,549)
Total business-type activities	<u>15,860,039</u>	<u>10,036,819</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>(4,823,220)</u>	<u>(4,823,220)</u>
Total	<u>\$ 32,671,638</u>	<u>\$ 12,675,519</u>	<u>\$ 758,203</u>	<u>\$ 4,959,149</u>	<u>(9,455,547)</u>	<u>(4,823,220)</u>	<u>(14,278,767)</u>
General revenues:							
Taxes -							
Ad valorem taxes					1,725,942	589,788	2,315,730
Sales and use taxes, levied for general purposes					18,085,018	-	18,085,018
Franchise taxes					1,050,759	-	1,050,759
Grants and contributions not restricted to specific programs -							
State sources					24,733	63,640	88,373
Non-employer pension contribution					123,554	-	123,554
Interest and investment earnings					369,057	14,068	383,125
Miscellaneous					383,421	-	383,421
Transfers					(5,723,386)	5,723,386	-
Total general revenues and transfers					<u>16,039,098</u>	<u>6,390,882</u>	<u>22,429,980</u>
Change in net position					6,583,551	1,567,662	8,151,213
Net position, June 30, 2023 (as restated)					<u>56,503,549</u>	<u>44,477,329</u>	<u>100,980,878</u>
Net position, June 30, 2024					<u>\$ 63,087,100</u>	<u>\$ 46,044,991</u>	<u>\$ 109,132,091</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 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.

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, 2024

	General	1968 Sales Tax Special Revenue	1981 Sales Tax Special Revenue	1999 Sales Tax Special Revenue	Recreational Facilities Sales Tax Revenue	Street Improvements and Construction	General Obligation Bonds	Non-major fund	Total
ASSETS									
Cash and interest-bearing deposits	\$ 1,947,674	\$ 1,085,146	\$ 851,764	\$ 1,225,029	\$ 886,127	\$ 2,115,999	\$ 3,136,712	\$ 111	\$ 11,248,562
Investments	-	-	-	-	-	2,961,342	-	-	2,961,342
Receivables:									
Taxes	562,755	807,236	403,618	403,618	813,097	-	-	-	2,990,324
Due from other governmental agencies	118,517	-	-	-	-	949,243	-	-	1,067,760
Due from other funds	-	-	-	-	-	602,818	-	-	602,818
Other	86,817	-	11,795	-	375	-	-	-	98,987
Prepaid items	67,483	-	43,892	-	-	-	-	-	111,375
Total assets	<u>\$ 2,783,246</u>	<u>\$ 1,892,382</u>	<u>\$ 1,311,069</u>	<u>\$ 1,628,647</u>	<u>\$ 1,699,599</u>	<u>\$ 6,629,402</u>	<u>\$ 3,136,712</u>	<u>\$ 111</u>	<u>\$ 19,081,168</u>
LIABILITIES AND FUND BALANCES									
Liabilities -									
Accounts payable	\$ 263,326	\$ 317	\$ 56,325	\$ 320	\$ -	\$ -	\$ -	\$ -	\$ 320,288
Contracts payable	-	-	-	-	-	2,486,134	-	-	2,486,134
Retainage payable	-	-	-	-	-	348,827	-	-	348,827
Accrued liabilities	169,214	-	173,810	-	-	-	-	-	343,024
Unearned revenue	927,661	-	-	-	-	500,000	-	-	1,427,661
Due to other funds	493,442	109,376	-	-	-	-	-	-	602,818
Total liabilities	<u>1,853,643</u>	<u>109,693</u>	<u>230,135</u>	<u>320</u>	<u>-</u>	<u>3,334,961</u>	<u>-</u>	<u>-</u>	<u>5,528,752</u>
Fund balances -									
Nonspendable	67,483	-	43,892	-	-	-	-	-	111,375
Restricted:									
Sales tax dedications	-	1,782,689	1,037,042	1,628,327	1,699,599	-	-	-	6,147,657
Debt service	-	-	-	-	-	-	3,136,712	-	3,136,712
Capital projects	-	-	-	-	-	3,294,441	-	-	3,294,441
Unassigned	862,120	-	-	-	-	-	-	111	862,231
Total fund balances	<u>929,603</u>	<u>1,782,689</u>	<u>1,080,934</u>	<u>1,628,327</u>	<u>1,699,599</u>	<u>3,294,441</u>	<u>3,136,712</u>	<u>111</u>	<u>13,552,416</u>
Total liabilities and fund balances	<u>\$ 2,783,246</u>	<u>\$ 1,892,382</u>	<u>\$ 1,311,069</u>	<u>\$ 1,628,647</u>	<u>\$ 1,699,599</u>	<u>\$ 6,629,402</u>	<u>\$ 3,136,712</u>	<u>\$ 111</u>	<u>\$ 19,081,168</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, 2024

Total fund balances for governmental funds at June 30, 2024		\$ 13,552,416
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 governmental funds.		
Capital assets, net		85,208,729
Intangible right-of-use assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds.		
Right of use lease assets, net		31,088
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.		2,533,794
Long-term liabilities at June 30, 2024:		
Long-term liabilities	\$ (32,390,000)	
Right-of-use lease liabilities	(31,712)	
Accrued interest payable	(154,988)	
Net pension liability	<u>(5,659,855)</u>	(38,236,555)
The deferred inflows of contributions for the municipal police employees retirement system are not available resources, and therefore, are not reported in the governmental funds.		<u>(2,372)</u>
Total net position of governmental activities at June 30, 2024		<u>\$ 63,087,100</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, 2024

	General	1968 Sales Tax Special Revenue	1981 Sales Tax Special Revenue	1999 Sales Tax Special Revenue	Recreational Facilities Sales Tax Revenue	Street Improvements and Construction	General Obligation Bonds	Non-major fund	Total
Revenues:									
Taxes	\$ 5,363,602	\$5,165,986	\$ 2,582,993	\$ 2,582,993	\$ 5,166,145	\$ -	\$ -	\$ -	\$20,861,719
Licenses and permits	1,532,936	-	-	-	-	-	-	-	1,532,936
Intergovernmental	148,378	-	634,558	-	-	3,959,149	-	-	4,742,085
Fines and forfeits	109,354	-	996,410	-	-	-	-	-	1,105,764
Miscellaneous	313,834	24,626	67,487	8,816	105,957	187,457	385	26,741	735,303
Total revenues	<u>7,468,104</u>	<u>5,190,612</u>	<u>4,281,448</u>	<u>2,591,809</u>	<u>5,272,102</u>	<u>4,146,606</u>	<u>385</u>	<u>26,741</u>	<u>28,977,807</u>
Expenditures:									
Current -									
General government	2,594,617	40,593	25,260	26,481	54,264	6,570	-	1,424	2,749,209
Public safety:									
Police	-	-	4,855,283	-	-	-	-	-	4,855,283
Fire	2,019,303	-	-	-	-	-	-	-	2,019,303
Streets	1,827,908	-	-	-	-	-	-	-	1,827,908
Capital outlay	619,880	-	542,072	-	-	7,393,189	-	24,997	8,580,138
Debt service	350,992	39,800	19,900	19,900	11,201	-	2,996,547	-	3,438,340
Total expenditures	<u>7,412,700</u>	<u>80,393</u>	<u>5,442,515</u>	<u>46,381</u>	<u>65,465</u>	<u>7,399,759</u>	<u>2,996,547</u>	<u>26,421</u>	<u>23,470,181</u>
Excess (deficiency) of revenues over expenditures	<u>55,404</u>	<u>5,110,219</u>	<u>(1,161,067)</u>	<u>2,545,428</u>	<u>5,206,637</u>	<u>(3,253,153)</u>	<u>(2,996,162)</u>	<u>320</u>	<u>5,507,626</u>
Other financing sources (uses):									
Gain on sale of assets	-	-	17,175	-	-	-	-	-	17,175
Proceeds from issuance of debt	525,630	-	-	-	-	-	-	-	525,630
Transfers in	192,448	190,857	2,265,431	-	933,514	3,634,461	4,671,201	-	11,887,912
Transfers out	(750,428)	(4,990,088)	(114,083)	(1,719,094)	(5,881,649)	(2,521,999)	(1,548,056)	(85,901)	(17,611,298)
Total other financing sources (uses)	<u>(32,350)</u>	<u>(4,799,231)</u>	<u>2,168,523</u>	<u>(1,719,094)</u>	<u>(4,948,135)</u>	<u>1,112,462</u>	<u>3,123,145</u>	<u>(85,901)</u>	<u>(5,180,581)</u>
Net changes in fund balances	23,054	310,988	1,007,456	826,334	258,502	(2,140,691)	126,983	(85,581)	327,045
Fund balances, beginning (as restated)	<u>906,549</u>	<u>1,471,701</u>	<u>73,478</u>	<u>801,993</u>	<u>1,441,097</u>	<u>5,435,132</u>	<u>3,009,729</u>	<u>85,692</u>	<u>13,225,371</u>
Fund balances, ending	<u>\$ 929,603</u>	<u>\$1,782,689</u>	<u>\$ 1,080,934</u>	<u>\$ 1,628,327</u>	<u>\$ 1,699,599</u>	<u>\$ 3,294,441</u>	<u>\$ 3,136,712</u>	<u>\$ 111</u>	<u>\$13,552,416</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, 2024

Total net changes in fund balances at June 30, 2024 per statement of revenues, expenditures and changes in fund balances	\$	327,045
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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	\$ 8,418,292	
Depreciation expense	<u>(3,463,944)</u>	4,954,348

Governmental funds report intangible right-of-use assets as expenditures

However, in the statement of activities, the costs of these assets are allocated over the lease term and reported as amortization expense.

Right-of-use assets	161,846	
Amortization expense	<u>(130,758)</u>	31,088

Bond and notes payable 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 is recorded as expenditures in the governmental funds but reduces the balance of the debt 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:

Proceeds from issuance of notes payable	(363,784)	
Proceeds from right-of-use leases	(161,846)	
Principal paid on long-term debt	2,113,433	
Principal paid on right-of-use leases	130,134	
Amortization of bond premium	<u>118,549</u>	1,836,486

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.

Interest expense	(11,202)	
Pension expense	<u>(677,768)</u>	(688,970)

Non-employer's contributions to the municipal police employees retirement plan		<u>123,554</u>
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Total changes in net position at June 30, 2024 per statement of activities	\$	<u><u>6,583,551</u></u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Net Position
Proprietary Funds
June 30, 2024

	Utility Fund	Sports Complex Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 666,510	\$ 8,201	\$ 674,711
Receivables:			
Accounts receivable, net	173,723	122,780	296,503
Unbilled utility receivable	643,502	-	643,502
Prepaid items	52,522	187,786	240,308
Total current assets	<u>1,536,257</u>	<u>318,767</u>	<u>1,855,024</u>
Noncurrent assets:			
Restricted cash and cash equivalents	1,943,071	5,939,149	7,882,220
Capital assets:			
Land and construction in progress	1,167,982	22,231,902	23,399,884
Other capital assets, net of accumulated depreciation	<u>30,044,882</u>	<u>23,651,007</u>	<u>53,695,889</u>
Total noncurrent assets	<u>33,155,935</u>	<u>51,822,058</u>	<u>84,977,993</u>
Total assets	<u>34,692,192</u>	<u>52,140,825</u>	<u>86,833,017</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	<u>-</u>	<u>64,991</u>	<u>64,991</u>
LIABILITIES			
Current liabilities:			
Accounts payable	399,176	248,385	647,561
Contracts payable	379,641	872,516	1,252,157
Retainage payable	-	617,379	617,379
Accrued liabilities	56,786	23,622	80,408
Loans payable	346,000	-	346,000
Payable from restricted assets -			
Customers' deposits	780,966	-	780,966
Revenue bonds	229,000	1,400,000	1,629,000
Accrued interest	<u>6,505</u>	<u>78,272</u>	<u>84,777</u>
Total current liabilities	<u>2,198,074</u>	<u>3,240,174</u>	<u>5,438,248</u>
Noncurrent liabilities:			
Loans payable	6,905,171	-	6,905,171
Revenue bonds payable	<u>1,418,000</u>	<u>27,091,598</u>	<u>28,509,598</u>
Total noncurrent liabilities	<u>8,323,171</u>	<u>27,091,598</u>	<u>35,414,769</u>
Total liabilities	<u>10,521,245</u>	<u>30,331,772</u>	<u>40,853,017</u>
NET POSITION			
Net investment in capital assets	21,935,052	15,966,407	37,901,459
Restricted for debt service	1,155,600	2,493,606	3,649,206
Restricted for capital projects	-	3,367,271	3,367,271
Unrestricted	<u>1,080,295</u>	<u>46,760</u>	<u>1,127,055</u>
Total net position	<u>\$ 24,170,947</u>	<u>\$ 21,874,044</u>	<u>\$ 46,044,991</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, 2024

	Utility Fund	Sports Complex Fund	Total
Operating revenues:			
Charges for services -			
Water sales	\$ 3,319,244	\$ -	\$ 3,319,244
Sewer service charges	2,360,755	-	2,360,755
Sanitation charges	1,955,532	-	1,955,532
Recreation	-	1,342,526	1,342,526
Miscellaneous	1,025,104	33,658	1,058,762
Total operating revenues	<u>8,660,635</u>	<u>1,376,184</u>	<u>10,036,819</u>
Operating expenses:			
Water department	4,769,663	-	4,769,663
Sewerage department	2,250,841	-	2,250,841
Sanitation department	2,154,141	-	2,154,141
Recreation department	-	5,531,789	5,531,789
Total operating expenses	<u>9,174,645</u>	<u>5,531,789</u>	<u>14,706,434</u>
Operating loss	<u>(514,010)</u>	<u>(4,155,605)</u>	<u>(4,669,615)</u>
Nonoperating revenues (expenses):			
Ad valorem taxes	589,788	-	589,788
Interest income	10,595	3,473	14,068
Interest expense	(111,661)	(1,043,066)	(1,154,727)
Amortization of bond premium	-	31,522	31,522
Accretion of bond discount	-	(5,087)	(5,087)
Loss on bond refunding	-	(9,285)	(9,285)
State grants	63,640	-	63,640
Loss on sale of assets	-	(16,028)	(16,028)
Total nonoperating revenues (expenses)	<u>552,362</u>	<u>(1,038,471)</u>	<u>(486,109)</u>
Loss before capital contributions and transfers	38,352	(5,194,076)	(5,155,724)
Capital contributions	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>
Transfers in (out)			
Transfers in	356,308	5,902,143	6,258,451
Transfers out	(535,065)	-	(535,065)
Total transfers in (out)	<u>(178,757)</u>	<u>5,902,143</u>	<u>5,723,386</u>
Change in net position	(140,405)	1,708,067	1,567,662
Net position, beginning (as restated)	<u>24,311,352</u>	<u>20,165,977</u>	<u>44,477,329</u>
Net position, ending	<u>\$24,170,947</u>	<u>\$21,874,044</u>	<u>\$46,044,991</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, 2024

	Utility Fund	Sports Complex Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 7,719,683	\$ 1,355,196	\$ 9,074,879
Payments to suppliers	(6,326,263)	(2,494,791)	(8,821,054)
Payments to employees	(1,298,288)	(1,289,816)	(2,588,104)
Other receipts	1,025,104	33,658	1,058,762
Net cash provided (used) by operating activities	1,120,236	(2,395,753)	(1,275,517)
Cash flows from noncapital financing activities:			
Repayment of interfund loans	(496,250)	(56,791)	(553,041)
Transfers from (to) other funds	(178,757)	5,902,143	5,723,386
Net cash provided (used) by noncapital financing activities	(675,007)	5,845,352	5,170,345
Cash flows from capital and related financing activities:			
Proceeds from loans payable	794,396	-	794,396
Principal paid on bonds and loans payable	(574,000)	(1,365,000)	(1,939,000)
Interest and fiscal charges paid	(112,288)	(964,794)	(1,077,082)
Acquisition of property, plant and equipment	(1,532,751)	(12,100,297)	(13,633,048)
Proceeds from ad valorem taxes	589,788	-	589,788
Proceeds from state grants	63,640	-	63,640
Proceeds from capital contributions	-	1,000,000	1,000,000
Net cash used by capital and related financing activities	(771,215)	(13,430,091)	(14,201,306)
Cash flows from investing activities:			
Purchase of interest-bearing deposits	(306,814)	-	(306,814)
Maturities of interest-bearing deposits	299,096	-	299,096
Interest on investments	10,595	3,473	14,068
Net cash provided by investing activities	2,877	3,473	6,350
Net decrease in cash and cash equivalents	(323,109)	(9,977,019)	(10,300,128)
Cash and cash equivalents, beginning of period	2,625,876	15,924,369	18,550,245
Cash and cash equivalents, end of period	\$ 2,302,767	\$ 5,947,350	\$ 8,250,117

(continued)

CITY OF YOUNGSVILLE, LOUISIANA

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

	Utility Fund	Sports Complex Fund	Total
Reconciliation of operating loss to net cash provided (used) by operating activities:			
Operating loss	\$ (514,010)	\$ (4,155,605)	\$ (4,669,615)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
Depreciation	1,491,341	1,584,639	3,075,980
Bad debts	32,824	-	32,824
Changes in current assets and liabilities:			
(Increase) decrease in accounts receivable	(77,647)	12,670	(64,977)
Increase in unbilled utility receivables	(25,094)	-	(25,094)
Decrease in prepaid items	53,165	27,661	80,826
Increase in accounts payable	7,156	143,875	151,031
Increase in customer deposits	154,070	-	154,070
Decrease in other liabilities	(1,569)	(8,993)	(10,562)
Net cash provided (used) by operating activities	<u>\$ 1,120,236</u>	<u>\$ (2,395,753)</u>	<u>\$ (1,275,517)</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	\$ 1,035,438	\$ 78,043	\$ 1,113,481
Cash - restricted	1,889,534	15,846,326	17,735,860
Less: Interest-bearing deposits with a maturity over three months	(299,096)	-	(299,096)
Total cash and cash equivalents, beginning of period	<u>2,625,876</u>	<u>15,924,369</u>	<u>18,550,245</u>
Cash and cash equivalents, end of period -			
Cash - unrestricted	666,510	8,201	674,711
Cash - restricted	1,943,071	5,939,149	7,882,220
Less: Interest-bearing deposits with a maturity over three months	(306,814)	-	(306,814)
Total cash and cash equivalents, end of period	<u>2,302,767</u>	<u>5,947,350</u>	<u>8,250,117</u>
Net decrease in cash and cash equivalents	<u>\$ (323,109)</u>	<u>\$ (9,977,019)</u>	<u>\$ (10,300,128)</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.

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

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

CITY OF 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 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.

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:

- 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.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- 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 cash equivalents

For purposes of the statement of net position, cash and cash equivalents 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.

Investments

The City may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana Law and national banks having principal offices in Louisiana.

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 \$109,574 at June 30, 2024. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month are recorded at year end.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$3,000 or more for capitalizing capital assets in the governmental funds and \$5,000 for business-type funds.

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 unspent bond proceeds and debt reserve and sinking funds.

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 refunding's 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 bonds and notes payable.

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

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, 2024.

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. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

The City typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project. At June 30, 2024, the City reported \$21,223,199 of restricted net position, \$6,147,657 of which was restricted by enabling legislation.

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

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

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- 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.
- 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. Bond Premiums, Discounts and Bond Issue Costs

Bond premiums and discounts are 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.

H. 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.

I. Pensions

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

(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, 2024, taxes of 11.72 mills were levied on property with assessed valuations totaling \$199,698,383 and were dedicated for general corporate purposes (3.85 mills), fire protection (4.87 mills), and water services (3.00 mills).

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Gross taxes levied for the current fiscal year totaled \$2,340,466. The taxes are remitted to the City net of deductions for pension fund contributions.

(3) Sales and Use Taxes

- A. Proceeds of a 1% sales and use tax, accounted for in the 1968 Sales Tax Special Revenue Fund, (2024 collections \$5,165,986) 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. This tax is perpetual.
- 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, (2024 collections \$5,165,986) of which \$2,582,993 was transferred to the General Fund as per special election and 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. This tax is perpetual.
- C. Proceeds of a 1/2% percent sales and use tax, accounted for in the 1999 Sales Tax Special Revenue Fund, (2024 collections \$2,582,993) 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. This tax is perpetual.
- D. Proceeds of a 1% percent sales and use tax, accounted for in the Recreational Facility Sales Tax Special Revenue Fund, (2024 collections \$5,166,145) 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. This tax is perpetual.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(4) Cash and cash equivalents

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2024, the City had cash and cash equivalents (book balances) totaling \$19,805,494 as follows:

Interest-bearing deposits	\$ 17,751,762
Money market funds	1,746,917
Time deposits	306,814
Total	<u>\$ 19,805,493</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, 2024, are secured as follows:

Bank balances	<u>\$ 18,320,013</u>
Federal deposit insurance	820,702
Pledged securities	<u>17,499,311</u>
Total	<u>\$ 18,320,013</u>

Deposits in the amount of \$17,499,311 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.

(5) Investments

At June 30, 2024, the City had the following investments and maturities:

<u>Investment Type</u>	<u>% of Portfolio</u>	<u>Fair Value</u>	<u>Investment Maturities</u>
			<u>Less Than 1 Year</u>
U.S. treasury securities	100%	<u>\$ 2,961,342</u>	<u>\$2,691,342</u>

Custodial Credit Risk – 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 City's requires all investments to be kept in the City's name and all ownership to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the City. Accordingly, the City had no custodial credit risk related to its investments at June 30, 2024.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Credit Rate Risk – The risks are managed by restricting investments to those authorized by R.S. 33:5162. The City’s investment policy limits investments to fully insured and/or fully collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies. At June 30, 2024, the Government’s investment in U.S. treasury notes were rated AA+ by Standards & Poor’s.

Concentration of Credit Risk – The risk relates to the amount of investments in any one entity. At June 30, 2024, no more than 5 percent of the City’s total investments were invested in any single issue.

Interest Rate Risk – The City does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

(6) Receivables

At June 30, 2024, receivables consist of the following:

	Governmental Activities	Business-Type Activities	Total
Accounts, net	\$ -	\$ 296,503	\$ 296,503
Unbilled utilities	-	643,502	643,502
Sales taxes	2,847,406	-	2,847,406
Franchise taxes	142,918	-	142,918
Occupational licenses	81,826	-	81,826
Other	17,161	-	17,161
Total	<u>\$ 3,089,311</u>	<u>\$ 940,005</u>	<u>4,029,316</u>

(7) Due From Other Governmental Agencies

Due from other governmental agencies of \$1,067,760 at June 30, 2024 consist of the following:

Fund financial statements:

Governmental funds -

State of Louisiana

Governor's Office of Homeland Security and Emergency Preparedness \$ 1,041,897

Department of Transportation 25,863

Total governmental funds \$ 1,067,760

Government-wide financial statements:

Total amount reported in Governmental Funds, from above \$ 1,067,760

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Unearned Revenue

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

Governmental activities:

Governmental funds -

Unspent grant proceeds received through the American Rescue Plan Act (ARPA)	\$ 927,661
Amounts received from construction projects not yet begun	500,000
Total governmental activities	<u>\$ 1,427,661</u>

The American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) on March 11, 2021, to provide governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. The City is required to spend these funds in accordance with assistance listing 21.027 guidance. These funds must be obligated by December 31, 2024 and expended by December 31, 2026.

(9) Capital Assets

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

	Balance 07/01/23	Additions	Deletions	Balance 06/30/24
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 4,854,061	\$ 12,750	\$ -	\$ 4,866,811
Construction in progress	15,800,568	7,368,955	17,716,189	5,453,334
Other capital assets:				
Buildings	2,557,059	25,272	7,906	2,574,425
Infrastructure	68,701,039	17,740,423	-	86,441,462
Equipment	6,753,592	987,081	86,062	7,654,611
Totals	<u>98,666,319</u>	<u>26,134,481</u>	<u>17,810,157</u>	<u>106,990,643</u>
Less accumulated depreciation				
Buildings	1,045,499	75,716	7,906	1,113,309
Infrastructure	14,577,563	2,566,322	-	17,143,885
Equipment	2,788,876	821,906	86,062	3,524,720
Total accumulated depreciation	<u>18,411,938</u>	<u>3,463,944</u>	<u>93,968</u>	<u>21,781,914</u>
Governmental activities, capital assets, net	<u>\$ 80,254,381</u>	<u>\$ 22,670,537</u>	<u>\$ 17,716,189</u>	<u>\$ 85,208,729</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Balance 07/01/23	Additions	Deletions	Balance 06/30/24
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 8,738,924	\$ -	\$ -	\$ 8,738,924
Construction in progress	4,875,185	14,248,129	4,462,354	14,660,960
Other capital assets:				
Buildings	239,769	-	-	239,769
Water system	12,917,965	2,310,962	-	15,228,927
Sewer system	24,824,584	-	-	24,824,584
Machinery and equipment	5,417,765	710,893	37,228	6,091,430
Sports complex	28,675,954	2,187,145	-	30,863,099
Totals	<u>85,690,146</u>	<u>19,457,129</u>	<u>4,499,582</u>	<u>100,647,693</u>
Less accumulated depreciation				
Buildings	104,400	5,994	-	110,394
Sports complex	7,541,047	1,221,354	-	8,762,401
Water system	4,890,824	387,286	-	5,278,110
Sewer system	6,351,076	741,831	-	7,092,907
Machinery and equipment	1,609,793	719,515	21,200	2,308,108
Total accumulated depreciation	<u>20,497,140</u>	<u>3,075,980</u>	<u>21,200</u>	<u>23,551,920</u>
Business-type activities, capital assets, net	<u>\$65,193,006</u>	<u>\$16,381,149</u>	<u>\$ 4,478,382</u>	<u>\$77,095,773</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 1,284,910
Police	267,619
Streets	1,911,415
Total depreciation expense	<u>\$3,463,944</u>

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

Water	\$ 459,084
Sewer	1,032,257
Recreation	1,584,639
Total depreciation expense	<u>\$ 3,075,980</u>

(10) Restricted Assets

Restricted assets consisted of the following at June 30, 2024:

	Business-Type Activities
Debt reserve and sinking funds	\$ 3,733,983
Unspent bond proceeds	3,367,271
Customer deposits	780,966
Total restricted assets	<u>\$ 7,882,220</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(11) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at June 30, 2024:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ 320,288	\$ 647,561	\$ 967,849
Contracts and retainage	2,834,961	1,869,536	4,704,497
Accrued liabilities	343,024	80,408	423,432
Totals	<u>\$ 3,498,273</u>	<u>\$ 2,597,505</u>	<u>\$ 6,095,778</u>

(12) Long-Term Debt

Governmental Activities:

The City has issued various sales tax revenue bonds to provide funds for the acquisition, construction, or improvement of major capital facilities. These bonds are direct obligations and are pledged by the various sales taxes of the City.

The city has borrowed proceeds from various banks to finance the costs of various equipment, vehicles, and other materials for the support of various departments.

Business-type Activities:

The City has borrowed proceeds from two revenue bonds issued by the Louisiana Department of Environmental Quality to finance the costs of constructing and acquiring improvements and replacements to the sewer system of the City. The City has fully drawn down the first bond and is currently in the process of drawing down the second bond, which has a remaining balance to be drawn of \$7,299,742.

The City has borrowed proceeds from a revenue bond issued by the Louisiana Department of Health to finance the costs of constructing and acquiring improvements and replacements to the water system of the City. The City is currently in the process of drawing down the bond, which has a remaining balance to be drawn of \$6,275,088.

The City has issued various sales tax revenue bonds to provide funds for the acquisition, construction, or improvement of major capital facilities. These bonds are direct obligations and are pledged by the recreational facilities sales taxes.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

	Issue Date	Final Maturity Date	Interest Rates	Balance Outstanding	Due Within One Year
Governmental activities:					
Direct placement sales tax revenue bonds-					
Series 2014	2014	2026	2.41%	\$ 650,000	\$ 325,000
Series 2016	2016	2029	1.90%-2.275%	1,830,000	345,000
Series 2017	2017	2028	2.35%	220,000	55,000
Series 2017	2017	2032	2.273%	2,020,000	225,000
Series 2018	2018	2039	4.00%	5,700,000	285,000
Series 2021	2021	2041	3.98%	9,180,000	395,000
Series 2022	2023	2042	4.00%-5.00%	8,570,000	310,000
				<u>28,170,000</u>	<u>1,940,000</u>
Add: Unamortized issue premium				1,979,158	-
Total bond indebtedness				<u>30,149,158</u>	<u>1,940,000</u>
Direct borrowing notes payable-					
Notes payable to bank	2021	2031	3.62%	496,178	55,957
Notes payable to bank	2023	2031	4.71%	1,263,967	65,302
Notes payable to bank	2024	2027	6.04%	363,784	114,033
Notes payable to Lafayette Parish School Board	2015	2026	0.00%	116,913	93,528
Total notes payable				<u>2,240,842</u>	<u>328,820</u>
Total long-term liabilities - governmental activities				<u>\$ 32,390,000</u>	<u>\$ 2,268,820</u>
Business-type activities:					
Direct borrowing revenue bonds -					
Series 2010	2010	2031	0.95%	\$ 1,647,000	\$ 229,000
Direct placement sales tax revenue bonds -					
Series 2013	2013	2034	3.625%	4,935,000	435,000
Series 2017	2017	2033	2.29%	4,955,000	490,000
Series 2021	2021	2032	1.49%	4,080,000	475,000
Series 2022	2023	2033	4.25%-5.00%	14,000,000	-
Loan payable -					
DEQ loan, Series 2019	2019	2040	0.95%	5,112,258	290,000
LDH loan, Series 2022	2022	2051	1.95%	2,138,913	56,000
				<u>36,868,171</u>	<u>1,975,000</u>
Add: Unamortized issue premium				567,387	-
Less: Unaccreted issue discount				(45,789)	-
Total long-term liabilities - business-type activities				<u>\$ 37,389,769</u>	<u>\$ 1,975,000</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Direct placement sales tax revenue bonds-				
Series 2014	\$ 970,000	\$ -	\$ 320,000	\$ 650,000
Series 2016	2,165,000	-	335,000	1,830,000
Series 2017	275,000	-	55,000	220,000
Series 2017	2,240,000	-	220,000	2,020,000
Series 2018	5,975,000	-	275,000	5,700,000
Series 2021	9,555,000	-	375,000	9,180,000
Series 2022	8,865,000	-	295,000	8,570,000
	<u>30,045,000</u>	<u>-</u>	<u>1,875,000</u>	<u>28,170,000</u>
Add: Unamortized issue premium	2,097,705	-	118,547	1,979,158
Total bond indebtedness	32,142,705	-	1,993,547	30,149,158
Direct borrowing notes payable-				
Notes payable to bank	570,988	-	74,810	496,178
Notes payable to bank	1,326,267	-	62,300	1,263,967
Notes payable to bank	-	363,784	-	363,784
Notes payable to Lafayette Parish School Board	218,237	-	101,324	116,913
Total notes payable	<u>2,115,492</u>	<u>363,784</u>	<u>238,434</u>	<u>2,240,842</u>
Total governmental activities	<u>\$34,258,197</u>	<u>\$ 363,784</u>	<u>\$ 2,231,981</u>	<u>\$32,390,000</u>
	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Direct borrowing revenue bonds -				
Series 2010	\$ 1,873,000	\$ -	\$ 226,000	\$ 1,647,000
Direct placement sales tax revenue bonds -				
Series 2013	5,360,000	-	425,000	4,935,000
Series 2017	5,430,000	-	475,000	4,955,000
Series 2021	4,545,000	-	465,000	4,080,000
Series 2022	14,000,000	-	-	14,000,000
Loan payable -				
DEQ loan, Series 2019	5,365,218	42,041	295,000	5,112,259
LDH loan, Series 2022	1,439,557	752,355	53,000	2,138,912
	<u>38,012,775</u>	<u>794,396</u>	<u>1,939,000</u>	<u>36,868,171</u>
Add: Unamortized issue premium	598,909	-	31,522	567,387
Less: Unaccreted issue discount	50,876	-	5,087	45,789
Total long-term liabilities - business-type activities	<u>\$ 38,560,808</u>	<u>\$ 794,396</u>	<u>\$ 1,965,435</u>	<u>\$37,389,769</u>

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

The annual debt service requirements to maturity of all bonds and notes payable are as follows:

Year Ending June 30,	Governmental Activities			
	Sales Tax Revenue Bonds		Notes Payable	
	Principal payments	Interest payments	Principal payments	Interest payments
2025	\$ 1,940,000	\$ 1,083,080	\$ 328,820	\$ 94,262
2026	2,005,000	1,022,388	270,541	82,400
2027	1,735,000	949,756	259,657	69,897
2028	1,800,000	887,911	136,211	60,461
2029	1,810,000	823,664	141,618	55,054
2030-2034	7,445,000	3,197,771	654,519	187,939
2035-2039	8,090,000	1,696,487	449,476	55,435
2040-2044	3,345,000	261,575	-	-
Total	<u>\$ 28,170,000</u>	<u>\$ 9,922,632</u>	<u>\$ 2,240,842</u>	<u>\$ 605,448</u>

Year Ending June 30,	Business-type Activities					
	Revenue Bonds		Sales Tax Revenue Bonds		Notes Payable	
	Principal payments	Interest payments	Principal payments	Interest payments	Principal payments	Interest payments
2025	\$ 229,000	\$ 15,647	\$ 1,400,000	\$ 972,167	\$ 346,000	\$ 38,470
2026	231,000	13,471	1,435,000	940,422	358,000	39,810
2027	233,000	11,277	1,470,000	907,885	359,000	40,005
2028	235,000	9,063	1,505,000	873,683	361,000	40,395
2029	237,000	6,885	1,550,000	837,630	372,000	41,540
2030-2034	482,000	6,878	7,635,000	3,586,352	1,915,000	215,425
2035-2039	-	-	6,545,000	2,196,965	2,050,000	232,750
2040-2044	-	-	6,430,000	556,465	791,258	118,070
2045-2049	-	-	-	-	483,000	94,185
2050-2051	-	-	-	-	215,913	42,103
Total	<u>\$ 1,647,000</u>	<u>\$ 63,221</u>	<u>\$ 27,970,000</u>	<u>\$ 10,315,104</u>	<u>\$ 7,251,171</u>	<u>\$ 902,753</u>

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

Utility Revenue Bonds:

Under the terms of the bond indentures and loans payable on Series 2010 and Series 2019, 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 Interest Sinking Fund” (the Sinking Fund”), an amount sufficient to pay promptly and fully the principal and interest by transferring monthly in advance

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 Reserve Fund” (the “Reserve Fund”) a sum equal to 50% (\$295,399 in 2024) of the maximum annual debt service. 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 largest amount of principal and interest maturing on the bonds in any future fiscal years.

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.

Sales Tax Revenue Bonds:

Under the terms of the bond indentures on outstanding Sales Tax Bonds dated December 17, 2014, September 14, 2016, December 19, 2017, May 20, 2021, and October 13, 2022, 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.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

There will be set aside into a fund called the “Sales Tax Bond Reserve Fund” an amount of \$2,197,791, 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 2, 2013, September 13, 2017, November 30, 2021, June 22, 2023, 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 \$1,329,134, 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 Revenue Bonds dated November 30, 2021, 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.

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.

The City complied with the above requirements for all bond issuances except those noted in the schedule of findings and questioned costs as item 2024-008.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(14) 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.

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.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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.

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.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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, 2024, total contributions due for employers and employees were 33.925% for employers and 10% for employees.

Net Pension Liability:

At June 30, 2024, the City reported a liability of \$5,659,855 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 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, 2023, the City's proportion was .535719%, which was an increase of 0.052966% from its proportion measured as of June 30, 2022.

Since the measurement date of the net pension liability was June 30, 2023, 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.

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.

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.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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	52.0%	3.29%
Fixed income	34.0%	1.12%
Alternative	14.0%	0.95%
	<u>100%</u>	<u>5.36%</u>
Inflation		<u>2.54%</u>
Expected nominal return		<u>7.90%</u>

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	7/1/2014 - 6/30/2019
Actuarial cost method	Entry Age Normal Cost
Expected remaining service lives	4 years
Investment rate of return	6.750%, net of investment expense
Inflation rate	2.50%
Projected salary increases	4.70% - 12.30%
Mortality rates	Pub-2010 Safety Below-Median Healthy Retiree Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.
	Pub-2010 Safety Below-Median Employee Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.
	Pub-2010 Safety Disable Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2024, the City recognized \$1,352,120 in pension expense related to its participation in MPERS.

At June 30, 2024, 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	\$ 398,681	\$ 2,372
Changes of assumptions	94,446	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	755,299	-
Net differences between projected and actual earnings on plan investments	611,015	-
Contributions subsequent to the measurement date	674,353	-
Total	<u>\$2,533,794</u>	<u>\$ 2,372</u>

Deferred outflows of resources of \$674,353 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, 2024. 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	
2025	\$ 732,146
2026	437,998
2027	717,297
2028	(30,372)
	<u>\$ 1,857,069</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.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 6.750% which was no change from the prior year.

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 6.750%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease 5.750%	Current Discount Rate 6.750%	1% Increase 7.750%
Net Pension Liability	<u>\$ 7,963,862</u>	<u>\$ 5,659,855</u>	<u>\$ 3,735,160</u>

Payables to the Pension Plan

For the year ended June 30, 2024, the City owed \$79,842 to MPERS, which was the contractually required contributions payable for the month of June 2024.

(15) Compensation of City Officials

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

Ken Ritter, Mayor	\$ 96,994
City Council:	
Grayson Bolgiano	14,631
Matthew Romero	16,320
Kenneth Stansbury	4,287
Shannon Baras	10,445
Jamie Creed	9,430
Logan Lanoo	4,366
Simone Champagne	14,631
Total	<u>\$ 171,104</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(16) 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, 2024 follows:

Salary	\$ 96,994
Benefits - insurance	5,823
Benefits - retirement	9,699
Car allowance	12,000
Cell phone	1,200
	<u>\$ 125,716</u>

(17) Risk Management

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

(18) Pending Litigation

The City is subject to various claims which arise in the normal course of business. In the opinion of the City's legal counsel, any liability exposure to the City would not be in excess of insurance coverage.

(19) On-Behalf Payments of Salaries

During the year ended June 30, 2024, the City recognized \$219,942 as a revenue and expenditure for on-behalf salary payments received from the State of Louisiana.

(20) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2024:

	<u>Receivable</u>	<u>Payable</u>
Major governmental funds:		
General Fund	\$ -	\$ 493,442
1968 Sales Tax Special Revenue Fund	-	109,376
Capital Projects Fund	602,818	-
Total governmental funds	<u>\$ 602,818</u>	<u>\$ 602,818</u>

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, 2024:

	Transfers In	Transfers Out
Major governmental funds:		
General Fund	\$ 192,448	\$ 750,428
1968 Sales Tax Special Revenue Fund	190,857	4,990,088
1981 Sales Tax Special Revenue Fund	2,265,431	114,083
1999 Sales Tax Special Revenue Fund	-	1,719,094
Recreational Facility Sales Tax Special Revenue	933,514	5,881,649
General Obligation Bonds Fund	4,671,201	1,548,056
Street Improvements and Construction Fund	3,634,461	2,521,999
Non-major fund:		
Municipal Complex Construction Fund	-	85,901
Total governmental funds	11,887,912	17,611,298
Proprietary Funds:		
Enterprise Fund	356,308	535,065
Sports Complex Fund	5,902,143	-
Total proprietary funds	6,258,451	535,065
Total	\$18,146,363	\$ 18,146,363

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.

(21) Fair Value Measurement

Professional standards require the disclosure for fair value measurements of financial assets and liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of inputs used to measure fair value are as follows:

- a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b. Level 2 inputs are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- c. Level 3 inputs are unobservable inputs for the asset or liability.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The following methods and assumptions were used by the Government in estimating fair values of financial instruments:

- a. The carrying amount reported in the statement of net position for the following approximates fair value due to the short maturities of these instruments: cash, accounts receivable, and accounts payable.
- b. The fair value for investment securities are based on quoted market prices at the reporting date multiplied by the quantity held. The carrying value equals fair value.

The following table presents assets that are measured at fair value on a recurring basis at June 30, 2024:

Governmental Funds:

Description	Total	Level 1	Level 2	Level 3
U.S. Treasuries	\$ 2,961,342	\$ 2,961,342	\$ -	\$ -

(22) Restatement of Prior Year Balances

As of July 1, 2023, the city adopted the requirements of Governmental Accounting Standards Board (GASB) Statement No. 100, Accounting Changes and Error Corrections. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

During the fiscal year, the City determined that debt related to the construction of the City's Sports Complex was inadvertently included as part of the governmental activities instead of the Sports Complex Fund Proprietary Fund. The effect of the change is shown in the table below:

	General Obligation Bonds Fund	Recreational Sales Tax Fund	Total Governmental Activities
Governmental Activities:			
June 30, 2023, as previously reported	\$ 4,586,842	\$ 15,710,311	\$ 42,541,118
Restatement	(1,577,113)	(14,269,214)	13,962,431
June 30, 2023, as restated	\$ 3,009,729	\$ 1,441,097	\$ 56,503,549
		Sports Complex Fund	Total Business- Type Activities
Business-type activities:			
June 30, 2023, as previously reported		\$ 34,128,408	\$ 58,439,760
Restatement		(13,962,431)	(13,962,431)
June 30, 2023, as restated		\$ 20,165,977	\$ 44,477,329

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$5,616,974	\$ 5,078,430	\$ 5,363,602	\$ 285,172
Licenses and permits	1,396,925	1,525,108	1,532,936	7,828
Intergovernmental	647,836	53,033	148,378	95,345
Fines and forfeits	167,086	107,312	109,354	2,042
Miscellaneous	104,800	787,287	313,834	(473,453)
Total revenues	<u>7,933,621</u>	<u>7,551,170</u>	<u>7,468,104</u>	<u>(83,066)</u>
Expenditures:				
Current -				
General government	2,486,861	2,495,738	2,594,617	(98,879)
Public safety - fire	2,089,966	2,087,406	2,019,303	68,103
Streets	2,463,673	1,736,442	1,827,908	(91,466)
Capital outlay	494,084	457,278	619,880	(162,602)
Debt service	18,369	144,595	350,992	(206,397)
Total expenditures	<u>7,552,953</u>	<u>6,921,459</u>	<u>7,412,700</u>	<u>(491,241)</u>
Excess/(deficiency) of revenues over expenditures	<u>380,668</u>	<u>629,711</u>	<u>55,404</u>	<u>(574,307)</u>
Other financing sources (uses):				
Proceeds from debt	-	-	525,630	525,630
Transfers from other funds	9,585,504	1,836,443	192,448	(1,643,995)
Transfers to other funds to funds	(6,650,000)	(2,434,701)	(750,428)	1,684,273
Total other financing sources (uses)	<u>2,935,504</u>	<u>(598,258)</u>	<u>(32,350)</u>	<u>565,908</u>
Net change in fund balance	3,316,172	31,453	23,054	(8,399)
Fund balance, beginning	<u>126,249</u>	<u>906,549</u>	<u>906,549</u>	<u>-</u>
Fund balance, ending	<u>\$3,442,421</u>	<u>\$ 938,002</u>	<u>\$ 929,603</u>	<u>\$ (8,399)</u>

See notes to the required supplementary information.

CITY OF YOUNGSVILLE, LOUISIANA
1968 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,463,117	\$ 4,739,615	\$ 5,165,986	\$ 426,371
Miscellaneous	3,000	12,110	24,626	12,516
Total revenues	<u>4,466,117</u>	<u>4,751,725</u>	<u>5,190,612</u>	<u>438,887</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	23,186	27,767	25,436	2,331
Professional fees	11,430	12,416	12,735	(319)
Bank fees	-	-	2,422	(2,422)
Total general government	<u>34,616</u>	<u>40,183</u>	<u>40,593</u>	<u>(410)</u>
Capital outlay	6,771,249	-	-	-
Debt service	34,734	39,800	39,800	-
Total expenditures	<u>6,840,599</u>	<u>79,983</u>	<u>80,393</u>	<u>(410)</u>
Excess/(deficiency) of revenues over expenditures	<u>(2,374,482)</u>	<u>4,671,742</u>	<u>5,110,219</u>	<u>439,297</u>
Other financing sources (uses):				
Transfers in	6,425,000	500,000	190,857	(309,143)
Transfers out	<u>(3,203,228)</u>	<u>(4,186,639)</u>	<u>(4,990,088)</u>	<u>(803,449)</u>
Total other financing sources (uses)	<u>3,221,772</u>	<u>(3,686,639)</u>	<u>(4,799,231)</u>	<u>(1,112,592)</u>
Net change in fund balance	847,290	985,103	310,988	(673,295)
Fund balance, beginning	<u>1,512,968</u>	<u>1,471,701</u>	<u>1,471,701</u>	<u>-</u>
Fund balance, ending	<u>\$ 2,360,258</u>	<u>\$ 2,456,804</u>	<u>\$ 1,782,689</u>	<u>\$ (673,295)</u>

See notes to the required supplementary information.

CITY OF YOUNGSVILLE, LOUISIANA
1981 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,412,275	\$ 2,369,808	\$ 2,582,993	\$ 213,185
Intergovernmental -				
State of Louisiana:				
Police supplemental pay	292,501	266,400	219,942	(46,458)
Grant	-	36,000	36,000	-
Local:				
Lafayette Parish School Board	362,644	318,116	378,616	60,500
LACE fines and forfeitures	1,108,241	962,648	996,410	33,762
Miscellaneous	4,000	34,501	67,487	32,986
Total revenues	<u>4,179,661</u>	<u>3,987,473</u>	<u>4,281,448</u>	<u>293,975</u>
Expenditures:				
Current -				
General government	23,062	24,312	25,260	(948)
Public safety - police	5,956,666	4,747,636	4,855,283	(107,647)
Capital outlay	608,355	546,708	542,072	4,636
Debt service	79,800	19,900	19,900	-
Total expenditures	<u>6,667,883</u>	<u>5,338,556</u>	<u>5,442,515</u>	<u>(103,959)</u>
Excess/(deficiency) of revenues over expenditures	<u>(2,488,222)</u>	<u>(1,351,083)</u>	<u>(1,161,067)</u>	<u>190,016</u>
Other financing sources (uses):				
Sale of capital assets	-	17,175	17,175	-
Transfers in	2,850,000	1,515,000	2,265,431	750,431
Transfers out	(178,273)	(171,252)	(114,083)	57,169
Total other financing sources (uses)	<u>2,671,727</u>	<u>1,360,923</u>	<u>2,168,523</u>	<u>807,600</u>
Net change in fund balance	183,505	9,840	1,007,456	997,616
Fund balance, beginning	<u>57,425</u>	<u>73,478</u>	<u>73,478</u>	<u>-</u>
Fund balance, ending	<u>\$ 240,930</u>	<u>\$ 83,318</u>	<u>\$ 1,080,934</u>	<u>\$ 997,616</u>

See notes to the required supplementary information.

CITY OF YOUNGSRVILLE, LOUISIANA
1999 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,412,275	\$ 2,369,807	\$ 2,582,993	\$ 213,186
Miscellaneous - interest	4,500	8,788	8,816	28
Total revenues	<u>2,416,775</u>	<u>2,378,595</u>	<u>2,591,809</u>	<u>213,214</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	11,593	12,882	12,717	165
Professional fees	11,430	11,190	11,510	(320)
Miscellaneous expense	-	-	2,254	(2,254)
Total general government	23,023	24,072	26,481	(2,409)
Capital outlay	8,264,204	-	-	-
Debt service	8,684	18,369	19,900	(1,531)
Total expenditures	<u>8,295,911</u>	<u>42,441</u>	<u>46,381</u>	<u>(3,940)</u>
Excess/(deficiency) of revenues over expenditures	<u>(5,879,136)</u>	<u>2,336,154</u>	<u>2,545,428</u>	<u>209,274</u>
Other financing uses:				
Transfers in	6,855,000	-	-	-
Transfers out	(559,201)	(637,487)	(1,719,094)	(1,081,607)
Total other financing uses	<u>6,295,799</u>	<u>(637,487)</u>	<u>(1,719,094)</u>	<u>(1,081,607)</u>
Net change in fund balance	416,663	1,698,667	826,334	(872,333)
Fund balance, beginning	<u>180,531</u>	<u>801,993</u>	<u>801,993</u>	<u>-</u>
Fund balance, ending	<u>\$ 597,194</u>	<u>\$ 2,500,660</u>	<u>\$ 1,628,327</u>	<u>\$ (872,333)</u>

See notes to the required supplementary information.

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

Budgetary Comparison Schedule
For the Year Ended June 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 4,473,473	\$ 4,739,615	\$ 5,166,145	\$ 426,530
Miscellaneous - interest	30,000	59,589	105,957	46,368
Total revenues	<u>4,503,473</u>	<u>4,799,204</u>	<u>5,272,102</u>	<u>472,898</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	23,180	25,772	25,437	335
Professional fees	<u>13,060</u>	<u>16,804</u>	<u>28,827</u>	<u>(12,023)</u>
Total general government	36,240	42,576	54,264	(11,688)
Capital outlay	15,932,960	-	-	-
Debt service	<u>1,592</u>	<u>2,295</u>	<u>11,201</u>	<u>(8,906)</u>
Total expenditures	<u>15,970,792</u>	<u>44,871</u>	<u>65,465</u>	<u>(20,594)</u>
Excess/(deficiency) of revenues over expenditures	<u>(11,467,319)</u>	<u>4,754,333</u>	<u>5,206,637</u>	<u>452,304</u>
Other financing sources (uses):				
Transfers in	1,000,000	1,000,000	933,514	(66,486)
Transfers out	<u>(2,900,000)</u>	<u>(4,265,517)</u>	<u>(5,881,649)</u>	<u>(1,616,132)</u>
Total other financing uses	<u>(1,900,000)</u>	<u>(3,265,517)</u>	<u>(4,948,135)</u>	<u>(1,682,618)</u>
Net change in fund balance	(13,367,319)	1,488,816	258,502	(1,230,314)
Fund balance, beginning (as restated)	<u>14,545,806</u>	<u>15,710,311</u>	<u>1,441,097</u>	<u>(14,269,214)</u>
Fund balance, ending	<u>\$ 1,178,487</u>	<u>\$ 17,199,127</u>	<u>\$ 1,699,599</u>	<u>\$ (15,499,528)</u>

See notes to the required supplementary information.

CITY OF YOUNGSVILLE, LOUISIANA

Municipal Police Employees' Retirement System
Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2024*

Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	0.535719%	\$ 5,659,855	\$ 1,679,579	337.0%	71.30%
2023	0.482753%	4,934,593	1,487,698	331.7%	70.80%
2022	0.392061%	2,089,899	1,184,150	176.5%	84.09%
2021	0.350083%	3,235,583	1,082,008	299.0%	70.94%
2020	0.300032%	2,724,793	878,697	310.1%	71.01%
2019	0.224568%	1,898,512	727,925	260.8%	71.89%
2018	0.170263%	1,486,468	506,611	293.4%	70.08%
2017	0.167798%	1,572,740	470,515	334.3%	66.04%
2016	0.081512%	638,651	216,095	295.5%	70.73%
2015	0.044360%	277,519	216,095	128.4%	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.

See notes to the required supplementary information.

CITY OF YOUNGSVILLE, LOUISIANA

Municipal Police Employees' Retirement System
Schedule of Employer Contributions
For the Year Ended June 30, 2024

<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>
2024	\$ 674,353	\$ 674,353	\$ -	\$1,987,775	33.925%
2023	566,858	566,858	-	1,679,579	33.75%
2022	438,871	438,871	-	1,487,698	33.75%
2021	399,632	399,632	-	1,184,150	33.75%
2020	351,653	351,653	-	1,082,008	32.50%
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 and finally amended by the City Council.

(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, 2024.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(3) Excess of Expenditures Over Appropriations

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

Fund and Function	Budget	Actual	Excess
General Fund:			
General government	\$ 2,495,738	\$ 2,594,617	\$ (98,879)
Streets	1,736,442	1,827,908	(91,466)
Capital outlay	457,278	619,880	(162,602)
Debt service	144,595	350,992	(206,397)
1968 Sales Tax Special Revenue Fund:			
General government	40,183	40,593	(410)
1981 Sales Tax Special Revenue Fund:			
General government	24,312	25,260	(948)
Public safety - police	4,747,636	4,855,283	(107,647)
1999 Sales Tax Special Revenue Fund:			
General government	24,072	26,481	(2,409)
Debt service	18,369	19,900	(1,531)
Recreational Facilities Sales Tax Special Revenue Fund:			
General government	42,576	54,264	(11,688)
Debt service	2,295	11,201	(8,906)

SUPPLEMENTARY INFORMATION

CITY OF YOUNGSVILLE, LOUISIANA
Statement of Net Position
June 30, 2024
With Comparative Totals for June 30, 2023 (as restated)

	2024			2023
	Governmental Activities	Business-Type Activities	Total	Total
ASSETS				
Cash and cash equivalents	\$ 11,248,562	\$ 674,711	\$ 11,923,273	\$ 9,294,705
Investments	2,961,342	-	2,961,342	4,254,659
Receivables, net	3,089,311	940,005	4,029,316	3,018,516
Due from other governmental agencies	1,067,760	-	1,067,760	5,324,625
Prepaid items	111,375	240,308	351,683	563,774
Restricted cash and cash equivalents	-	7,882,220	7,882,220	17,854,909
Capital assets:				
Land and construction in progress	10,320,145	23,399,884	33,720,029	34,268,738
Capital assets, net	74,888,584	53,695,889	128,584,473	111,178,649
Right-of-use lease assets, net	31,088	-	31,088	-
Total assets	<u>103,718,167</u>	<u>86,833,017</u>	<u>190,551,184</u>	<u>185,758,575</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on bond refunding	-	64,991	64,991	74,276
Deferred outflows related to pensions	<u>2,533,794</u>	<u>-</u>	<u>2,533,794</u>	<u>2,437,295</u>
Total deferred outflows	<u>2,533,794</u>	<u>64,991</u>	<u>2,598,785</u>	<u>2,511,571</u>
LIABILITIES				
Accounts, salaries and other payables	3,498,273	2,597,505	6,095,778	7,745,265
Unearned revenue	1,427,661	-	1,427,661	935,669
Customers' deposits	-	780,966	780,966	626,896
Right-of-use lease liability	31,712	-	31,712	-
Accrued interest	154,988	84,777	239,765	150,918
Long-term liabilities:				
Portion due or payable within one year	2,268,820	1,975,000	4,243,820	3,960,535
Portion due or payable after one year	30,121,180	35,414,769	65,535,949	68,858,470
Net pension liability	<u>5,659,855</u>	<u>-</u>	<u>5,659,855</u>	<u>4,934,593</u>
Total liabilities	<u>43,162,489</u>	<u>40,853,017</u>	<u>84,015,506</u>	<u>87,212,346</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	<u>2,372</u>	<u>-</u>	<u>2,372</u>	<u>76,922</u>
NET POSITION				
Net investment in capital assets	50,100,057	37,901,459	88,001,516	71,391,929
Restricted for:				
Sales tax dedications	6,147,657	-	6,147,657	4,023,746
Debt service	2,981,724	3,649,206	6,630,930	5,434,361
Capital projects	3,294,441	3,367,271	6,661,712	14,587,374
Unrestricted	<u>563,221</u>	<u>1,127,055</u>	<u>1,690,276</u>	<u>5,543,468</u>
Total net position	<u>\$ 63,087,100</u>	<u>\$46,044,991</u>	<u>\$ 109,132,091</u>	<u>\$ 100,980,878</u>

CITY OF YOUNGSVILLE, LOUISIANA

Balance Sheet
General and Special Revenue Funds
June 30, 2024

With Comparative Totals for June 30, 2023, as restated

	General		1968 Sales Tax Revenue		1981 Sales Tax Revenue		1999 Sales Tax Revenue		Recreational Facility Sales Tax Revenue	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
ASSETS										
Cash and interest-bearing deposits	\$ 1,947,674	\$ 308,486	\$ 1,085,146	\$ 1,531,616	\$ 851,764	\$ 452,672	\$ 1,225,029	\$ 669,740	\$ 886,127	\$ 1,158,352
Receivables:										
Taxes	562,755	191,506	807,236	383,012	403,618	191,506	403,618	191,506	813,097	385,934
Due from other governmental agencies	118,517	164,405	-	-	-	-	-	-	-	-
Due from other funds	-	1,429,374	-	692,849	-	195,000	-	-	-	-
Other	86,817	779,596	-	-	11,795	12,697	-	-	375	-
Prepaid items	67,483	208,903	-	-	43,892	33,737	-	-	-	-
Total assets	<u>\$ 2,783,246</u>	<u>\$ 3,082,270</u>	<u>\$ 1,892,382</u>	<u>\$ 2,607,477</u>	<u>\$ 1,311,069</u>	<u>\$ 885,612</u>	<u>\$ 1,628,647</u>	<u>\$ 861,246</u>	<u>\$ 1,699,599</u>	<u>\$ 1,544,286</u>
LIABILITIES AND FUND BALANCES										
Liabilities -										
Accounts payable	\$ 263,326	\$ 1,685,252	\$ 317	\$ 465,539	\$ 56,325	\$ 25,494	\$ 320	\$ 935	\$ -	\$ 103,189
Contracts payable	-	254,020	-	-	-	-	-	-	-	-
Accrued liabilities	169,214	190,523	-	-	173,810	196,939	-	-	-	-
Unearned revenue	927,661	-	-	-	-	-	-	-	-	-
Due to other funds	493,442	45,926	109,376	670,237	-	589,701	-	58,318	-	-
Total liabilities	<u>1,853,643</u>	<u>2,175,721</u>	<u>109,693</u>	<u>1,135,776</u>	<u>230,135</u>	<u>812,134</u>	<u>320</u>	<u>59,253</u>	<u>-</u>	<u>103,189</u>
Fund balances -										
Nonspendable	67,483	208,903	-	-	43,892	33,737	-	-	-	-
Restricted for sales tax dedications	-	-	1,782,689	1,471,701	1,037,042	39,741	1,628,327	801,993	1,699,599	1,441,097
Unassigned	862,120	697,646	-	-	-	-	-	-	-	-
Total fund balances	<u>929,603</u>	<u>906,549</u>	<u>1,782,689</u>	<u>1,471,701</u>	<u>1,080,934</u>	<u>73,478</u>	<u>1,628,327</u>	<u>801,993</u>	<u>1,699,599</u>	<u>1,441,097</u>
Total liabilities and fund balances	<u>\$ 2,783,246</u>	<u>\$ 3,082,270</u>	<u>\$ 1,892,382</u>	<u>\$ 2,607,477</u>	<u>\$ 1,311,069</u>	<u>\$ 885,612</u>	<u>\$ 1,628,647</u>	<u>\$ 861,246</u>	<u>\$ 1,699,599</u>	<u>\$ 1,544,286</u>

CITY OF YOUNGSVILLE, LOUISIANA

Enterprise Fund

Utility Fund

Statement of Net Position

June 30, 2024

With Comparative Amounts for the Year Ended June 30, 2023

	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 666,510	\$ 1,035,438
Receivables:		
Accounts receivable, net	173,723	128,900
Unbilled utility receivables	643,502	618,408
Prepaid items	52,522	105,687
Total current assets	<u>1,536,257</u>	<u>1,888,433</u>
Noncurrent assets:		
Restricted cash and cash equivalents	1,943,071	1,889,534
Capital assets:		
Land and construction in progress	1,167,982	2,225,369
Capital assets, net	<u>30,044,882</u>	<u>28,735,171</u>
Total noncurrent assets	<u>33,155,935</u>	<u>32,850,074</u>
Total assets	<u>34,692,192</u>	<u>34,738,507</u>
LIABILITIES		
Current liabilities:		
Accounts payable	399,176	392,020
Contracts payable	379,641	125,516
Retainage payable	-	43,211
Other liabilities	56,786	58,355
Due to other funds	-	496,250
Loans payable	346,000	268,261
Payable from restricted assets -		
Customers' deposits	780,966	626,896
Bonds payable	229,000	226,000
Accrued interest	<u>6,505</u>	<u>7,132</u>
Total current liabilities	<u>2,198,074</u>	<u>2,243,641</u>
Noncurrent liabilities:		
Loans payable	6,905,171	6,536,514
Bonds payable	<u>1,418,000</u>	<u>1,647,000</u>
Total noncurrent liabilities	<u>8,323,171</u>	<u>8,183,514</u>
Total liabilities	<u>10,521,245</u>	<u>10,427,155</u>
NET POSITION		
Net investment in capital assets	21,935,052	22,114,038
Restricted for debt service	1,155,600	1,255,506
Unrestricted	<u>1,080,295</u>	<u>941,808</u>
Total net position	<u>\$ 24,170,947</u>	<u>\$ 24,311,352</u>

CITY OF YOUNGSVILLE, LOUISIANA

Enterprise Fund

Utility Fund

Departmental Statement of Revenues and Expenses, and Changes in Fund Net Position

For the Year Ended June 30, 2024

With Comparative Amounts for the Year Ended June 30, 2023

	Totals	
	2024	2023
Operating revenues:		
Customer service charges	\$ 7,635,531	\$ 7,077,249
Miscellaneous	1,025,104	603,998
Total operating revenues	<u>8,660,635</u>	<u>7,681,247</u>
Operating expenses:		
Salaries	1,029,864	698,811
Payroll taxes and retirement	132,390	101,058
Group insurance	134,466	87,039
Sewer tests	41,092	34,485
Water purchases	1,680,165	1,578,576
Water meters	560,774	-
Maintenance and repairs	508,233	641,738
Contract labor/ maintenance fees	145,594	46,608
Utilities and telephone	214,272	223,690
Professional fees	344,043	172,570
Engineering fees	22,821	29,127
General insurance	178,200	131,718
Office expense	69,938	58,411
Supplies and parts	354,320	344,209
Garbage collection fees	1,574,716	1,758,019
Recycle fees	517,113	-
Depreciation	1,491,341	1,169,606
Miscellaneous	175,303	163,555
Total operating expenses	<u>9,174,645</u>	<u>7,239,220</u>
Operating income	<u>(514,010)</u>	<u>442,027</u>
Nonoperating revenues (expenses):		
Ad valorem taxes	589,788	536,860
Interest income	10,595	2,903
Interest expense	(111,661)	(85,956)
State grants	63,640	-
Total nonoperating revenues (expenses)	<u>552,362</u>	<u>453,807</u>
Income before transfers	<u>38,352</u>	<u>895,834</u>
Transfers in (out):		
Transfers in	356,308	3,049,043
Transfers out	(535,065)	(4,214,426)
Total transfers in (out)	<u>(178,757)</u>	<u>(1,165,383)</u>
Change in net position	<u>(140,405)</u>	<u>(269,549)</u>
Net position, beginning	<u>24,311,352</u>	<u>24,580,901</u>
Net position, ending	<u>\$ 24,170,947</u>	<u>\$ 24,311,352</u>

Water		Sewerage		Sanitation	
2024	2023	2024	2023	2024	2023
\$ 3,319,244	\$ 3,292,010	\$2,360,755	\$ 2,170,711	\$ 1,955,532	\$ 1,614,528
929,616	415,462	59,039	154,802	36,449	33,734
<u>4,248,860</u>	<u>3,707,472</u>	<u>2,419,794</u>	<u>2,325,513</u>	<u>1,991,981</u>	<u>1,648,262</u>
790,354	372,697	194,182	253,716	45,328	72,398
101,763	61,781	24,820	30,196	5,807	9,081
105,343	55,964	22,796	21,019	6,327	10,056
-	-	41,092	34,485	-	-
1,680,165	1,578,576	-	-	-	-
560,774	-	-	-	-	-
232,972	357,443	275,261	284,295	-	-
65,345	36,969	80,249	9,639	-	-
35,126	31,260	179,015	192,430	131	-
140,080	90,542	199,955	78,668	4,008	3,360
10,074	18,368	12,747	10,759	-	-
93,199	59,274	84,289	72,444	712	-
59,896	50,435	9,731	7,976	311	-
319,228	293,344	33,333	50,865	1,759	-
7,329	-	6,406	-	1,560,981	1,758,019
-	-	-	-	517,113	-
459,084	434,369	1,032,257	735,237	-	-
108,931	80,053	54,708	83,502	11,664	-
<u>4,769,663</u>	<u>3,521,075</u>	<u>2,250,841</u>	<u>1,865,231</u>	<u>2,154,141</u>	<u>1,852,914</u>
<u>\$ (520,803)</u>	<u>\$ 186,397</u>	<u>\$ 168,953</u>	<u>\$ 460,282</u>	<u>\$ (162,160)</u>	<u>\$ (204,652)</u>

CITY OF YOUNGSVILLE, LOUISIANA

Enterprise Fund

Sports Complex Fund

Statement of Net Position

June 30, 2024

With Comparative Amounts for the Year Ended June 30, 2023, as restated

	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 8,201	\$ 78,043
Accounts receivable, net	122,780	135,450
Prepaid items	187,786	215,447
Total current assets	318,767	428,940
Noncurrent assets:		
Restricted cash and cash equivalents	5,939,149	15,846,326
Capital assets:		
Land and construction in progress	22,231,902	11,388,740
Other capital assets, net	23,651,007	22,843,726
Total noncurrent assets	51,822,058	50,078,792
Total assets	52,140,825	50,507,732
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on bond refunding	64,991	74,276
LIABILITIES		
Current liabilities:		
Accounts payable	248,385	104,510
Contracts payable	872,516	256,661
Retainage payable	617,379	82,421
Other liabilities	23,622	32,615
Due to other funds	-	56,791
Payable from restricted assets:		
Interest payable	78,272	-
Bonds payable	1,400,000	1,365,000
Total current liabilities	3,240,174	1,897,998
Noncurrent liabilities:		
Bonds payable	27,091,598	28,518,033
Total noncurrent liabilities	27,091,598	28,518,033
Total liabilities	30,331,772	30,416,031
NET POSITION		
Net investment in capital assets	15,966,407	4,084,627
Restricted for debt service	2,493,606	2,308,669
Restricted for capital projects	3,367,271	13,537,657
Unrestricted	46,760	235,024
Total net position	\$ 21,874,044	\$ 20,165,977

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, 2024
With Comparative Amounts for the Year Ended June 30, 2023

	Totals	
	2024	2023
Operating revenues:		
Charges for services -		
Sponsorship fees	\$ 424,071	\$ 341,358
Tournament and league income	421,840	318,669
Concession sales	173,980	156,444
Gate fees	277,944	345,155
Tennis fees	44,691	2,169
Miscellaneous	33,658	149,825
Total operating revenues	<u>1,376,184</u>	<u>1,313,620</u>
Operating expenses:		
Salaries	1,027,663	709,839
Payroll and retirement	136,709	115,292
Group insurance	116,451	95,001
Advertising	77,000	50,000
Auto expense	27,786	47,400
Contract labor	556,438	682,533
Depreciation expense	1,584,639	1,415,153
Equipment expense	15,676	52,368
General insurance	389,167	246,474
Garbage collection	17,781	-
Professional fees	55,807	75,280
Office supplies and expense	45,055	63,601
Repairs and maintenance	442,132	455,396
Security expense	59,371	185,193
Sponsorship fees	82,371	225,556
Supplies	139,848	238,837
Telephone and utilities	315,292	258,945
Tournament fees	372,935	419,877
Uniforms	10,644	16,738
Miscellaneous	59,024	70,695
Total operating expenses	<u>5,531,789</u>	<u>5,424,178</u>
Operating loss	<u>(4,155,605)</u>	<u>(4,110,558)</u>
Nonoperating revenues (expenses):		
Interest income	3,473	-
Gain/(loss) on sale of assets	(16,028)	8,059
Amortization of bond premium	31,522	31,522
Accretion of bond discount	(5,087)	(5,087)
Loss on bond refunding	(9,285)	(9,285)
Interest expense	(1,043,066)	(383,174)
Total nonoperating revenues (expenses)	<u>(1,038,471)</u>	<u>(357,965)</u>
Loss before capital contributions and transfers	(5,194,076)	(4,468,523)
Capital contributions	1,000,000	-
Transfers in	<u>5,902,143</u>	<u>7,055,481</u>
Change in net position	1,708,067	2,586,958
Net position, beginning (as restated)	<u>20,165,977</u>	<u>17,579,019</u>
Net position, ending	<u>\$ 21,874,044</u>	<u>\$ 20,165,977</u>

CITY OF YOUNGSVILLE
Justice System Funding Schedule - Collecting/Disbursing Entity
For the Year Ended June 30, 2024

	First Six Month Period Ended 12/31/2023	Second Six Month Period Ended 6/30/2024
Beginning Balance of Amounts Collected	\$ 64,975	\$ 10,142
Add: Collections -		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	179,354	102,820
Criminal Fines - Contempt	7,300	8,100
Criminal Fines - Other	313,480	183,021
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	17,123	7,889
Interest Earnings on Collected Balances	-	-
Other	2,188	838
Subtotal Collections	519,445	302,668
Less: Disbursements to Governments and Nonprofits -		
Lafayette Crime Stoppers	5,136	2,400
Acadiana Criminalistics Lab	77,690	36,790
15th JDC Indigent Defender Fund	89,565	41,860
Louisiana Commission on Law Enforcement - Criminal Fines	6,847	3,720
Louisiana State Treasurer CMIS - Criminal Fines	7,704	3,606
LA Dept of Health & Hospitals THI/SCI - Criminal Fines	10,190	4,075
LA Association of Chiefs of Police	2,561	1,180
Louisiana Supreme Court - Criminal Fines	1,283	599
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	356,003	192,279
Less: Disbursements to Individuals/3rd Party Collection or Processing		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals (additional detail is not required)	-	-
Other Disbursements to Individuals (additional detail is not required)	176	160
Payments to 3rd Party Collection/Processing Agencies	17,123	7,889
Subtotal Disbursements/Retainage	574,278	294,558
Ending Balance of Amounts Collected but not Disbursed/Retained	\$ 10,142	\$ 18,252

OTHER INFORMATION

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

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

	Budget			Variance with Final Budget Positive (Negative)	2023 Actual
	Original	Final	Actual		
Revenues:					
Taxes	\$ 5,616,974	\$ 5,078,430	\$ 5,363,602	\$ 285,172	\$ 4,895,511
Licenses and permits	1,396,925	1,525,108	1,532,936	7,828	981,044
Intergovernmental	647,836	53,033	148,378	95,345	2,035,944
Fines and forfeits	167,086	107,312	109,354	2,042	132,339
Miscellaneous	104,800	787,287	313,834	(473,453)	248,515
Total revenues	<u>7,933,621</u>	<u>7,551,170</u>	<u>7,468,104</u>	<u>(83,066)</u>	<u>8,293,353</u>
Expenditures:					
Current -					
General government	2,486,861	2,495,738	2,594,617	(98,879)	2,297,934
Public safety - fire	2,089,966	2,087,406	2,019,303	68,103	2,234,636
Streets	2,463,673	1,736,442	1,827,908	(91,466)	2,242,988
Capital outlay	494,084	457,278	619,880	(162,602)	4,619,559
Debt service	18,369	144,595	350,992	(206,397)	88,816
Total expenditures	<u>7,552,953</u>	<u>6,921,459</u>	<u>7,412,700</u>	<u>(491,241)</u>	<u>11,483,933</u>
Excess/(deficiency) of revenues over expenditures	<u>380,668</u>	<u>629,711</u>	<u>55,404</u>	<u>(574,307)</u>	<u>(3,190,580)</u>
Other financing sources (uses):					
Gain on sale of asset	-	-	-	-	37,726
Proceeds from debt	-	-	525,630	525,630	1,947,030
Transfers from other funds	9,585,504	1,836,443	192,448	(1,643,995)	10,920,619
Transfers to other funds	<u>(6,650,000)</u>	<u>(2,434,701)</u>	<u>(750,428)</u>	<u>1,684,273</u>	<u>(9,110,625)</u>
Total other financing sources (uses)	<u>2,935,504</u>	<u>(598,258)</u>	<u>(32,350)</u>	<u>565,908</u>	<u>3,794,750</u>
Net change in fund balance	3,316,172	31,453	23,054	(8,399)	604,170
Fund balance, beginning	<u>126,249</u>	<u>906,549</u>	<u>906,549</u>	<u>-</u>	<u>302,379</u>
Fund balance, ending	<u>\$ 3,442,421</u>	<u>\$ 938,002</u>	<u>\$ 929,603</u>	<u>\$ (8,399)</u>	<u>\$ 906,549</u>

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

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

	2024				
	Budget			Variance with Final Budget Positive (Negative)	2023 Actual
	Original	Final	Actual		
Taxes:					
Ad valorem taxes	\$ 2,172,488	\$ 1,708,666	\$ 1,725,942	\$ 17,276	\$ 1,561,861
Rededication from 1981 Sales Tax	2,434,441	2,356,121	2,582,993	226,872	2,346,519
Hotel motel sales tax	4,186	3,643	3,908	265	4,538
Franchise - electric	845,357	845,000	867,596	22,596	811,566
Franchise - gas	122,244	120,000	132,398	12,398	116,986
Franchise - cable	38,258	45,000	50,765	5,765	54,041
Total taxes	<u>5,616,974</u>	<u>5,078,430</u>	<u>5,363,602</u>	<u>285,172</u>	<u>4,895,511</u>
Licenses and permits:					
Occupational licenses	24,750	24,750	15,225	(9,525)	23,775
Insurance occupational licenses	622,404	620,000	491,868	(128,132)	357,672
Codes and permits	749,771	880,358	1,025,843	145,485	599,597
Total licenses and permits	<u>1,396,925</u>	<u>1,525,108</u>	<u>1,532,936</u>	<u>7,828</u>	<u>981,044</u>
Intergovernmental:					
Federal grants	-	-	93,645	93,645	2,009,764
State of Louisiana -					
Beer taxes	20,000	13,393	24,733	11,340	14,380
State grants	627,836	39,640	30,000	(9,640)	11,800
Total intergovernmental	<u>647,836</u>	<u>53,033</u>	<u>148,378</u>	<u>95,345</u>	<u>2,035,944</u>
Fines and forfeits:					
Fines and court costs	<u>167,086</u>	<u>107,312</u>	<u>109,354</u>	<u>2,042</u>	<u>132,339</u>
Miscellaneous:					
Interest	8,000	10,246	15,079	4,833	10,919
Other sources	96,800	777,041	281,255	(495,786)	217,246
Total miscellaneous	<u>104,800</u>	<u>787,287</u>	<u>313,834</u>	<u>(473,453)</u>	<u>248,515</u>
Total revenues	<u>\$ 7,933,621</u>	<u>\$ 7,551,170</u>	<u>\$ 7,468,104</u>	<u>\$ (83,066)</u>	<u>\$ 8,293,353</u>

CITY OF YOUNGSVILLE, LOUISIANA
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2024
With Comparative Amounts for the Year Ended June 30, 2023

	2024			Variance with Final Budget	2023
	Budget		Actual	Positive (Negative)	Actual
	Original	Final			
General government:					
Administrative -					
Compensation - mayor and council	\$ 159,660	\$ 171,104	\$ 171,104	\$ -	\$ 155,721
Other salaries	695,625	482,715	509,252	(26,537)	563,154
Payroll taxes and retirement	142,070	107,471	110,810	(3,339)	116,434
Group insurance	71,377	64,583	66,848	(2,265)	52,702
Utilities and telephone	89,870	79,837	89,755	(9,918)	65,902
Mayor's expense	13,200	13,200	13,200	-	13,200
Auto allowance	12,000	7,100	7,100	-	15,000
Advertising	76,560	30,064	31,544	(1,480)	43,806
Repairs and maintenance	5,000	34,881	66,788	(31,907)	129,571
Dues and publications	7,892	11,311	16,627	(5,316)	15,387
Professional fees	255,473	162,072	194,496	(32,424)	146,850
General insurance	115,157	103,009	145,271	(42,262)	114,866
Office supplies	47,189	17,481	24,518	(7,037)	46,671
Computer expense	68,487	90,194	91,070	(876)	78,262
Convention expense	3,996	5,516	6,460	(944)	5,351
Community relations	65,747	107,210	152,672	(45,462)	88,832
Uniform expense	3,708	2,377	2,377	-	3,509
Engineering	70,488	113,056	8,056	105,000	33,373
Contract services	48,532	53,522	36,482	17,040	35,333
Annexation	6,017	1,090	1,090	-	5,842
Mardi Gras expense	113,528	71,315	71,315	-	110,222
Collection expense	13,596	13,883	13,751	132	12,286
Miscellaneous	34,828	30,680	29,388	1,292	49,499
Total administrative	<u>2,120,000</u>	<u>1,773,671</u>	<u>1,859,974</u>	<u>(86,303)</u>	<u>1,901,773</u>
Code enforcement -					
Salaries and related expenses	57,518	144,614	146,744	(2,130)	54,332
Contract services	-	2,280	3,543	(1,263)	-
Office expense	-	609	14,947	(14,338)	-
Group insurance	5,948	6,004	6,261	(257)	5,845
Insurance	-	19,000	27,367	(8,367)	-
Professional fees	265,559	515,503	499,533	15,970	300,617
Total code enforcement	<u>329,025</u>	<u>688,010</u>	<u>698,395</u>	<u>(10,385)</u>	<u>360,794</u>
Magistrate court -					
Professional fees and other salaries	6,380	6,380	6,380	-	5,848
Payroll taxes and retirement	784	809	809	-	1,267
Court costs	<u>30,672</u>	<u>26,868</u>	<u>29,059</u>	<u>(2,191)</u>	<u>28,252</u>
Total magistrate court	<u>37,836</u>	<u>34,057</u>	<u>36,248</u>	<u>(2,191)</u>	<u>35,367</u>
Total general government	<u>2,486,861</u>	<u>2,495,738</u>	<u>2,594,617</u>	<u>(98,879)</u>	<u>2,297,934</u>

(continued)

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

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

	2024				
	Budget			Variance with Final Budget	2023
	Original	Final	Actual	Positive (Negative)	Actual
Public safety - fire					
Contract services	2,089,966	2,087,406	2,019,303	68,103	2,234,636
Total fire	2,089,966	2,087,406	2,019,303	68,103	2,234,636
Streets:					
Salaries	407,463	268,140	257,797	10,343	381,399
Payroll taxes and retirement	50,933	35,876	34,615	1,261	45,866
Group insurance	57,045	30,370	30,404	(34)	45,536
General insurance	44,036	44,430	61,812	(17,382)	60,605
Contract services	296,980	144,871	151,994	(7,123)	355,398
Telephone and utilities	17,525	153,821	150,726	3,095	15,423
Supplies, materials and repairs	640,000	630,195	656,917	(26,722)	630,023
Equipment rental	294,119	214,582	132,153	82,429	290,201
Office supplies	18,792	14,380	14,341	39	17,319
Auto and truck expense	139,163	114,849	118,703	(3,854)	135,216
Street lighting	161,047	42,393	44,070	(1,677)	156,357
Engineering fees	70,488	3,433	144,558	(141,125)	74,480
Professional fees	136,708	5,452	5,452	-	9,596
Uniforms	14,447	6,459	7,559	(1,100)	13,953
Disaster cleanup	100,000	-	-	-	-
Miscellaneous	14,927	27,191	16,807	10,384	11,616
Total streets	2,463,673	1,736,442	1,827,908	(91,466)	2,242,988
Capital outlay	494,084	457,278	619,880	(162,602)	4,619,559
Debt service:					
Principal and interest	18,369	144,595	350,992	(206,397)	88,816
Total expenditures	\$ 7,552,953	\$ 6,921,459	\$ 7,412,700	\$ (491,241)	\$ 11,483,933

CITY OF YOUNGSVILLE, LOUISIANA
1981 Sales Tax Special Revenue Fund

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

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
General government -					
Sales tax collection fees	\$ 11,632	\$ 12,882	\$ 13,750	\$ (868)	\$ 12,286
Professional fees	11,430	11,430	11,510	(80)	11,610
Total general government	<u>23,062</u>	<u>24,312</u>	<u>25,260</u>	<u>(948)</u>	<u>23,896</u>
Public safety -					
Police -					
Salaries	2,679,816	2,215,104	2,220,003	(4,899)	2,064,369
On-behalf payments	309,600	266,954	220,496	46,458	194,401
Civil service salaries	4,530	6,950	6,950	-	3,150
Payroll taxes and retirement	1,216,433	901,093	881,958	19,135	750,446
Group insurance	292,501	230,644	231,205	(561)	200,301
Repairs and maintenance	2,150	10,971	42,648	(31,677)	35,312
Office supplies and expense	22,791	24,710	37,885	(13,175)	74,746
Dues and subscriptions	868	9,118	9,118	-	2,197
Telephone and utilities	88,827	93,529	108,840	(15,311)	94,798
Insurance	43,070	110,000	184,285	(74,285)	42,609
Auto expense	356,021	263,563	282,862	(19,299)	340,786
Uniforms and supplies	51,307	24,320	28,376	(4,056)	45,646
Contract labor	130,357	118,946	137,383	(18,437)	139,334
Court expense	323,004	248,390	252,932	(4,542)	317,252
Training	22,308	5,031	15,255	(10,224)	14,354
Professional fees	200,645	81,436	82,320	(884)	87,019
Radio expense	43,863	24,031	19,931	4,100	61,593
Miscellaneous	168,575	112,846	92,836	20,010	58,380
Total public safety	<u>5,956,666</u>	<u>4,747,636</u>	<u>4,855,283</u>	<u>(107,647)</u>	<u>4,526,693</u>
Capital outlay	<u>608,355</u>	<u>546,708</u>	<u>542,072</u>	<u>4,636</u>	<u>159,925</u>
Debt service -					
Principal	78,000	19,900	19,900	-	22,217
Interest	1,800	-	-	-	10
Total debt service	<u>79,800</u>	<u>19,900</u>	<u>19,900</u>	<u>-</u>	<u>22,227</u>
Total expenditures	<u>\$ 6,667,883</u>	<u>\$ 5,338,556</u>	<u>\$ 5,442,515</u>	<u>\$ (103,959)</u>	<u>\$ 4,732,741</u>

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

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

The Honorable 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 the *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Youngsville, Louisiana (City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated February 28, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 through 2024-006 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2024-007 through 2024-010.

The City of Youngsville, Louisiana's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing 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
February 28, 2025

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

* A Professional Accounting Corporation

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

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

Report on Compliance for the Major Federal Program

Unmodified Opinion

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

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

Basis for Unmodified Opinion

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

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we exercise professional judgment and maintain professional skepticism throughout the audit. We identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances. We obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose; however, 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
February 28, 2025

CITY OF YOUNGSVILLE, LOUISIANA

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

<u>Federal Grantor / Pass-Through Grantor / Program Name</u>	<u>Pass-through Identifying Number</u>	<u>Assistance Listing</u>	<u>Expenditures</u>
Indirect Programs:			
<u>U.S. Department of Homeland Security</u>			
Passed-through Governor's Office of Homeland Security and Emergency Preparedness:			
Hazard Mitigation Grant Program	* N/A	97.039	\$ 2,541,167
<u>U.S. Department of Transportation</u>			
Passed-through Louisiana Department of Transportation and Development:			
Highway Planning and Construction - Trasnportation Improvement Program	N/A	20.205	<u>36,512</u>
Total Federal Expenditures			<u>\$ 2,577,679</u>

* Indicates major program

CITY OF YOUNGSVILLE, LOUISIANA

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

Basis of Presentation

(1) General

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

(2) Basis of Accounting

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

(3) Indirect Cost Rate

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

CITY OF YOUNGSVILLE, LOUISIANA

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

Part I. Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City were prepared in accordance with GAAP.
2. Six deficiencies in internal control were disclosed during the audit of the financial statements. These deficiencies were determined to be material weaknesses.
3. Four instances of noncompliance that were required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No material weaknesses in internal control over the major federal programs were disclosed during the audit.
5. The auditor's report on compliance for the major federal award program for the City expresses an unmodified opinion on the major federal program.
6. There are no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The following program is considered to be the only major program: Hazard Mitigation Grant Program (97.039).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The City did not qualify as a low-risk auditee.

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

Internal Control Findings –

2024-001 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.

CITY OF YOUNGSVILLE, LOUISIANA

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

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 corrective 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.

2024-002 Inadequate Recordation of Transactions and Reconciliations of Account Balances

Fiscal year finding initially occurred: 2020

Condition

The City does not have adequate controls over the recording of transactions and monthly reconciliations of interfund account balances.

Criteria

The City should reconcile the interfund transactions monthly. The City should pay out all interfund balances due to the appropriate funds.

Cause

Due to inadequate policies and procedures, the City's accounting records may not be accurate and reconciled timely.

Effect

The City could have discrepancies in the financial statements, thereby causing management to make decisions based upon erroneous information. Additionally, lack of internal controls could result in misappropriation of assets.

Recommendation

The City should implement policies and procedures to ascertain that transactions are properly recorded, and account balances are reconciled on a timely basis.

Management's corrective action plan

The City continues to implement policies and procedures and improve system controls to ensure that transactions are properly recorded, and account balances are reconciled on a timely basis.

CITY OF YOUNGSVILLE, LOUISIANA

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

2024-003 Inadequate Controls Over Financial Statement Preparation

Fiscal year finding initially occurred: 2022

Condition:

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

Criteria:

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

Cause:

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

Effect:

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

Recommendation:

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

Management's Corrective Action Plan:

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

2024-004 Inadequate Controls Over Bank Reconciliations

Fiscal year finding initially occurred: 2024

Condition:

The City did not properly reconcile all bank accounts through the fiscal year.

Criteria:

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

CITY OF YOUNGSVILLE, LOUISIANA

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

Cause:

A process was in place for the reconciliation, review, and approval of bank reconciliations. However, reconciliations required adjustments by the City's auditors to ensure proper reporting of cash balances.

Effect:

Failure to properly reconcile bank accounts and review such reconciliations could result in errors and/or fraud by not recording account activity accurately.

Recommendation:

The City should ensure internal control policies and procedures over bank reconciliations are being properly implemented.

Management's Corrective Action Plan:

Management will review policies and procedures concerning bank reconciliations to ensure bank accounts get properly reconciled to the general ledger.

2024-005 Significant Audit Adjustments

Fiscal year finding initially occurred: 2024

Condition:

Management of the City of Youngsville should maintain appropriate policies and procedures to correctly record, adjust, and reconcile significant financial statement account balances to ensure they are properly stated at year end.

Criteria:

During the audit, significant audit adjustments were made to correct financial statement amounts to their proper balances based on support acquired during the audit. Without reliance on the auditor's procedures, these adjustments would not have been detected, which could lead to balances being misstated at year end.

Cause:

The City of Youngsville did not have proper internal control procedures to monitor the financial transactions of the City. Additionally, the City did not have proper procedures to reconcile significant account balances for presentation in the financial statements.

Effect:

The City of Youngsville's financial statements could be materially misstated if proper internal controls over financial reporting are not in place.

CITY OF YOUNGSVILLE, LOUISIANA

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

Recommendation:

The City of Youngsville should implement policies and procedures to monitor the financial transactions of the City and to ensure that all significant account balances are properly reconciled.

Management's Corrective Action Plan:

Management of the City of Youngsville is currently working to implement policies and procedures to ensure financial transactions are appropriately recorded and reconciled.

2024-006 Segregation of Utility Deposits

Fiscal year finding initially occurred: 2024

Condition:

The City of Youngsville has an outstanding utility deposit liability of \$737,766; however, the City only has \$346,535 in segregated cash accounts to refund customer deposits.

Criteria:

Management should segregate restricted assets into separate bank accounts to ensure restricted assets are available when required.

Cause:

The City of Youngsville did not have proper internal control procedures to ensure assets restricted for utility deposit reimbursements were segregated from other assets of the city.

Effect:

Failure to adequately segregate restricted cash increases the risk that errors, including fraud may occur and not be prevented/and or detected. Additionally, failure to segregate cash could result in the City inadvertently spending customer deposits on operating expenditures.

Recommendation:

The City should implement policies and procedures over utility deposits, including segregating customer deposits into their own bank account.

Management's Corrective Action Plan:

As of the date of this report, management has transferred the appropriate cash into the separately designated customer utility deposit account.

CITY OF YOUNGSVILLE, LOUISIANA

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

Compliance Findings –

2024-007 Procurement

Fiscal year finding initially occurred: 2024

Condition:

The City of Youngsville entered into an agreement with a vendor that was not properly procured.

Criteria:

Louisiana Revised Statute 39:1753.1(C) states “Prior to the procurement of telecommunications or video surveillance equipment or services, the vendor shall provide documentation by affidavit that the equipment or services to be procured are not prohibited.” Additionally, Louisiana Revised Statute 39:1753.1(C) also states “No procurement shall be made from a vendor or other entity who fails to provide the documentation required in Subsection C of this Section. Any procurement of prohibited telecommunications or video surveillance equipment or services is defined in Subsection A of this section, or other procurement in violation of this Section shall be void.”

Cause:

The City was unaware of the procurement requirements related to telecommunications and video surveillance equipment.

Effect:

The City entered into an agreement with a vendor that may have violated Louisiana Revised Statute 39:1753.1.

Recommendation:

The City should implement policies and procedures that require the City to obtain an affidavit verifying that the equipment or services are not prohibited.

Management’s Corrective Action Plan:

As of the date of this report, the City of Youngsville has obtained the necessary affidavits and has modified contracts with vendors to be in compliance with state statutes.

2024-008 Compliance with Bond Requirements

Fiscal year finding initially occurred: 2024

Condition:

The City did not comply with the bond requirements of the Series 2014, 2016, 2021, and both 2017 revenue bonds.

CITY OF YOUNGSVILLE, LOUISIANA

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

Criteria:

The City has outstanding debt obligations that are governed by debt covenants.

Cause:

The City did not make the required monthly deposits and/or maintain the required amount of cash in the required accounts.

Effect:

The City did not comply with the bond requirements of various debt obligations.

Recommendation:

The City should review the requirements of the debt covenants to ensure compliance with all bond requirements of debt obligations.

Management's Corrective Action Plan:

As of the date of this report, the City has corrected all requirements of the debt covenants and made the necessary deposits and obligations requirements and will continue to monitor the requirements to ensure compliance.

2024-009 Failure to Amend Budget

Fiscal year finding initially occurred: 2024

Condition:

Total expenditures and other uses of the 1999 sales tax fund and the recreational facilities sales tax fund exceeded total budgeted expenditures and other sources by more than five percent. In addition, the general fund revenues and other sources failed to meet total budgeted revenues by more than five percent.

Criteria:

Louisiana Revised Statute 39: 1311 A(2) states that the budget is required to be amended when "total expenditures and other uses plus projected expenditures and other uses for the remainder of the year, within a fund, are exceeding the total budgeted expenditures and other uses by five percent or more". Additionally, Louisiana Revised Statute 39:1311A(1) states that the budget is required to be amended when "total revenues and other sources plus projected revenues and other sources for the remainder of the year, within a fund, are failing to meet total budgeted revenues and other sources by five percent or more".

Cause:

The City did not properly monitor compliance with the budget.

CITY OF YOUNGSVILLE, LOUISIANA

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

Effect:

The City may not prevent and/or detect excess spending of the appropriated budget in a timely manner.

Recommendation:

The City should monitor compliance with the budget and amend the budget when total expenditures and other uses exceed total budgeted amounts or when total revenues and other sources fail to meet budgeted amounts.

Management's Corrective Action Plan:

The City amended the budget; however, adjustments required during the audit resulted in budget variances greater than 5%. The City will continue to monitor budget compliance and amend the budget when necessary.

2024-010 Failure to File Audited Financial Statements Timely

Fiscal year finding initially occurred: 2024

Condition:

The City's annual audited financial statements were not filed in a timely manner for the fiscal year ended June 30, 2024.

Criteria:

In accordance with Louisiana Revised Statute 24:513, the city must complete and submit an audit of their financial statements within six months of the close of their fiscal year to the Legislative Auditor's office.

Cause:

The City's management did not take the appropriate actions to ensure its annual financial statement audit was completed within six months of the close of their fiscal year.

Effect:

The City did not comply with Louisiana Revised Statute 24:513.

Recommendation:

The City should take necessary actions to ensure their annual financial statement audit is completed and submitted within six months of the close of their fiscal year.

Management's Corrective Action Plan:

The City will take the appropriate actions to ensure that the financial statement audit is completed and submitted within the prescribed deadline.

CITY OF YOUNGSVILLE, LOUISIANA

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

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

Compliance Findings –

There were no compliance findings reported.

Internal Control Findings –

There were no internal control findings reported.



MAYOR
Ken Ritter

CITY CLERK
Nicole Guidry

City of Youngsville
P.O. Box 592
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Youngsville, LA 70592
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CITY COUNCIL
Shannon Bares
Lindy Bolgiano
Matt Romero
Jamie Creed
Simone B. Champagne

**Corrective Action Plan
February 28, 2025**

U.S. Department of Homeland Security

The City of Youngsville respectfully submits the following corrective action plan for the year ended June 30, 2024.

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

Audit Period: 07/01/2023 – 06/30/2024

The findings from the June 30, 2024, schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT:

Internal Control:

Material Weakness -

2024-001 Inadequate Segregation of Accounting Functions

Recommendation

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

Management's corrective 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.

2024-002 Inadequate Recordation of Transactions and Reconciliations of Account Balances

Recommendation

The City should implement policies and procedures to ascertain that transactions are properly recorded, and account balances are reconciled on a timely basis.

Management's corrective action plan

The City continues to implement policies and procedures and improve system controls to ensure that transactions are properly recorded, and account balances are reconciled on a timely basis.

2024-003 Inadequate Controls Over Financial Statement Preparation

Recommendation:

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

Management's Corrective Action Plan:

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

2024-004 Inadequate Controls Over Bank Reconciliations

Recommendation:

The City should ensure internal control policies and procedures over bank reconciliations are being properly implemented.

Management's Corrective Action Plan:

Management will review policies and procedures concerning bank reconciliations to ensure bank accounts and any outstanding transactions get properly reconciled to the general ledger.

2024-005 Significant Audit Adjustments

Recommendation:

The City of Youngsville should implement policies and procedures to monitor the financial transactions of the City and to ensure that all significant account balances are properly reconciled.

Management's Corrective Action Plan:

Management of the City of Youngsville is currently working to implement policies and procedures to ensure financial transactions are appropriately recorded and reconciled.

2024-006 Utility Deposits

Recommendation:

The City should implement policies and procedures over utility deposits, including segregating customer deposits into their own bank account.

Management's Corrective Action Plan:

As of the date of this report, management has transferred the appropriate cash into the separately designated customer utility deposit account.

Compliance:

Material Weakness –

2024-007 Procurement

Recommendation:

The City should implement policies and procedures that require the City to obtain an affidavit verifying that the equipment or services are not prohibited.

Management's Corrective Action Plan:

As of the date of this report, the City of Youngsville has obtained the necessary affidavits and has modified contracts with vendors to be in compliance with state statutes.

2024-008 Compliance with Bond Requirements

Recommendation:

The City should review the requirements of the debt covenants to ensure compliance with all bond requirements of debt obligations.

Management's Corrective Action Plan:

As of the date of this report, the City has corrected all requirements of the debt covenants and made the necessary deposits and obligations requirements and will continue to monitor the requirements to ensure compliance.

2024-009 Failure to Amend Budget

Recommendation:

The City should monitor compliance with the budget and amend the budget when total expenditures and other uses exceed total budgeted amounts or when total revenues and other sources fail to meet budgeted amounts.

Management's Corrective Action Plan:

The City amended the budget; however, adjustments required during the audit resulted in budget variances greater than 5%. The City will continue to monitor budget compliance and amend the budget when total expenditures and other uses exceed total budgeted amounts.

2024-010 Failure to File Audited Financial Statements Timely

Recommendation:

The City should take necessary actions to ensure their annual financial statement audit is completed and submitted within six months of the close of their fiscal year.

Management's Corrective Action Plan:

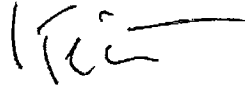
The City will take the appropriate actions to ensure that the financial statement audit is completed and submitted within the prescribed deadline.

FINDINGS - FEDERAL AWARD PROGRAMS AUDIT:

There were no findings reported for federal award programs at June 30, 2024.

Should any federal or state pass-through grant agencies have questions regarding this plan, please contact Mayor Ken Ritter at 337-856-4181.

Sincerely,

A handwritten signature in black ink, appearing to be "Ken Ritter", with a horizontal line extending to the right.

Ken Ritter,
Mayor



MAYOR
Ken Ritter

CITY CLERK
Nicole Guidry

City of Youngsville
P.O. Box 592
201 Iberia Street
Youngsville, LA 70592
(337) 856-4181 * Fax (337) 856-8863

CITY COUNCIL
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City of Youngsville
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2024

FINDINGS – FINANCIAL STATEMENT AUDIT:

2023-001 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.

Management's Corrective 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.

Current Status: Not resolved. See 2024-001.

2023-002 Inadequate Recordation of Transactions and Reconciliations of Account Balances

Fiscal year finding initially occurred: 2020

Condition:

The City does not have adequate controls over the recording of transactions and monthly reconciliations of interfund account balances.

Management's Corrective Action Plan:

The City will implement policies and procedures to ascertain that transactions are properly recorded, and account balances are reconciled on a timely basis.

Current Status: Not resolved. See 2024-002

2023-003 Inadequate Controls Over Financial Statement Preparation

Fiscal year finding initially occurred: 2022

Condition:

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

Management's Corrective Action Plan:

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

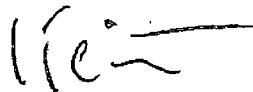
Current Status: Not resolved. See 2024-003.

FINDINGS - FEDERAL AWARD PROGRAMS AUDIT:

There were no findings reported for federal award programs at June 30, 2023.

Should any federal or state pass-through grant agencies have questions regarding this plan, please contact Mayor Ken Ritter at 337-856-4181.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ken Ritter', with a horizontal line extending to the right.

Ken Ritter,
Mayor

CITY OF YOUNGSVILLE
Youngsville, Louisiana

Agreed-Upon Procedures Report

Year Ended June 30, 2024

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

- e) ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- h) ***Credit Cards (and debit cards, fuel cards, Purchase Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) custodial responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Board or Finance Committee

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) Observe that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
 - c) Obtain the prior year audit report and observe the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.
 - d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Bank Reconciliations

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

Collections (excluding electronic fund transfers)

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
 - a) Observe that receipts are sequentially pre-numbered.

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

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

- 8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. Randomly select 5 locations (or all locations if less than 5).
- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the custodial has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - e) Only employees/ officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
- 10. For each location selected under #8 above, obtain the City's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
 - a) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #9, as applicable.
- 11. Using the City's main operating account and the month selected in "Bank Reconciliations" procedure #3, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was:
 - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy.
 - b) Approved by the required number of authorized signers per the entity's policy.

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

12. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
13. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - b) Observe that finance charges and late fees were not assessed on the selected statements.
14. Using the monthly statements or combined statements selected under #13 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

15. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1g).
 - d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

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

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agree to the terms and conditions of the contract.

Payroll and Personnel

- 17. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 18. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
 - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observe that any leave accrued or taken during the pay period is reflected in the City's cumulative leave records.
 - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- 19. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the City's policy on termination payments. Agree the hours to the employee or officials' cumulative leave records, agree the pay rates to the employee/officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.
- 20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Ethics

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

Debt Service

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

Fraud Notice

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

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

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

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 and observe evidence that the selected terminated employees have been removed or disabled from the network.

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

We performed the procedure and discussed the results with management.

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

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

We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

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

31. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

32. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:

- a) Number and percentage of public servants in the custodial who have completed the training requirements;
- b) Number of sexual harassment complaints received by the custodial;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

Exceptions:

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

Written Policies and Procedures

- 1. The City does not have sufficient policies and procedures regarding purchasing, payroll/personnel, ethics, information technology disaster recovery/business continuity, and the prevention of sexual harassment.

Board

2. The board did not receive written updates of the progress of resolving audit findings.

Bank Reconciliations

3. Three of the bank reconciliations selected for testing were not prepared within 2 months of the closing date.
4. Four of the bank reconciliations selected for testing did not include written evidence that a member of management has reviewed each bank reconciliation within one month of the date the reconciliation was prepared.
5. Two of the bank reconciliations selected for testing did not have evidence of researching outstanding items greater than 12 months.

Management's Response:

Management concurs with the exceptions noted and is working to address the deficiencies identified.

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
February 28, 2025