

CITY OF VILLE PLATTE, LOUISIANA

Financial Report

Year Ended June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

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The Honorable Jennifer Vidrine, Mayor,
and Members of the City Council
City of Ville Platte, Louisiana

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Ville Platte, Louisiana (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison schedules, schedule of changes in total OPEB liability and related ratios, schedule of employer's share of net pension liability, and schedule of employer contributions, pages 51 - 59, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other financial information and other supplementary information, pages 61 - 75, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards, page 81, is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The utility fund detailed statement of revenues, expenses, and changes in net position and departmental statement of operating expenses, pages 68 - 70, Section 8 program financial data schedules, pages 71 - 72, and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the above information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The detailed general fund budgetary comparison schedules, pages 61 – 67, and other supplementary information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2020, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
December 30, 2020

BASIC FINANCIAL STATEMENTS

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

CITY OF VILLE PLATTE, LOUISIANA

Statement of Net Position
June 30, 2020

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and interest-bearing deposits	\$ 5,179,423	\$ 777,722	\$ 5,957,145
Investments	225,554	-	225,554
Receivables, net	90,241	639,122	729,363
Due from other governmental units	563,741	-	563,741
Restricted assets:			
Cash and interest-bearing deposits	-	1,871,656	1,871,656
Capital assets, net	<u>6,659,450</u>	<u>18,003,987</u>	<u>24,663,437</u>
Total assets	<u>12,718,409</u>	<u>21,292,487</u>	<u>34,010,896</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension plans	1,449,772	274,643	1,724,415
Other postemployment benefit obligation	<u>156,720</u>	<u>44,608</u>	<u>201,328</u>
Total deferred outflows of resources	<u>1,606,492</u>	<u>319,251</u>	<u>1,925,743</u>
LIABILITIES			
Accounts and other payables	122,636	261,626	384,262
Advance from grantors	-	16,314	16,314
Customers deposits payable	-	521,295	521,295
Accrued interest	-	44,786	44,786
Long-term liabilities:			
Due within one year -			
Capital lease payable	62,915	56,109	119,024
Bonds payable	-	630,000	630,000
Due after one year -			
Compensated absences payable	269,419	109,784	379,203
Capital lease payable	131,639	117,399	249,038
Bonds payable	-	8,659,000	8,659,000
Net pension liability	5,320,081	1,057,367	6,377,448
Other postemployment benefit obligation payable	<u>1,130,811</u>	<u>334,152</u>	<u>1,464,963</u>
Total liabilities	<u>7,037,501</u>	<u>11,807,832</u>	<u>18,845,333</u>
DEFERRED INFLOWS OF RESOURCES			
Pension plans	857,403	93,154	950,557
Other postemployment benefit obligation	<u>7,368</u>	<u>2,282</u>	<u>9,650</u>
Total deferred inflows of resources	<u>864,771</u>	<u>95,436</u>	<u>960,207</u>
NET POSITION			
Net investment in capital assets	6,464,896	9,227,602	15,692,498
Restricted for:			
Sales tax dedications	1,588,794	-	1,588,794
Street and drainage	2,193,777	-	2,193,777
Debt service	-	128,368	128,368
Water utility operations	-	547,207	547,207
Unrestricted	<u>(3,824,838)</u>	<u>(194,707)</u>	<u>(4,019,545)</u>
Total net position	<u>\$ 6,422,629</u>	<u>\$ 9,708,470</u>	<u>\$ 16,131,099</u>

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

CITY OF VILLE PLATTE, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2020

Activities	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:						
General government	\$ 1,915,678	\$ 383,025	\$ 324,389	\$ (1,208,264)	\$ -	\$ (1,208,264)
Public safety:						
Police	1,516,047	40,921	307,162	(1,167,964)	-	(1,167,964)
Fire	1,243,094	-	593,815	(649,279)	-	(649,279)
Streets	823,924	-	14,950	(808,974)	-	(808,974)
Culture and recreation	427,728	-	106	(427,622)	-	(427,622)
Interest on long-term debt	8,063	-	-	(8,063)	-	(8,063)
Total governmental activities	<u>5,934,534</u>	<u>423,946</u>	<u>1,240,422</u>	<u>(4,270,166)</u>	<u>-</u>	<u>(4,270,166)</u>
Business-type activities:						
Gas	1,254,111	1,570,665	-	-	316,554	316,554
Water	2,505,478	1,732,473	-	-	(773,005)	(773,005)
Sewer	987,844	937,919	-	-	(49,925)	(49,925)
Housing assistance	628,129	-	645,183	-	17,054	17,054
Total business-type activities	<u>5,375,562</u>	<u>4,241,057</u>	<u>645,183</u>	<u>-</u>	<u>(489,322)</u>	<u>(489,322)</u>
Total	<u>\$ 11,310,096</u>	<u>\$ 4,665,003</u>	<u>\$ 1,885,605</u>	<u>(4,270,166)</u>	<u>(489,322)</u>	<u>(4,759,488)</u>
General revenues:						
Taxes -						
Ad valorem taxes, levied for general purposes				738,677	528,570	1,267,247
Sales and use taxes, levied for general purposes				2,995,470	-	2,995,470
Payment in lieu of taxes				429,153	-	429,153
Franchise taxes				324,208	-	324,208
Grants and contributions not restricted to specific programs -						
Beer taxes				19,624	-	19,624
Non-employer pension contribution				131,471	14,789	146,260
Interest and investment earnings				9,534	1,604	11,138
Miscellaneous				516,863	-	516,863
Transfers				48,064	(48,064)	-
Total general revenues and transfers				<u>5,213,064</u>	<u>496,899</u>	<u>5,709,963</u>
Change in net position				942,898	7,577	950,475
Net position, beginning				<u>5,479,731</u>	<u>9,700,893</u>	<u>15,180,624</u>
Net position, ending				<u>\$ 6,422,629</u>	<u>\$ 9,708,470</u>	<u>\$ 16,131,099</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

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

1975 Sales Tax Fund

To account for the receipt and use of proceeds of the City's 1975 one percent sales and use tax. These taxes are dedicated to the following purposes: paying bonds; constructing, acquiring, improving and maintaining police and fire department stations and equipment; streets, sidewalks, and drainage facilities; sewer and sewerage disposal works; park and pool facilities; compensating firemen and policemen; and operating and maintaining the waterworks system.

1984 Sales Tax Fund

To account for the receipt and use of proceeds of the City's 1984 one percent sales and use tax. These taxes are dedicated to the following purposes: constructing, acquiring, extending, improving, operating and/or maintaining sewers and sewerage disposal works, and at least five percent of such tax annually for constructing, extending, improving and/or maintaining streets and sidewalks; constructing, improving and maintaining public buildings; including the purchase and acquisition of the necessary land, equipment and furnishings for the aforesaid; after making provision for annual debt service on bonds, which may be issued for the aforementioned purposes.

City Court Fund

To account for the City's portion of City Court fine income and expenditures paid directly from the City's funds.

Enterprise Funds

Utility Fund

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

Section 8 Housing Program

To account for administration of grant funds received from the U.S. Department of Housing and Urban Development to provide rental assistance to qualified low income individuals.

CITY OF VILLE PLATTE, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2020

	General Fund	1975 Sales Tax Special Revenue	1984 Sales Tax Special Revenue	City Court Special Revenue	Totals
ASSETS					
Cash and interest-bearing deposits	\$ 3,569,847	\$ 16,008	\$ 1,574,262	\$ 19,306	\$ 5,179,423
Investments	225,554	-	-	-	225,554
Receivables	90,241	-	-	-	90,241
Due from other governmental units	554,224	-	-	9,517	563,741
Total assets	<u>\$ 4,439,866</u>	<u>\$ 16,008</u>	<u>\$ 1,574,262</u>	<u>\$ 28,823</u>	<u>\$ 6,058,959</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 83,262	\$ 738	\$ 738	\$ 4,463	\$ 89,201
Accrued liabilities	33,435	-	-	-	33,435
Total liabilities	<u>116,697</u>	<u>738</u>	<u>738</u>	<u>4,463</u>	<u>122,636</u>
Fund balances:					
Restricted -					
Sales tax dedications	-	15,270	1,573,524	-	1,588,794
Street and drainage	2,193,777	-	-	-	2,193,777
Assigned -					
City Court operations	-	-	-	24,360	24,360
Unassigned	2,129,392	-	-	-	2,129,392
Total fund balances	<u>4,323,169</u>	<u>15,270</u>	<u>1,573,524</u>	<u>24,360</u>	<u>5,936,323</u>
Total liabilities and fund balances	<u>\$ 4,439,866</u>	<u>\$ 16,008</u>	<u>\$ 1,574,262</u>	<u>\$ 28,823</u>	<u>\$ 6,058,959</u>

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

CITY OF VILLE PLATTE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2020

Total fund balances for governmental funds at June 30, 2020		\$ 5,936,323
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 676,415	
Buildings, net of \$4,057,796 accumulated depreciation	3,911,451	
Infrastructure, net of \$3,637,093 accumulated depreciation	1,672,019	
Equipment, furniture and fixtures, net of \$1,551,059 accumulated depreciation	307,371	
Improvements, net of \$278,157 accumulated depreciation	<u>92,194</u>	6,659,450
Deferred outflows of expenditures are not a use of current resources and, therefore are not reported in the funds.		
Pension plans	1,449,772	
Other postemployment benefit obligation	<u>156,720</u>	1,606,492
Some liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds.		
Compensated absences payable	(269,419)	
Capital leases payable	(194,554)	
Net pension liability	(5,320,081)	
Other postemployment benefit obligation payable	<u>(1,130,811)</u>	(6,914,865)
Deferred inflows of contributions are not available resources and, therefore, are not reported in the funds.		
Pension plans	(857,403)	
Other postemployment benefit obligation	<u>(7,368)</u>	<u>(864,771)</u>
Net position at June 30, 2020		<u>\$ 6,422,629</u>

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

CITY OF VILLE PLATTE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
 Governmental Funds
 For the Year Ended June 30, 2020

	General Fund	1975 Sales Tax Special Revenue	1984 Sales Tax Special Revenue	City Court Special Revenue	Totals
Revenues:					
Taxes	\$ 1,492,038	\$ 1,497,735	\$ 1,497,735	\$ -	\$ 4,487,508
Licenses and permits	383,025	-	-	-	383,025
Intergovernmental	1,106,606	-	-	153,440	1,260,046
Fines and forfeits	-	-	-	40,921	40,921
Miscellaneous	510,279	42	1,198	14,878	526,397
Total revenues	<u>3,491,948</u>	<u>1,497,777</u>	<u>1,498,933</u>	<u>209,239</u>	<u>6,697,897</u>
Expenditures:					
Current -					
General government	1,064,328	42,399	42,411	685,301	1,834,439
Public safety:					
Police	1,313,436	-	-	-	1,313,436
Fire	1,081,995	-	-	-	1,081,995
Streets and drainage	571,196	-	-	-	571,196
Culture and recreation	351,416	-	-	-	351,416
Capital outlay	45,105	-	-	-	45,105
Debt service -					
Principal retirement	82,964	-	-	-	82,964
Interest and fiscal charges	8,055	-	-	-	8,055
Total expenditures	<u>4,518,495</u>	<u>42,399</u>	<u>42,411</u>	<u>685,301</u>	<u>5,288,606</u>
Excess (deficiency) of revenues over expenditures	<u>(1,026,547)</u>	<u>1,455,378</u>	<u>1,456,522</u>	<u>(476,062)</u>	<u>1,409,291</u>
Other financing sources (uses):					
Transfers in	1,853,990	-	-	445,339	2,299,329
Transfers out	-	(1,462,019)	(789,246)	-	(2,251,265)
Total other financing sources (uses)	<u>1,853,990</u>	<u>(1,462,019)</u>	<u>(789,246)</u>	<u>445,339</u>	<u>48,064</u>
Net changes in fund balances	827,443	(6,641)	667,276	(30,723)	1,457,355
Fund balances, beginning	<u>3,495,726</u>	<u>21,911</u>	<u>906,248</u>	<u>55,083</u>	<u>4,478,968</u>
Fund balances, ending	<u>\$ 4,323,169</u>	<u>\$ 15,270</u>	<u>\$ 1,573,524</u>	<u>\$ 24,360</u>	<u>\$ 5,936,323</u>

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

CITY OF VILLE PLATTE, 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, 2020

Total net changes in fund balances for the year ended June 30, 2020 per the statement of revenues, expenditures and changes in fund balances		\$1,457,355
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances	\$ 45,105	
Current year disposition of capital assets net of accumulated depreciation	(79)	
Depreciation expense	<u>(535,592)</u>	(490,566)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Payment of capital lease		82,956
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.		
Compensated absences payable	38,322	
Net pension liability	(45,295)	
Other postemployment benefit obligation payable	<u>(99,874)</u>	<u>(106,847)</u>
Change in net position for the year ended June 30, 2020 per the statement of activities		<u>\$ 942,898</u>

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

CITY OF VILLE PLATTE, LOUISIANA

Statement of Net Position
 Proprietary Funds - Enterprise Funds
 June 30, 2020

	Utility Fund	Section 8 Housing Program	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 686,639	\$ 91,083	\$ 777,722
Receivables -			
Accounts, net	452,005	-	452,005
Unbilled utility receivables	170,600	-	170,600
Ad valorem tax	16,517	-	16,517
Total current assets	<u>1,325,761</u>	<u>91,083</u>	<u>1,416,844</u>
Noncurrent assets:			
Restricted assets -			
Cash and interest-bearing deposits	1,871,656	-	1,871,656
Capital assets, net of accumulated depreciation	<u>18,003,987</u>	<u>-</u>	<u>18,003,987</u>
Total noncurrent assets	<u>19,875,643</u>	<u>-</u>	<u>19,875,643</u>
Total assets	<u>21,201,404</u>	<u>91,083</u>	<u>21,292,487</u>
Deferred outflows of resources:			
Pension plans	241,463	33,180	274,643
Other postemployment benefit obligation	<u>44,608</u>	<u>-</u>	<u>44,608</u>
Total deferred outflows of resources	<u>286,071</u>	<u>33,180</u>	<u>319,251</u>
LIABILITIES			
Current liabilities:			
Accounts payable	79,174	-	79,174
Accrued liabilities	182,452	-	182,452
Advance from grantors	-	16,314	16,314
Capital lease payable	56,109	-	56,109
Payable from restricted assets -			
Customers' deposits	521,295	-	521,295
Revenue bonds	630,000	-	630,000
Accrued interest payable	44,786	-	44,786
Total current liabilities	<u>1,513,816</u>	<u>16,314</u>	<u>1,530,130</u>
Noncurrent liabilities:			
Compensated absences payable	109,784	-	109,784
Capital lease payable	117,399	-	117,399
Revenue bonds payable	8,659,000	-	8,659,000
Net pension liability	925,553	131,814	1,057,367
Other postemployment benefit obligation payable	<u>334,152</u>	<u>-</u>	<u>334,152</u>
Total noncurrent liabilities	<u>10,145,888</u>	<u>131,814</u>	<u>10,277,702</u>
Total liabilities	<u>11,659,704</u>	<u>148,128</u>	<u>11,807,832</u>
Deferred inflows of resources:			
Pension plans	80,896	12,258	93,154
Other postemployment benefit obligation	<u>2,282</u>	<u>-</u>	<u>2,282</u>
Total deferred inflows of resources	<u>83,178</u>	<u>12,258</u>	<u>95,436</u>
NET POSITION			
Net investment in capital assets	9,227,602	-	9,227,602
Restricted for debt service	128,368	-	128,368
Restricted for water fund operations	547,207	-	547,207
Unrestricted	<u>(158,584)</u>	<u>(36,123)</u>	<u>(194,707)</u>
Total net position	<u>\$ 9,744,593</u>	<u>\$ (36,123)</u>	<u>\$ 9,708,470</u>

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

CITY OF VILLE PLATTE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Net Position
 Proprietary Funds - Enterprise Funds
 For the Year Ended June 30, 2020

	Utility Fund	Section 8 Housing Program	Total
Operating revenues:			
Charges for services	\$ 4,048,404	\$ -	\$ 4,048,404
Connection and inspection fees	50,374	-	50,374
Federal grants	-	639,937	639,937
Other revenue	142,279	5,246	147,525
Total operating revenues	<u>4,241,057</u>	<u>645,183</u>	<u>4,886,240</u>
Operating expenses:			
Gas department expenses	1,181,840	-	1,181,840
Water department expenses	1,000,117	-	1,000,117
Sewerage department expenses	679,028	-	679,028
Housing assistance expenses	-	628,129	628,129
Depreciation expense	1,551,312	-	1,551,312
Total operating expenses	<u>4,412,297</u>	<u>628,129</u>	<u>5,040,426</u>
Operating income (loss)	<u>(171,240)</u>	<u>17,054</u>	<u>(154,186)</u>
Nonoperating revenues (expenses):			
Nonemployer pension contribution	12,599	2,190	14,789
Interest income	1,523	81	1,604
Ad valorem taxes	528,570	-	528,570
Interest expense	(285,646)	-	(285,646)
Paying agent fees	(49,490)	-	(49,490)
Total nonoperating revenues (expenses)	<u>207,556</u>	<u>2,271</u>	<u>209,827</u>
Income before transfers	<u>36,316</u>	<u>19,325</u>	<u>55,641</u>
Transfers in (out):			
Transfers in	697,275	-	697,275
Transfers out	(745,339)	-	(745,339)
Total transfers in (out)	<u>(48,064)</u>	<u>-</u>	<u>(48,064)</u>
Change in net position	(11,748)	19,325	7,577
Net position, beginning	<u>9,756,341</u>	<u>(55,448)</u>	<u>9,700,893</u>
Net position, ending	<u>\$ 9,744,593</u>	<u>\$ (36,123)</u>	<u>\$ 9,708,470</u>

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

CITY OF VILLE PLATTE, LOUISIANA

Statement of Cash Flows
 Proprietary Funds - Enterprise Funds
 For the Year Ended June 30, 2020

	Utility Fund	Section 8 Housing Program	Total
Cash flows from operating activities:			
Receipts from customers	\$4,259,616	\$ -	\$4,259,616
Operating grant	-	639,937	639,937
Payments to suppliers	(2,398,296)	(3,110)	(2,401,406)
Payments to landlords/tenants	-	(525,015)	(525,015)
Payments to employees	(569,587)	(83,246)	(652,833)
Other receipts	<u>142,279</u>	<u>5,246</u>	<u>147,525</u>
Net cash provided by operating activities	<u>1,434,012</u>	<u>33,812</u>	<u>1,467,824</u>
Cash flows from noncapital financing activities:			
Cash received from other funds	912	-	912
Proceeds from ad valorem taxes levied	528,570	-	528,570
Net change in meter deposits	48,294	-	48,294
Transfers from other funds	697,275	-	697,275
Transfers to other funds	<u>(745,339)</u>	<u>-</u>	<u>(745,339)</u>
Net cash provided by noncapital financing activities	<u>529,712</u>	<u>-</u>	<u>529,712</u>
Cash flows from capital and related financing activities:			
Principal paid on revenue bonds	(609,000)	-	(609,000)
Interest and fiscal charges	(338,087)	-	(338,087)
Principal paid on capital lease	<u>(54,474)</u>	<u>-</u>	<u>(54,474)</u>
Net cash used by capital and related financing activities	<u>(1,001,561)</u>	<u>-</u>	<u>(1,001,561)</u>
Cash flows from investing activities:			
Interest on investments	<u>1,523</u>	<u>81</u>	<u>1,604</u>
Net increase in cash and cash equivalents	963,686	33,893	997,579
Cash and cash equivalents, beginning of period	<u>1,594,609</u>	<u>57,190</u>	<u>1,651,799</u>
Cash and cash equivalents, end of period	<u>\$2,558,295</u>	<u>\$ 91,083</u>	<u>\$2,649,378</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Statement of Cash Flows
 Proprietary Funds - Enterprise Funds (Continued)
 For the Year Ended June 30, 2020

	Utility Fund	Section 8 Housing Program	Total
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ (171,240)	\$ 17,054	\$ (154,186)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	1,551,312	-	1,551,312
Provision for bad debt	88,488	-	88,488
Pension expense	2,554	444	2,998
Other postemployment benefit expense	24,982	-	24,982
Changes in current assets and liabilities:			
Accounts receivable	(213,148)	-	(213,148)
Unbilled utility receivables	(24,360)	-	(24,360)
Other receivables	2,430	-	2,430
Inventory	24,822		24,822
Accounts payable	6,766	-	6,766
Accrued liabilities	118,111	-	118,111
Advances from grantor	-	16,314	16,314
Compensated absences payable	23,295	-	23,295
Net cash provided by operating activities	<u>\$ 1,434,012</u>	<u>\$ 33,812</u>	<u>\$ 1,467,824</u>
Reconciliation of cash and cash equivalents per the statement of cash flows to the statement of net position:			
Cash and cash equivalents, beginning of period -			
Cash and interest-bearing deposits - unrestricted	\$ 131,891	\$ 57,190	\$ 189,081
Cash and interest-bearing deposits - restricted	<u>1,462,718</u>	<u>-</u>	<u>1,462,718</u>
Total cash and cash equivalents	<u>1,594,609</u>	<u>57,190</u>	<u>1,651,799</u>
Cash and cash equivalents, end of period -			
Cash and interest-bearing deposits - unrestricted	686,639	91,083	777,722
Cash and interest-bearing deposits - restricted	<u>1,871,656</u>	<u>-</u>	<u>1,871,656</u>
Total cash and cash equivalents	<u>2,558,295</u>	<u>91,083</u>	<u>2,649,378</u>
Net increase	<u>\$ 963,686</u>	<u>\$ 33,893</u>	<u>\$ 997,579</u>

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

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Ville Platte (City) have been prepared in conformity with generally accepted accounting principles (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 was incorporated under the provisions of the Lawrason Act. The City operates under a Mayor - City Council form of government and provides the following services: public safety, streets and drainage, water, gas and sewer services, culture and recreation, and general administrative services.

This report includes all funds and activities that are controlled by the City as an independent political subdivision of the State of Louisiana. There are no component units required to be reported in conformity with generally accepted accounting principles.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The government-wide financial statements provide operational accountability information for the City as an economic unit. The government-wide financial statements report the City's ability to maintain service levels and continue to meet its obligations as they come due. The statements include all governmental activities and all business-type activities of the City.

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 VILLE PLATTE, 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 which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, expenditures/expenses, and transfers. The minimum number of funds is maintained consistent with legal and managerial requirements. 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 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.

The General Fund is always a major governmental fund. Other individual major governmental and enterprise funds are determined as funds whose revenues, expenditures/expenses, assets and deferred outflows of resources, or liabilities and deferred inflows of resources, are at least ten percent of the corresponding totals for all funds of that category or type (total governmental or enterprise fund) and at least five percent of the corresponding total for all governmental fund and enterprise funds combined or funds designated as major at the discretion of the City. Funds not classified as a major fund are aggregated and presented in a single column in the fund financial statements.

Governmental Funds -

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The City reports these major governmental funds and fund types:

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

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of government grants or other specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects of the City. The City reports the following Special Revenue Funds:

The 1975 Sales Tax Special Revenue Fund accounts for the proceeds of a one percent sales and use tax that is legally restricted to expenditures for specific purposes.

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

The City Court Special Revenue Fund accounts for the City's portion of City Court fine income and expenditures paid directly from the City's funds.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Proprietary Funds -

Proprietary funds are used to account for ongoing organizations and activities that are similar to those often found in the private sector. The City's proprietary fund types are 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's enterprise funds are the Utility Fund and Section 8 Housing Program.

C. Measurement Focus and Basis of Accounting

Measurement Focus

The measurement focus determines the accounting and financial reporting treatment applied to a fund.

The governmental and business-type activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows.

The fund financial statements use either the current financial resources measurement focus or the economic resources measurement focus as appropriate. Governmental funds use the current financial resources measurement focus. This measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income. The measurement focus of the proprietary fund type, the flow of economic resources, is based upon determination of net income, net position, and cash flows.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on 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, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. An exception to this is grants collected on a reimbursement basis. Those reimbursable grants are recognized as revenue when reimbursable expenditures are made. Property tax revenues are recognized in the period for which levied provided they are also available. Expenditures are recognized when the related liability is incurred. Exceptions to this general rule include principal and interest on general obligation long-term debt and employee vacation and sick leave, which are recognized when due and payable.

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

Program revenues

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

Allocation of indirect expenses

The City reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the statement of activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities.

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

Cash and interest-bearing deposits

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Investments

Under state law, the City may deposit funds with a fiscal agent 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 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. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a nonprofit corporation formed by the State Treasurer and organized under the laws of the State of Louisiana, which operates a local government investment pool. In accordance with GASB Codification Section I50, investments meeting the criteria specified in the Statement are stated at fair value, which is quoted market prices.

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 ad valorem taxes, franchise taxes and state or federal grants. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible ad valorem taxes or 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. At June 30, 2020, an allowance for ad valorem taxes was considered unnecessary due to immateriality. The allowance for uncollectibles for customers' utility receivables was \$526,567 at June 30, 2020. 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.

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. At June 30, 2020, there were no interfund receivables and payables between the funds.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related to the revenue bond accounts and utility meter deposits.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Capital Assets

Capital assets, which include buildings and improvements, equipment and vehicles, utility system and improvements, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide 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 acquisition value at the date of donation. The City maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

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

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

Unearned Revenues

Unearned revenues arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when the City has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and the revenue is recognized.

Compensated Absences

Municipal employees hired before June 30, 2000, earn sick leave at a rate of fourteen hours per month. Municipal employees hired after June 30, 2000 earn sick leave at a rate of 2.77 hours per pay period. Vacation leave is earned as follows:

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Employees of		
	Other Departments	Police	Fire
1 - 4 years services	10 days	10 days	5 days
5 - 9 years service	15 days	15 days	7 days
10 or more years services	20 days	20 days	10 days

Sick leave accumulates and is available for employees when needed; however, it does not vest nor is it payable at termination of employment. Vacation leave is earned over a calendar year basis. Municipal employees may not carry over or accumulate more than thirty days of vacation leave from one employment anniversary date to another. Police and fire department employees may not carry over vacation leave.

In the fund financial statements, vested or accumulated sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current fund liability of the governmental fund that will pay it. In the government-wide statements, amounts of vested or accumulated sick leave that are not expected to be liquidated with expendable available financial resources are recorded as long-term liabilities.

Long-term debt

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

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of revenue bonds payable and capital leases 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. For fund financial reporting, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expense. 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 VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Pensions

The net pension liability/asset, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense (described in more detail in Note 14), has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Member's earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Non-employer contributions are recognized as revenue in the government-wide and proprietary fund financial statements. In the governmental fund financial statements contributions are recognized as expenditures when made.

Other Postemployment Benefits (OPEB)

The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense (described in more detail in Note 15), have been determined using the flow of economic resources measurement focus and full accrual basis of accounting in the government-wide financial statements. In the governmental fund financial statements contributions are recognized as expenditures when due.

Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expenditure/expense) until then. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred outflows of resources and deferred inflows of resources in the government-wide statements are related to is pension plans and other post-employment benefit plan.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 consists of net position with constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or laws through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. It is the City's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred. At June 30, 2020, the City reported \$4,458,146 of restricted net position, of which \$1,588,794 was restricted by enabling legislation.
- c. Unrestricted net position consists of all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as follows.

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the 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. Under the City's adopted policy, only the City Council may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

It is the City's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the City uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made. Enterprise Fund equity at the fund level is classified the same as in the government-wide statements.

E. Revenues, Expenditures, and Expenses

Revenues

Ad valorem taxes are recorded in the year taxes are due and payable. Interest income on deposits is recorded as revenues when earned. Sales taxes, franchise fees, and intergovernmental revenues are recorded when the City is entitled to the funds. Substantially all other revenues are recorded when received.

Operating Revenues and Expenses

In the propriety funds, operating revenues and expenses 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. Interest on long-term debt is considered an indirect expense and is reported separately on the statement of activities. In the fund financial statements, expenditures are classified by character for governmental funds and by operating and nonoperating for proprietary funds. In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

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

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions on Use</u>
Sales tax	See Note 9
Gas, water and sewer revenue	Debt service and utility operations

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

G. Use of Estimates

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

(2) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2020, the City has cash and interest-bearing deposits (book balances) comprised of interest and noninterest bearing demand deposits totaling \$7,828,801.

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 the collateral securities that are in the possession of an outside party will not be recovered. 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 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 pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2020, bank balances were secured as follows:

Bank balances	<u>\$ 8,200,174</u>
Federal deposit insurance	\$ 563,699
Pledged securities	<u>7,636,475</u>
Total	<u>\$ 8,200,174</u>

Deposits in the amount of \$7,636,475 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institutions' trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(3) Investments

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

Accounting standards require disclosure of credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk for all public entity investments.

LAMP is an investment pool that, to the extent practical, invests in a manner consistent with accounting standards. The following facts are relevant for investment pools:

- Credit risk: LAMP has a fund rating of AAAM issued by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: LAMP's pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments.
- Foreign currency risk: Not applicable.

The investments in LAMP totaling \$225,554 are stated at fair value. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(4) Receivables

Receivables consist of the following at June 30, 2020:

	Governmental Activities	Business-type Activities	Total
Accounts, net	\$ -	\$ 452,005	\$ 452,005
Unbilled utility	-	170,600	170,600
Ad valorem taxes	22,929	16,517	39,446
Franchise tax	<u>67,312</u>	<u>-</u>	<u>67,312</u>
Totals	<u>\$ 90,241</u>	<u>\$ 639,122</u>	<u>\$ 729,363</u>

(5) Due from Other Governmental Units

Amounts due from other governmental units consist of the following at June 30, 2020:

Governmental Activities:

Evangeline Parish Ward One Fire District No. 2 - fire protection services	\$ 19,348
Evangeline Parish Police Jury - fire insurance rebate	35,459
State of Louisiana - inmate housing	6,419
Louisiana Division of Administration - Coronavirus Relief Fund	484,111
State of Louisiana - beer tax	5,662
Ville Platte City Court - fines and forfeits	9,517
Salaries reimbursement	<u>3,225</u>
Total governmental activities	<u>\$ 563,741</u>

(6) Restricted Assets - Proprietary Fund Type (Enterprise Utility Fund)

Restricted assets consist of the following at June 30, 2020:

Bond and interest sinking fund	\$ 51,844
Bond reserve fund	451,310
Renewal and replacement fund	300,000
Customers' deposits	521,295
Phase II water construction	15
Water improvement taxes	<u>547,192</u>
	<u>\$ 1,871,656</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(7) Capital Assets

Capital asset activity for the year ended June 30, 2020 follows:

	Balance 7/1/2019	Additions	Deletions	Balance 6/30/2020
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 676,415	\$ -	\$ -	\$ 676,415
Other capital assets:				
Buildings	7,969,247	-	-	7,969,247
Infrastructure	5,309,112	-	-	5,309,112
Equipment, furniture and fixtures	1,840,222	45,105	26,897	1,858,430
Improvements other than buildings	370,351	-	-	370,351
Totals	<u>16,165,347</u>	<u>45,105</u>	<u>26,897</u>	<u>16,183,555</u>
Less accumulated depreciation				
Buildings	3,859,187	198,609	-	4,057,796
Infrastructure	3,439,980	197,113	-	3,637,093
Equipment, furniture and fixtures	1,450,565	127,312	26,818	1,551,059
Improvements other than buildings	265,599	12,558	-	278,157
Total accumulated depreciation	<u>9,015,331</u>	<u>535,592</u>	<u>26,818</u>	<u>9,524,105</u>
Governmental activities, capitals assets, net	<u>\$ 7,150,016</u>	<u>\$ (490,487)</u>	<u>\$ 79</u>	<u>\$ 6,659,450</u>
	Balance 7/1/2019	Additions	Deletions	Balance 6/30/2020
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 101,325	\$ -	\$ -	\$ 101,325
Other capital assets:				
Gas system	3,926,868	-	-	3,926,868
Water system	23,682,602	-	-	23,682,602
Sewer system	12,507,683	-	-	12,507,683
Machinery and equipment	676,595	-	-	676,595
Totals	<u>40,895,073</u>	<u>-</u>	<u>-</u>	<u>40,895,073</u>
Less accumulated depreciation				
Gas system	3,797,670	59,033	-	3,856,703
Water system	10,225,278	1,111,914	-	11,337,192
Sewer system	6,925,492	297,838	-	7,223,330
Machinery and equipment	391,334	82,527	-	473,861
Total accumulated depreciation	<u>21,339,774</u>	<u>1,551,312</u>	<u>-</u>	<u>22,891,086</u>
Business-type activities, capital assets, net	<u>\$ 19,555,299</u>	<u>\$ (1,551,312)</u>	<u>\$ -</u>	<u>\$ 18,003,987</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 69,291
Public safety:	
Police	128,047
Fire	24,451
Streets	244,101
Culture and recreation	<u>69,702</u>
Total depreciation expense	<u>\$ 535,592</u>

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

Gas	\$ 72,271
Water	1,170,225
Sewer	<u>308,816</u>
Total depreciation expense	<u>\$ 1,551,312</u>

(8) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1st of each year. Taxes are levied by the City in October and billed to taxpayers in December. Billed taxes become delinquent on January 1st of the following year. The City bills and collects its own property taxes using the assessed values determined by the tax assessor of Evangeline Parish. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended June 30, 2020, taxes of 35.68 mills were levied on property with assessed valuations totaling \$35,815,380 and were dedicated as follows:

General and corporate purposes	6.98	mills
Street and drainage maintenance	9.76	mills
Police and fire	4.00	mills
Water system	<u>14.94</u>	mills
Total	<u>35.68</u>	mills

Total taxes levied were \$1,277,894. Taxes receivable at June 30, 2020 were \$39,446.

(9) Dedication of Proceeds and Flow of Funds - 1 Percent Sales and Use Tax

A one percent sales and use tax levied by the City in 1975 (2020 collections \$1,497,735) is dedicated to the following purposes:

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Paying bonds; constructing, acquiring, improving and maintaining police and fire department stations and equipment; streets, sidewalks, and drainage facilities; sewer and sewerage disposal works; park and pool facilities; compensating firemen and policemen; and operating and maintaining the waterworks system.

A one percent sales and use tax levied by the City beginning in 1984 (2020 collections \$1,497,735) is dedicated to these purposes:

Paying debt service on outstanding bonds; constructing, acquiring, extending, improving, operating and maintaining sewers and sewerage disposal works; with at least 5 percent of the tax proceeds annually for constructing, improving and maintaining city streets and sidewalks; constructing, improving and maintaining public buildings; and acquiring the necessary land, equipment and furnishings for the aforesaid.

(10) Accounts, Salaries, and Other Payables

Accounts and other payables consist of the following at June 30, 2020:

	Governmental Activities	Business-type Activities	Total
Accounts	\$ 89,201	\$ 79,174	\$ 168,375
Other liabilities	33,435	182,452	215,887
Totals	<u>\$ 122,636</u>	<u>\$ 261,626</u>	<u>\$ 384,262</u>

(11) Long-Term Liabilities

The following is a summary of long-term liability transactions for the year ended June 30, 2020:

	Balance 7/1/2019	Additions	Reductions	Balance 6/30/2020	Due Within One Year
Governmental activities:					
Capital leases	\$ 277,510	\$ -	\$ 82,956	\$ 194,554	\$ 62,915
Compensated absences	307,741	-	38,322	269,419	-
Total	<u>\$ 585,251</u>	<u>\$ -</u>	<u>\$ 121,278</u>	<u>\$ 463,973</u>	<u>\$ 62,915</u>
Business-type activities:					
Revenue bonds	\$ 9,898,000	\$ -	\$ 609,000	\$ 9,289,000	\$ 630,000
Capital leases	227,982	-	54,474	173,508	56,109
Compensated absences	86,489	23,295	-	109,784	-
Total	<u>\$ 10,212,471</u>	<u>\$ 23,295</u>	<u>\$ 663,474</u>	<u>\$ 9,572,292</u>	<u>\$ 686,109</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The revenue bonds are liquidated by the Utility Fund. Capital leases are liquidated by the General Fund and Utility Fund. Compensated absences are generally liquidated by the General Fund and Utility Fund.

Bonds payable at June 30, 2020 are comprised of the following individual issues:

Revenue bonds:

\$2,000,000 Utilities Revenue Bonds, Series 2010A, of which 50% of the principal of the bonds has been forgiven simultaneously with payments by the Department of Health & Hospitals. At the time of the debt forgiveness, these amounts were recognized as grant revenue. The remaining \$1,000,000 revenue bonds are due in annual installments of \$60,000 - \$79,000 through May 1, 2029; interest at 2.95 percent; secured by Utility Fund revenues and ad valorem taxes of 14.94 mills.	\$ 623,000
\$2,050,000 Utilities Revenue Bonds, Series 2010B, due in annual installments of \$124,000 - \$162,000 through May 1, 2029; interest at 2.95 percent; secured by Utility Fund revenues and ad valorem taxes of 14.94 mills.	1,280,000
\$9,450,000 Utilities Revenue Bonds, Series 2012, of which \$1,125,000 of the principal of the bonds has been forgiven simultaneously with payments by the Department of Health & Hospitals. At the time of the debt forgiveness, these amounts were recognized as grant revenue. The remaining \$8,248,000 revenue bonds are due in annual installments of \$399,000 - \$599,000 through May 1, 2033; interest at 2.95 percent; secured by Utility Fund revenues and ad valorem taxes of 14.94 mills.	6,402,000
\$1,000,000 Utilities Revenue Bonds, Series 2017, due in annual installments of \$47,000 - \$69,000 through May 1, 2037; interest at 2.45%; secured by Utility Fund revenues and ad valorem taxes of 14.94 mills.	<u>984,000</u>
	<u>\$9,289,000</u>

The bonds are due as follows:

Year ending June 30,	Business-type Activities	
	Principal	Interest
2021	\$ 630,000	\$ 268,713
2022	650,000	250,364
2023	673,000	231,428
2024	695,000	211,820
2025	718,000	191,568
2026-2030	3,723,000	629,289
2031-2035	2,048,000	143,549
2036-2037	<u>152,000</u>	<u>5,022</u>
	<u>\$9,289,000</u>	<u>\$ 1,931,753</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

In prior years, the City has defeased various bond issues by creating separate irrevocable trust funds. New debt has been issued and the proceeds have been used to purchase U.S. Government securities that were placed in the trust funds. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore removed as a liability from the City's governmental activities column of the statement of net position. As of June 30, 2020, there remained a balance of \$290,000 of defeased sales tax bonds, which were removed from the statement of net position.

The City is obligated under one capital lease obligation. The leased assets were recorded in capital assets at a net cost of \$206,897, (historical cost of \$590,109, with accumulated depreciation in the amount of \$383,212), and the applicable debt recorded in long-term debt. The following is a schedule of future minimum lease payments under the lease and the present value of the net minimum lease payments at June 30, 2020.

<u>Fiscal Year</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
2021	\$ 68,825	\$ 61,380	\$ 130,205
2022	68,825	61,380	130,205
2023	<u>68,826</u>	<u>61,380</u>	<u>130,206</u>
Total minimum lease payments	206,476	184,140	390,616
Less amount representing interest	<u>(11,922)</u>	<u>(10,632)</u>	<u>(22,554)</u>
Present value of minimum lease payments	<u>\$ 194,554</u>	<u>\$ 173,508</u>	<u>\$ 368,062</u>

(12) Flow of Funds; Restrictions on Use - Utilities Revenues

Under the terms of the \$2,000,000 Utilities Revenue Bonds Series 2010A, \$2,050,000 Utilities Revenue Bonds Series 2010B, \$9,450,000 Utilities Revenue Bonds Series 2012, and \$1,100,000 Utilities Revenue Bonds Series 2017 bond indentures, all income and revenues of every nature derived from the operation of the system are pledged and dedicated to the retirement of said bonds as well as the pledge of a 14.94 mills ad valorem tax for the 2010, 2012 and 2017 issues.

Bond and Interest Sinking Fund -

The City is required to set aside into a Utilities Revenue Bond Sinking Fund each month a sum equal to 1/6 of the interest falling due on the next interest payment date plus 1/12 of the principal falling due on the next principal payment date. Funds deposited in this account are available only for the retirement of maturing bonds and interest.

Reserve Fund –

The Utilities Revenue Bond Reserve Fund is maintained solely for the purpose of paying the principal of and the interest on bonds payable from the sinking fund as to which there would otherwise be default. The fund is required to be funded in an amount equal to the reserve fund requirement (\$451,310) at June 30, 2020.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Capital Additions and Contingencies Fund -

The Utilities System Capital Additions and Contingencies Fund (Renewal and Replacement Fund) was established to care for extensions, additions, improvements, renewals, and replacements necessary to properly operate the system and to pay the principal of and the interest on the bonds, including any additional pari passu bonds issued hereafter in the manner provided by the bond resolution, for the payment of which there is not sufficient money in the sinking or reserve funds.

The maximum required balance of \$300,000 was deposited when the bonds were sold. The money in the fund shall never be used for the making of such extensions, additions, improvements, renewals and replacements if such use of said money will leave less than the sum of \$50,000. In the event that the City utilizes any monies in the fund so that the balance falls below \$300,000, a monthly deposit of 5 percent of the gross revenues of the system (excluding revenues derived from fuel adjustments) must be made until there is again on deposit the sum of \$300,000.

(13) On-behalf Payments for Salaries

The City of Ville Platte receives on-behalf payments from the State of Louisiana for police, fire, and city marshal salaries. On-behalf payments to the City totaled \$151,450 for the fiscal year ending June 30, 2020. Such payments are recorded as intergovernmental revenues and as public safety and general government expenditures in the government-wide and General Fund and City Court Fund financial statements.

(14) Pension Plans

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

Plan Descriptions

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

State of Louisiana - Municipal Police Employees' Retirement System (MPERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2211 - 11:2233.

State of Louisiana - Firefighters' Retirement System (FRS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2251-2254 and 11.2256.

Louisiana State Employees' Retirement System (LASERS) provides retirement, disability, and survivor benefits to eligible state employees and their beneficiaries as defined in the Louisiana Revised Statutes.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The systems' financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned. Ad valorem taxes and revenue sharing monies are recognized in the year collected by the tax collector.

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

	MERS	MPERS	FRS	LASERS
Final average salary	Highest 60 months	Highest 36 months or 60 months ²	Highest 36 months	Highest 36 months or 60 months ⁵
Years of service required and/or age eligible for benefits	25 years of any age 10 years age 60 20 years any age ¹	25 years of any age 20 years age 50 12 years age 55 20 years any age ¹ 30 years any age ³ 25 years age 55 ³ 10 years age 60 ³	25 years of any age 20 years age 50 12 years age 55	20 years of any age ¹ 5 years age 60 ⁶
Benefit percent per years of service	3.00%	2.50 - 3.33% ⁴	3.33%	2.5% - 3.5% ⁷

¹ With actuarial reduced benefits

² Membership commencing January 1, 2013

³ Under non hazardous duty sub plan commencing January 1, 2013

⁴ Membership commencing January 1, 2013 non hazardous duty plan 2.5%, hazardous duty plan 3.0%, membership prior to January 1, 2013 3.33%.

⁵ Employees hired after a certain date use the revised benefit calculation based on the highest 60 months of service

⁶ Five years of creditable service at age 62 if hired after 7/1/2015, for judges

⁷ Members in regular plan 2.5%, hazardous duty plan 3.33%, and judges 3.5%

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In addition, MERS receives a percentage of ad valorem taxes and MPERS and FRS receives a percentage of insurance premium taxes collected by parishes. These entities are not participating employers in the pension systems and are considered to be nonemployer contributing entities.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Contributions of employees, employers, and non-employer contributing entities effective for the year ended June 30, 2020 for the defined benefit pension plans in which the primary government is a participating employer were as follows:

Plan	Active Member Contribution Percentage	Employer Contribution Percentage	Amount from Nonemployer Contributing Entities	Amount of Government Contributions
MERS	9.50%	27.75%	\$ 44,599	\$ 379,052
MPERS	10.00%	32.50%	42,262	151,569
FRS	10.00%	27.75%	59,399	143,847
LASERS	13.00%	42.00%	-	26,161

Net Pension Liability

The City's net pension liability at June 30, 2020 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City's net pension liability for each plan was measured as of the plan's measurement date (June 30, 2019) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability for each of the plans in which it participates was based on the City's required contributions in proportion to total required contributions for all employers.

As of the most recent measurement date, the City's proportion for each plan and the change in proportion from the prior measurement date were as follows:

Plan	Proportionate Share of Net Pension Liability	Proportionate Share (%) of Net Pension Liability	Increase/(Decrease) from Prior Measurement Date
MERS	\$2,904,182	0.695003%	-0.069217%
MPERS	1,864,313	0.205283%	-0.068529%
FRS	1,387,476	0.221574%	0.010963%
LASERS	221,477	0.003060%	-0.000070%
Total	<u>\$6,377,448</u>		

Since the measurement date of the net pension liability was June 30, 2019, the net pension liability is based upon fiduciary net position for each of the plans as of that date. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial reports for fiscal year 2019. The financial report for each plan may be accessed on their website as follows:

- | | | | | | |
|-------|---|---|--------|---|---|
| MERS | - | http://www.mersla.com/ | FRS | - | http://www.fffret.com/ |
| MPERS | - | http://lampers.org/ | LASERS | - | http://www.lasersonline.org/ |

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Actuarial Assumptions

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

	MERS	MPERS	FRS	LASERS
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2009 - 6/30/2014	7/1/2009 - 6/30/2014	2009 - 2013
Expected remaining service lives	3	4	7	3
Inflation Rate	2.50%	2.50%	2.50%	2.75%
Projected salary increases	4.5% - 6.0%	4.25% - 9.75%	4.5% - 14.75%	2.80% - 14.3%
Projected benefit changes including COLAs	None	None	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)	(6), (7)	(8), (9)

- (1) PUBG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective, male and female MP2018 scales.
- (2) PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective, male and female MP2018 scales.
- (3) PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with full generational MP2018 scale.
- (4) RP-2000 Employee Table set back 4 years for males and set back 3 years for females for active members
- (5) RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables Projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries.
- (6) RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables Projected to 2031 by Scale AA.
- (7) RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for disabled annuitants.
- (8) RP-2000 Combined Healthy Mortality Table with mortality improvement projected to 2015
- (9) RP-2000 Disabled Retiree Mortality Table with no projection for mortality improvement

Cost of Living Adjustments

The pension plans in which the City participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. COLAs may be granted to the state system (LASERS) if approved with a two-thirds vote of both houses of the Legislature, provided the plan meets certain statutory criteria related to the funded status and interest earnings.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Discount Rate

The discount rates used to measure the City’s total pension liability for each plan and the significant assumptions used in the determination of the discount rate for each plan are as follows:

	<u>MERS</u>	<u>MPERS</u>	<u>FRS</u>	<u>LASERS</u>
Discount rate	7.00%	7.125%	7.15%	7.60%
Change in discount rate from prior valuation	-0.275%	-0.075%	-0.15%	-0.05%
Plan cash flow assumptions	(1)	(1)	(1)	(1)
Rates incorporated in the Discount Rate:				
Long-term Rate of Return	7.00%	7.125%	7.15%	7.60%
Periods applied	All	All	All	All
Municipal Bond Rate	N/A	N/A	N/A	N/A

*Plan Cash Flow Assumptions:

- 1) Plan member contributions will be made at the current contributions rates and sponsor contributions will be made at the actuarially determined rates.

The discount rates used to measure the City’s total pension liability for each plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. The long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

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

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Asset Class	MERS*		MPERS**	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	35%	1.51%	33.50%	0.80%
Equities	50%	2.15%	48.50%	3.28%
Alternative Investments	15%	0.64%	18.00%	1.06%
Total	<u>100%</u>	<u>4.30%</u>	<u>100%</u>	<u>5.14%</u>
Inflation		<u>2.70%</u>		<u>2.75%</u>
Nominal return		<u>7.00%</u>		<u>7.89%</u>

Asset Class	FRS*		LASERS**	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	31.00%	2.17%	16.00%	7.28%
Equities	49.00%	20.09%	55.00%	10.90%
Alternative Investments	10.00%	14.66%	22.00%	8.32%
Other	10.00%	9.04%	7.00%	5.06%
Total	<u>100%</u>		<u>100%</u>	

* Arithmetic real rates of return

**Geometric real rates of return

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, 2020, the City recognized \$880,393 in pension expense related to all defined benefit plans in which it participates. MERS recognized revenues for ad valorem taxes and MPERS and FRS recognized revenues for insurance premium taxes, collected from non-employee contributing entities. The pension expense and revenues are summarized by plan in the following table:

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

<u>Plan</u>	<u>Pension Expense</u>	<u>Revenues</u>
MERS	\$ 388,094	\$ 44,599
MPERS	207,711	42,262
FRS	261,493	59,399
LASERS	<u>23,095</u>	<u>-</u>
	<u>\$ 880,393</u>	<u>\$ 146,260</u>

At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Difference between expected and actual experience	\$ 5,272	\$ 228,760
Change of assumptions	305,989	101
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	202,416	721,696
Net differences between projected and actual earnings on plan investments	510,109	-
Contributions subsequent to the measurement date	<u>700,629</u>	<u>-</u>
Total	<u>\$ 1,724,415</u>	<u>\$ 950,557</u>

Deferred outflows of resources of \$700,629 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending June 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

<u>Year Ended June 30:</u>	
2021	\$ 146,146
2022	(191,156)
2023	(20,632)
2024	104,146
2025	21,561
2026	<u>13,164</u>
	<u>\$ 73,229</u>

Sensitivity of the City's Proportional Share of the Net Pension Liabilities to Changes in the Discount Rate

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

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	7.00%	\$ 3,786,534	\$ 2,904,182	\$ 2,158,181
MPERS	7.125%	2,597,603	1,864,313	1,249,157
FRS	7.15%	2,009,160	1,387,476	865,683
LASERS	7.60%	<u>279,532</u>	<u>221,477</u>	<u>172,440</u>
Total		<u>\$ 8,672,829</u>	<u>\$ 6,377,448</u>	<u>\$ 4,445,461</u>

Payables to the Pension Plans

The City recorded accrued liabilities to each of the pension plans for the year ended June 30, 2020 for the contractually required contributions for the month of June 2020. The amounts are included in liabilities under the amounts reported as accounts and other payables. The amounts due to each plan at June 30, 2020 are as follows:

MERS	\$ 37,924
MPERS	16,675
FRS	14,124
LSERS	<u>3,343</u>
	<u>\$ 72,066</u>

(15) Post-Retirement Health Care and Life Insurance Benefits

General Information about the OPEB Plan

Plan Description: In accordance with the City of Ville Platte's group health plan, the City provides certain continuing health care and life insurance benefits for its retired employees. The plan is a single employer defined benefit health care plan administered by the City. The City has the authority to establish and amend the benefit provisions of the plan. The plan does not issue a publicly available financial report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement no. 75.

Benefits Provided: The City provides medical and life insurance benefits for retirees and their spouses. The benefit terms provide for payment of 50% of retiree insurance premiums. The plan also provides for payment of 100% of retiree life insurance premiums. The City recognizes the cost of providing these benefits as an expenditure when the monthly premiums are due. The benefits are financed on a pay-as-you-go basis.

Employees Covered by Benefit Terms: At June 30, 2020, the following employees were covered by the benefit terms:

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Inactive employees currently receiving benefits payments	6
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>67</u>
	<u>73</u>

Total OPEB Liability

The City's total OPEB liability of \$1,464,963 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Entry age
Inflation	2.20%
Salary increases, including inflation	3.00%
Discount rate	2.21%
Health care cost trend rates	
Medical	11.40% for 2019, varying gradually until an ultimate rate of 3.70% for 2073 and beyond.

The discount rate was based on the Bond Buyer General Obligation 20-year Bond Municipal Index.

Mortality rates for active employees were based on the PUB-2010 General Employees Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis. Mortality rates for retirees and surviving spouses were based on the PUB-2010 General Retirees Amount-Weighted Table with Mortality Improvement Scale MP-2020 on a generational basis.

Changes in the Total OPEB Liability

The following presents changes in the total OPEB liability.

Balance at 6/30/2019	<u>\$ 1,275,337</u>
Changes for the year:	
Service cost	75,419
Interest	46,932
Effect of economic/demographic gains or losses	9,256
Effect of assumptions changes or inputs	77,892
Benefit payments	<u>(19,873)</u>
Net changes	<u>189,626</u>
Balance at 6/30/2020	<u>\$ 1,464,963</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

	1% Decrease <u>1.21%</u>	Discount Rate <u>2.21%</u>	1% Increase <u>3.21%</u>
Total OPEB liability	<u>\$ 1,574,865</u>	<u>\$ 1,464,963</u>	<u>\$ 1,363,792</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate: The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease <u>1.21%</u>	Current Trend Rate <u>2.21%</u>	1% Increase <u>3.21%</u>
Total OPEB liability	<u>\$ 1,320,661</u>	<u>\$ 1,464,963</u>	<u>\$ 1,635,512</u>

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

For the year ended June 30, 2020, the City recognized an OPEB expense of \$144,729. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources <u>77,022</u>	Deferred Inflows of Resources <u>9,650</u>
Differences between expected and actual experience	\$ 77,022	\$ -
Change of assumptions or other inputs	<u>124,306</u>	<u>9,650</u>
Total	<u>\$ 201,328</u>	<u>\$ 9,650</u>

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

Year Ended June 30,	
2021	\$ 22,378
2022	22,378
2023	22,378
2024	22,378
2025	22,378
Thereafter	<u>79,788</u>
	<u>\$ 191,678</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(16) Advance from Grantors

Advances from grantors in the amount of \$16,314 in the business-type activities at June 30, 2020 consists of Section 8 Housing Choice Vouchers program HCV CARES Act revenue received that will be used in the subsequent year to prevent, prepare for, and respond to the coronavirus pandemic.

(17) Enterprise Fund Contracts

The City purchases its natural gas from Louisiana Municipal Natural Gas Purchasing and Distribution Authority, under a contract commencing December 23, 2012. The contract shall continue for successive periods of one year unless terminated by either party upon at least six months prior written notice. The City purchased natural gas during fiscal year ended June 30, 2020 in the amount of \$468,412, of which \$25,122 was owed for purchases for the month of June 2020.

(18) Departmental Information for the Enterprise Fund

The City of Ville Platte maintains one enterprise fund with three departments which provide gas, water, and sewerage services. Departmental information for the year ended June 30, 2020 was as follows:

	<u>Gas</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating revenues	<u>\$ 1,570,665</u>	<u>\$ 1,732,473</u>	<u>\$ 937,919</u>	<u>\$ 4,241,057</u>
Operating expenses:				
Depreciation	72,271	1,170,225	308,816	1,551,312
Other	<u>1,181,840</u>	<u>1,000,117</u>	<u>679,028</u>	<u>2,860,985</u>
Total operating expenses	<u>1,254,111</u>	<u>2,170,342</u>	<u>987,844</u>	<u>4,412,297</u>
Operating income (loss)	<u>\$ 316,554</u>	<u>\$ (437,869)</u>	<u>\$ (49,925)</u>	<u>\$ (171,240)</u>

(19) Compensation of City Officials

A detail of compensation paid to the City Council for the year ended June 30, 2020 follows:

Bryant Briggs	\$ 13,620
Jerry Joseph	14,220
Donald Sam	13,560
Michael Perron	13,620
Faye Lemoine	13,620
Lionel Anderson	<u>14,160</u>
	<u>\$ 82,800</u>

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

A detail of compensation, benefits, and other payments to Mayor Jennifer Vidrine, for the year ended June 30, 2020 follows:

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 69,940
Phone allowance	720
Benefits - insurance	5,900
Benefits - retirement	19,707
Dues	1,932
Registration fees	99
Conference lodging	733
Travel	1,254
Per diem	195
	<u>\$ 100,480</u>

(21) Interfund Transactions

Transfers consisted of the following at June 30, 2020:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major governmental funds:		
General Fund	\$ 1,853,990	\$ -
Special Revenue Funds:		
1975 Sales Tax	-	1,462,019
1984 Sales Tax	-	789,246
City Court	<u>445,339</u>	-
Total major governmental funds	2,299,329	2,251,265
Proprietary fund - Utility Fund	<u>697,275</u>	<u>745,339</u>
Total	<u>\$ 2,996,604</u>	<u>\$ 2,996,604</u>

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

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(22) Deficit in Individual Fund

The Section 8 Housing program enterprise fund reflected a deficit net position in the amount of \$36,123 at June 30, 2020. This deficit was the result of recording the net pension liability in accordance with GASB Statement No. 68.

(23) 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.

(24) Environmental Compliance Order

In June of 2019, pursuant to the Louisiana Environmental Quality Act (La. R.S. 30:2001), a compliance order was served to the City from the State of Louisiana, Department of Environmental Quality. This compliance order cited violations involving the wastewater treatment plant located at 1081 Heritage Manor Road. It was estimated that compliance with this order would cost the City approximately \$406,114. These repairs will be funded with Utility Fund revenues. As of June 30, 2020, \$71,966 of expenditures have been incurred.

(25) New Accounting Pronouncements

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of GASB Statement No. 87 are effective for fiscal years beginning after June 30, 2021.

In June of 2018, the GASB approved Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period". GASB Statement No. 89 enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. The provisions of GASB Statement No. 89 are effective for fiscal years beginning after December 15, 2020.

The effect of implementation of these statements on the City's financial statements has not yet been determined.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(26) Pending Litigation

The City's legal counsel has reviewed the claims and lawsuits pending in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City not covered by insurance. As a result of the review, there are no claims and lawsuits which might result in a liability to the City which are not considered coverable by insurance or which would have a material adverse effect on the City's financial position.

(27) Subsequent Events

As a result of the unprecedented economic disruption experienced due to the Coronavirus (COVID-19) outbreak, the CARES Act was passed and signed into law on March 27, 2020. This law provides several coronavirus relief options including allocations to state and local governments. The City was awarded funding under the CARES through the Department of the Treasury in the amount of \$844,055. Of this amount, \$359,944 will be received after June 30, 2020. These funds will be used to prevent, prepare for, and respond to the coronavirus COVID-19 disease pandemic.

(28) Risks and Uncertainties

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may have and may continue to impact the City's ongoing operations. The extent and severity of the potential impact on future operations is unknown at this time.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF VILLE PLATTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues:				
Taxes	\$1,585,900	\$1,489,889	\$1,492,038	\$ 2,149
Licenses and permits	363,500	397,000	383,025	(13,975)
Intergovernmental	2,188,065	1,091,564	1,106,606	15,042
Miscellaneous	<u>374,900</u>	<u>522,630</u>	<u>510,279</u>	<u>(12,351)</u>
Total revenues	<u>4,512,365</u>	<u>3,501,083</u>	<u>3,491,948</u>	<u>(9,135)</u>
Expenditures:				
Current -				
General government	1,228,880	1,104,900	1,064,328	40,572
Public safety:				
Police	1,653,787	1,433,200	1,313,436	119,764
Fire	1,141,200	1,140,700	1,081,995	58,705
Streets and drainage	811,400	637,600	571,196	66,404
Culture and recreation	421,260	388,100	351,416	36,684
Capital outlay	2,111,382	45,105	45,105	-
Debt service	<u>91,700</u>	<u>91,019</u>	<u>91,019</u>	<u>-</u>
Total expenditures	<u>7,459,609</u>	<u>4,840,624</u>	<u>4,518,495</u>	<u>322,129</u>
Deficiency of revenues over expenditures	<u>(2,947,244)</u>	<u>(1,339,541)</u>	<u>(1,026,547)</u>	<u>312,994</u>
Other financing sources:				
Proceeds from sale of capital assets	54,000	-	-	-
Proceeds from loan/bond issuance	25,000	-	-	-
Transfers in	<u>2,331,996</u>	<u>1,940,000</u>	<u>1,853,990</u>	<u>(86,010)</u>
Total other financing sources	<u>2,410,996</u>	<u>1,940,000</u>	<u>1,853,990</u>	<u>(86,010)</u>
Net change in fund balance	(536,248)	600,459	827,443	226,984
Fund balance, beginning	<u>3,508,674</u>	<u>3,495,726</u>	<u>3,495,726</u>	<u>-</u>
Fund balance, ending	<u>\$2,972,426</u>	<u>\$4,096,185</u>	<u>\$4,323,169</u>	<u>\$ 226,984</u>

The accompanying notes are an integral part of this schedule.

CITY OF VILLE PLATTE, LOUISIANA

1975 Sales Tax Special Revenue Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$1,400,000	\$1,350,000	\$1,497,735	\$147,735
Miscellaneous	60	50	42	(8)
Total revenues	<u>1,400,060</u>	<u>1,350,050</u>	<u>1,497,777</u>	<u>147,727</u>
Expenditures:				
Current -				
General government:				
Professional fees	30,000	30,000	12,444	17,556
Sales tax collection fees	28,000	27,000	29,955	(2,955)
Total expenditures	<u>58,000</u>	<u>57,000</u>	<u>42,399</u>	<u>14,601</u>
Excess of revenues over expenditures	<u>1,342,060</u>	<u>1,293,050</u>	<u>1,455,378</u>	<u>162,328</u>
Other financing uses:				
Transfers to other funds -				
General Fund	(1,231,996)	(1,180,000)	(1,342,838)	(162,838)
Utility Fund	<u>(110,004)</u>	<u>(110,000)</u>	<u>(119,181)</u>	<u>(9,181)</u>
Total other financing uses	<u>(1,342,000)</u>	<u>(1,290,000)</u>	<u>(1,462,019)</u>	<u>(172,019)</u>
Net change in fund balance	60	3,050	(6,641)	(9,691)
Fund balance, beginning	<u>7,304</u>	<u>21,911</u>	<u>21,911</u>	<u>-</u>
Fund balance, ending	<u>\$ 7,364</u>	<u>\$ 24,961</u>	<u>\$ 15,270</u>	<u>\$ (9,691)</u>

The accompanying notes are an integral part of this schedule.

CITY OF VILLE PLATTE, LOUISIANA

1984 Sales Tax Special Revenue Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues:				
Taxes	\$1,400,000	\$1,350,000	\$1,497,735	\$147,735
Miscellaneous	1,200	1,200	1,198	(2)
Total revenues	<u>1,401,200</u>	<u>1,351,200</u>	<u>1,498,933</u>	<u>147,733</u>
Expenditures:				
Current -				
General government:				
Professional fees	30,000	48,000	12,456	35,544
Sales tax collection fees	28,000	27,000	29,955	(2,955)
Equipment and building repair				
and maintenance	<u>125,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>183,000</u>	<u>75,000</u>	<u>42,411</u>	<u>32,589</u>
Excess of revenues				
over expenditures	<u>1,218,200</u>	<u>1,276,200</u>	<u>1,456,522</u>	<u>180,322</u>
Other financing uses:				
Transfers to -				
General Fund	(300,000)	(260,000)	(211,152)	48,848
Utility Fund	<u>(600,000)</u>	<u>(875,000)</u>	<u>(578,094)</u>	<u>296,906</u>
Total other financing uses	<u>(900,000)</u>	<u>(1,135,000)</u>	<u>(789,246)</u>	<u>345,754</u>
Net change in fund balance	318,200	141,200	667,276	526,076
Fund balance, beginning	<u>901,756</u>	<u>906,248</u>	<u>906,248</u>	<u>-</u>
Fund balance, ending	<u>\$1,219,956</u>	<u>\$1,047,448</u>	<u>\$1,573,524</u>	<u>\$526,076</u>

The accompanying notes are an integral part of this schedule.

CITY OF VILLE PLATTE, LOUISIANA

City Court Fund
 Budgetary Comparison Schedule
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Revenues:				
Intergovernmental	\$ 109,000	\$ 107,000	\$ 106,537	\$ (463)
Fines and forfeits	30,000	30,000	29,844	(156)
Salaries from Police Jury	46,000	46,000	46,903	903
Marshall fees	11,000	10,000	11,077	1,077
Miscellaneous	7,500	14,825	14,878	53
Total revenues	203,500	207,825	209,239	1,414
Expenditures:				
Current -				
General government	756,550	731,688	685,301	46,387
Excess (deficiency) of revenues over expenditures	960,050	(523,863)	(476,062)	47,801
Other financing sources:				
Transfers from -				
Utility Fund	540,000	482,000	445,339	(36,661)
Net change in fund balance	1,500,050	(41,863)	(30,723)	11,140
Fund balance, beginning	25,708	55,083	55,083	-
Fund balance, ending	\$ 1,525,758	\$ 13,220	\$ 24,360	\$ 11,140

The accompanying notes are an integral part of this schedule.

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Changes in Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 75,419	\$ 71,000	\$ 74,810
Interest on total OPEB liability	46,932	45,566	46,767
Effect of economic/demographic gains or losses	9,256	-	91,536
Effect of assumptions changes or inputs	77,892	66,699	(12,827)
Benefit payments	<u>(19,873)</u>	<u>(28,399)</u>	<u>(78,640)</u>
Net change in OPEB liability	189,626	154,866	121,646
Total OPEB liability, beginning	<u>1,275,337</u>	<u>1,120,471</u>	<u>998,825</u>
Total OPEB liability, ending	<u>\$1,464,963</u>	<u>\$1,275,337</u>	<u>\$1,120,471</u>
Covered payroll	<u>\$2,711,608</u>	<u>\$3,259,848</u>	<u>\$2,779,763</u>
Total OPEB liability as a percentage of covered payroll	<u>54.03%</u>	<u>39.12%</u>	<u>40.31%</u>

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

The accompanying notes are an integral part of this schedule.

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
For the Year Ended June 30, 2020

Year ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
<i>Municipal Employees' Retirement System of Louisiana *</i>					
2020	0.695003%	\$ 2,904,182	\$ 1,286,585	225.7%	64.68%
2019	0.764220%	3,164,389	1,395,239	226.8%	63.94%
2018	0.781751%	3,270,395	1,418,797	230.5%	62.49%
2017	0.832974%	3,414,118	1,488,981	229.3%	62.11%
2016	0.814196%	2,908,435	1,394,010	208.6%	66.18%
2015	0.750734%	1,926,717	1,227,877	156.9%	73.99%
<i>Municipal Police Employees Retirement System *</i>					
2020	0.205283%	\$ 1,864,313	\$ 681,520	273.6%	71.01%
2019	0.273812%	2,314,823	805,839	287.3%	71.89%
2018	0.287081%	2,506,339	854,697	293.2%	70.08%
2017	0.237861%	2,229,428	664,496	335.5%	66.04%
2016	0.264622%	2,073,037	704,025	294.5%	70.73%
2015	0.267745%	1,675,035	694,651	241.1%	75.10%
<i>Firefighters' Retirement System *</i>					
2020	0.221574%	\$ 1,387,476	\$ 535,518	259.1%	7.96%
2019	0.210611%	1,211,451	501,429	241.6%	74.76%
2018	0.200203%	1,147,533	467,448	245.5%	73.55%
2017	0.200020%	1,308,312	451,000	290.1%	68.16%
2016	0.233345%	1,259,389	495,022	254.4%	72.45%
2015	0.227814%	1,013,754	462,773	219.1%	76.02%
<i>Louisiana State Employees' Retirement System *</i>					
2020	0.003060%	\$ 221,477	\$ 58,931	375.8%	62.90%
2019	0.003130%	213,668	58,931	362.6%	64.30%
2018	0.003300%	232,493	58,931	394.5%	62.50%
2017	0.003210%	252,302	58,931	428.1%	57.70%
2016	0.003280%	223,090	29,363	759.8%	62.66%

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

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

The accompanying notes are an integral part of this schedule.

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Employer Contributions
For the Year Ended June 30, 2020

Year ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
<i>Municipal Employees' Retirement System of Louisiana *</i>					
2020	\$ 379,053	\$ 379,053	\$ -	\$ 1,365,955	27.75%
2019	334,512	334,512	-	1,286,585	26.00%
2018	345,322	345,322	-	1,395,239	24.75%
2017	322,776	322,776	-	1,418,797	22.75%
2016	294,074	294,074	-	1,488,981	19.75%
2015	275,317	275,317	-	1,394,010	19.75%
<i>Municipal Police Employees Retirement System *</i>					
2020	\$ 151,569	\$ 151,569	\$ -	\$ 466,366	32.50%
2019	219,790	219,790	-	681,520	32.25%
2018	247,795	247,795	-	805,839	30.75%
2017	272,105	272,105	-	854,697	31.84%
2016	196,558	196,558	-	664,496	29.58%
2015	221,768	221,768	-	704,025	31.50%
<i>Firefighters' Retirement System *</i>					
2020	\$ 143,847	\$ 143,847	\$ -	\$ 518,368	27.75%
2019	141,912	141,912	-	535,518	26.50%
2018	132,879	132,879	-	501,429	26.50%
2017	118,031	118,031	-	467,448	25.25%
2016	122,898	122,898	-	451,000	27.25%
2015	144,794	144,794	-	495,022	29.25%
<i>Louisiana State Employees' Retirement System *</i>					
2020	\$ 26,161	\$ 26,161	\$ -	\$ 62,288	42.00%
2019	22,983	22,983	-	58,931	39.00%
2018	23,337	23,337	-	58,931	39.60%
2017	21,628	21,628	-	58,931	36.70%
2016	23,160	23,160	-	58,931	39.30%

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

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

The accompanying notes are an integral part of this schedule.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Required Supplementary Information
For the Year Ended June 30, 2020

(1) Budgets and Budgetary Accounting

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

1. The Mayor prepares a proposed budget and submits it to the Council for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published, and the public is 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 a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the City.

(2) Other Postemployment Benefit Plan

Changes in Benefit Terms – There were no changes in benefit terms.

Changes of Assumptions –

<u>Year Ended</u> <u>June 30,</u>	<u>Discount</u> <u>Rate</u>
2020	2.21%
2019	3.50%
2018	3.87%
2017	3.87%

No assets are accumulated in a trust that meets the criteria of GASB No. 75, paragraph 4, to pay related benefits.

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Notes to Required Supplementary Information (Continued)
For the Year Ended June 30, 2020

(3) Pension Plans

Changes in Benefit Terms – There were no changes in benefit terms.

Changes of Assumptions –

Year Ended June 30,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
<i>Municipal Employees' Retirement System of Louisiana - Plan A *</i>					
2020	7.00%	7.00%	2.50%	3	4.50% - 6.40%
2019	7.275%	7.275%	2.60%	3	5.00%
2018	7.40%	7.40%	2.775%	3	5.00%
2017	7.50%	7.50%	2.875%	3	5.00%
2016	7.50%	7.50%	2.875%	3	5.00%
2015	7.75%	7.75%	3.00%	3	5.75%
<i>Municipal Police Employees' Retirement System *</i>					
2020	7.125%	7.125%	2.50%	4	4.25% - 9.75%
2019	7.20%	7.20%	2.60%	4	4.25% - 9.75%
2018	7.325%	7.325%	2.70%	4	4.25% - 9.75%
2017	7.50%	7.50%	2.875%	4	4.25% - 9.75%
2016	7.50%	7.50%	2.875%	4	4.25% - 9.75%
2015	7.75%	7.75%	3.00%	4	4.00% - 10.00%
<i>Firefighters' Retirement System *</i>					
2020	7.15%	7.15%	2.50%	7	4.50% - 14.75%
2019	7.30%	7.30%	2.70%	7	4.75% - 15.00%
2018	7.40%	7.40%	2.775%	7	4.75% - 15.00%
2017	7.50%	7.50%	2.875%	7	4.75% - 15.00%
2016	7.50%	7.50%	2.875%	7	4.75% - 15.00%
2015	7.50%	7.50%	3.00%	7	5.50% - 15.00%
<i>Louisiana State Employees' Retirement System *</i>					
2020	7.60%	7.60%	2.75%	3	2.8% - 5.3%
2019	7.65%	7.65%	2.75%	3	2.8% - 5.3%
2018	7.70%	7.70%	2.75%	3	2.8% - 5.3%
2017	7.75%	7.75%	3.00%	3	3.0% - 5.5%
2016	7.75%	7.75%	3.00%	3	3.0% - 5.5%
2015	7.75%	7.75%	3.00%	3	3.0% - 5.5%

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

OTHER FINANCIAL INFORMATION

CITY OF VILLE PLATTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule - Revenues
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
Taxes:				
Ad valorem	\$ 246,000	\$ 246,000	\$ 251,931	\$ 5,931
Street and drainage maintenance	346,000	346,000	345,230	(770)
Police and fire tax	140,000	140,000	141,516	1,516
PILOT - Housing Authority	30,000	28,554	28,554	-
Franchise taxes	375,000	335,385	324,208	(11,177)
Utility Fund - payment in lieu of taxes	448,900	393,950	400,599	6,649
	<u>1,585,900</u>	<u>1,489,889</u>	<u>1,492,038</u>	<u>2,149</u>
Licenses and permits:				
Occupational licenses	350,000	380,000	365,546	(14,454)
Building permits	10,000	7,000	7,302	302
Electrical permits	3,500	10,000	10,177	177
	<u>363,500</u>	<u>397,000</u>	<u>383,025</u>	<u>(13,975)</u>
Intergovernmental:				
State of Louisiana -				
Beer tax	18,000	19,000	19,624	624
Evangeline Council on Aging	155,000	150,000	167,523	17,523
State grants	1,372,115	-	-	-
Fire insurance rebate	35,000	35,503	35,459	(44)
Highway maintenance	14,950	14,950	14,950	-
Fire salary reimbursement	240,000	255,000	253,182	(1,818)
On-behalf payments	183,000	133,000	131,757	(1,243)
Federal grants	170,000	484,111	484,111	-
	<u>2,188,065</u>	<u>1,091,564</u>	<u>1,106,606</u>	<u>15,042</u>
Miscellaneous:				
Rental income -				
Gas department	15,000	15,000	15,000	-
Park and civic center	28,000	28,890	24,990	(3,900)
Section 8 rent	7,800	7,800	7,800	-
Swamp Pop revenues	12,000	14,758	14,758	-
Interest income	7,000	4,500	8,269	3,769
Inmate housing	52,200	48,500	47,465	(1,035)
Law enforcement revenue	9,400	10,570	10,978	408
Local grants	62,500	-	-	-
Insurance claims	1,000	-	-	-
Archon fees	48,000	32,919	36,511	3,592
Ville Platte Girls-Boys Place	14,000	5,948	5,948	-
Park security	3,000	735	675	(60)
Other sources	115,000	353,010	337,885	(15,125)
	<u>374,900</u>	<u>522,630</u>	<u>510,279</u>	<u>(12,351)</u>
Total revenues	<u>\$ 4,512,365</u>	<u>\$ 3,501,083</u>	<u>\$ 3,491,948</u>	<u>\$ (9,135)</u>

CITY OF VILLE PLATTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule - Expenditures
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
General government:				
Executive -				
Mayor salary	\$ 70,000	\$ 70,000	\$ 69,940	\$ 60
Auto allowance	6,000	-	-	-
Phone allowance	5,040	720	720	-
Council salaries	51,600	51,600	51,240	360
Auto allowance	21,600	21,600	21,600	-
Per diem	9,360	9,360	9,960	(600)
Retirement	22,000	21,000	19,707	1,293
Payroll taxes	8,150	7,150	7,311	(161)
Group insurance	11,400	11,400	12,571	(1,171)
Dues and conventions	25,000	15,000	8,873	6,127
Miscellaneous	2,350	870	705	165
Total executive	<u>232,500</u>	<u>208,700</u>	<u>202,627</u>	<u>6,073</u>
Administrative -				
Salaries	337,920	295,000	309,914	(14,914)
Per diem	-	3,480	3,360	120
Auto allowance	1,200	1,200	1,200	-
Phone allowance	4,560	5,340	5,340	-
Contract services	1,200	1,200	1,200	-
Uniforms	400	400	319	81
Utilities	30,000	30,000	29,051	949
Telephone	10,000	20,000	19,128	872
Insurance	32,000	30,000	21,110	8,890
Workman's compensation	2,200	4,000	3,774	226
Advertising and publicity	8,000	15,500	15,753	(253)
Group insurance	45,000	62,000	61,182	818
Office	24,000	16,000	14,712	1,288
Postage	4,000	4,000	3,338	662
Professional fees	174,040	114,040	72,020	42,020
Repairs and maintenance	30,000	30,000	23,833	6,167
Evangeline Council on Aging	155,000	150,000	167,523	(17,523)
Dues, conventions and travel	4,500	2,500	1,133	1,367
Auto allowance - Engineer	2,760	2,760	2,760	-
Retirement contributions	88,000	72,000	70,982	1,018
Payroll taxes	8,000	8,500	8,100	400
Miscellaneous	33,600	28,280	25,969	2,311
Total administrative	<u>996,380</u>	<u>896,200</u>	<u>861,701</u>	<u>34,499</u>
Total general government	<u>1,228,880</u>	<u>1,104,900</u>	<u>1,064,328</u>	<u>40,572</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule - Expenditures (Continued)
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Public safety:				
Police department -				
Salaries	608,577	575,000	563,751	11,249
State supplemental pay	105,000	72,000	71,642	358
Phone allowance	3,480	3,000	2,940	60
Gas and oil	50,000	41,000	42,839	(1,839)
Auto repairs	21,600	34,000	27,013	6,987
Equipment and building repairs and maintenance	21,600	38,000	32,331	5,669
Feeding prisoners	66,000	50,000	35,571	14,429
Supplies	22,000	22,000	17,144	4,856
Telephone	22,000	30,000	29,073	927
Insurance	130,000	140,000	76,654	63,346
Workman's compensation	41,500	57,000	55,334	1,666
Advertising and publicity	100	400	300	100
Office	3,600	8,506	6,266	2,240
Uniforms	8,000	8,000	5,232	2,768
Retirement contributions	232,500	160,000	158,005	1,995
Group insurance	111,600	90,000	92,349	(2,349)
Professional fees	9,000	3,000	1,088	1,912
Dues, conventions and travel	8,500	6,600	6,229	371
Officer training	5,000	5,110	5,110	-
Utilities	20,000	17,000	14,919	2,081
Payroll taxes	12,030	15,500	15,205	295
Dare, K-9 and DWI expenditures	4,500	1,500	1,790	(290)
Medical	45,000	45,000	44,926	74
Computer	100,200	3,584	2,460	1,124
Miscellaneous	2,000	7,000	5,265	1,735
Total police department	<u>1,653,787</u>	<u>1,433,200</u>	<u>1,313,436</u>	<u>119,764</u>
Fire department -				
Salaries	578,400	578,400	548,502	29,898
State supplemental pay	78,000	61,000	60,115	885
Phone allowance	3,600	3,600	3,560	40
Gas and oil	9,000	9,000	6,299	2,701
Equipment and building repairs and maintenance	25,000	30,000	32,121	(2,121)
Supplies	30,000	20,000	16,196	3,804
Telephone	14,000	16,000	15,144	856
Insurance	30,000	36,000	30,389	5,611

(continued)

CITY OF VILLE PLATTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule - Expenditures (Continued)
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Fire department (continued) -				
Workman's compensation	54,000	75,000	73,963	1,037
Uniforms	5,000	7,000	6,387	613
Retirement contributions	176,000	170,000	159,538	10,462
Group insurance	87,000	85,000	84,072	928
Utilities	16,000	12,000	11,816	184
School training	5,000	10,000	9,060	940
Payroll taxes	12,900	12,000	10,989	1,011
Professional fees	5,000	1,000	275	725
Service call fees	6,500	8,434	8,434	-
Miscellaneous	5,800	6,266	5,135	1,131
Total fire department	<u>1,141,200</u>	<u>1,140,700</u>	<u>1,081,995</u>	<u>58,705</u>
Total public safety	<u>2,794,987</u>	<u>2,573,900</u>	<u>2,395,431</u>	<u>178,469</u>
Streets and drainage:				
Salaries	263,780	190,000	177,438	12,562
Phone allowance	720	720	720	-
Gas, oil and fuel	40,000	40,000	39,274	726
Truck and equipment repairs	50,000	50,000	39,349	10,651
Tools and supplies	20,000	5,000	4,164	836
Telephone	5,200	5,300	4,912	388
Insurance	37,000	40,000	29,912	10,088
Workman's compensation	42,000	35,000	33,324	1,676
Retirement contributions	35,000	38,000	36,850	1,150
Group insurance	23,500	30,000	31,066	(1,066)
Uniforms	4,000	5,000	5,073	(73)
Overgrown lot abatement program	25,000	-	-	-
Utilities - street lights	165,000	125,000	124,186	814
Payroll taxes	12,700	6,000	4,887	1,113
Sand, gravel, cement and dirt	5,600	12,000	10,478	1,522
Street improvement, repairs and overlay	45,000	15,000	34	14,966
Professional fees	12,000	12,000	8,213	3,787
Dog pound	5,600	5,500	4,708	792
Grass and tree cutting	14,950	14,950	9,665	5,285
Miscellaneous	4,350	8,130	6,943	1,187
Total streets and drainage	<u>811,400</u>	<u>637,600</u>	<u>571,196</u>	<u>66,404</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule - Expenditures (Continued)
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Culture and recreation:				
Salaries	168,080	150,000	145,180	4,820
Phone allowance	1,920	1,920	1,920	-
Gas, oil and diesel	1,000	500	87	413
Building and equipment repairs	50,000	52,000	44,835	7,165
Tools and supplies	8,000	6,000	5,560	440
Telephone	8,500	8,500	8,176	324
Insurance	35,000	35,000	25,592	9,408
Workman's compensation	9,000	13,000	12,336	664
Retirement contributions	34,000	27,000	25,528	1,472
Group insurance	23,000	18,000	18,206	(206)
Uniforms	4,200	4,200	4,590	(390)
Utilities	28,000	24,000	21,457	2,543
Payroll taxes	5,700	6,000	5,621	379
Professional fees	2,000	2,000	-	2,000
Swamp Pop	12,000	12,000	8,290	3,710
Ville Platte Girls-Boys Place	25,260	23,400	21,370	2,030
Miscellaneous	5,600	4,580	2,668	1,912
Total culture and recreation	<u>421,260</u>	<u>388,100</u>	<u>351,416</u>	<u>36,684</u>

(continued)

CITY OF VILLE PLATTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule - Expenditures (Continued)
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Capital outlay:				
Admin - air conditioners	20,000	36,130	36,130	-
Public Safety -				
Fire:				
Equipment	37,500	-	-	-
Streets and drainage -				
Sidewalk improvements	220,000	-	-	-
Infrastructure project	1,218,667	-	-	-
Street lighting/street signs	50,000	-	-	-
Entrance project	11,115	-	-	-
Cameras	42,000	-	-	-
Trash cans	5,000	-	-	-
Culture and recreation -				
Northside Park - vehicle	7,100	8,975	8,975	-
Parks project	500,000	-	-	-
Total capital outlay	<u>2,111,382</u>	<u>45,105</u>	<u>45,105</u>	<u>-</u>
Debt Service:				
Principal	83,500	82,964	82,964	-
Interest	<u>8,200</u>	<u>8,055</u>	<u>8,055</u>	<u>-</u>
Total debt service	<u>91,700</u>	<u>91,019</u>	<u>91,019</u>	<u>-</u>
Total expenditures	<u>\$7,459,609</u>	<u>\$4,840,624</u>	<u>\$4,518,495</u>	<u>\$322,129</u>

CITY OF VILLE PLATTE, LOUISIANA

General Fund
 Budgetary Comparison Schedule - Other Financing Sources (Uses)
 For the Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Proceeds from loan issuance	\$ 25,000	\$ -	\$ -	\$ -
Sale of capital assets	54,000	-	-	-
Transfers from (to) other funds -				
Utility Fund	800,000	500,000	300,000	(200,000)
1975 Sales Tax Fund	1,231,996	1,180,000	1,342,838	162,838
1984 Sales Tax Fund	<u>300,000</u>	<u>260,000</u>	<u>211,152</u>	<u>(48,848)</u>
Total other financing sources (uses)	<u>\$2,410,996</u>	<u>\$1,940,000</u>	<u>\$1,853,990</u>	<u>\$ (86,010)</u>

CITY OF VILLE PLATTE, LOUISIANA

Enterprise Fund - Utility Fund
Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended June 30, 2020

Operating revenues:	
Charges for services -	
Customer service charges	\$4,048,404
Connection and inspection fees	50,374
Miscellaneous	<u>142,279</u>
Total operating revenues	<u>4,241,057</u>
Operating expenses:	
Gas department	1,254,111
Water department	2,170,342
Sewerage department	<u>987,844</u>
Total operating expenses	<u>4,412,297</u>
Operating income (loss)	<u>(171,240)</u>
Nonoperating revenues (expenses):	
Nonemployer pension contribution	12,599
Interest income	1,523
Ad valorem taxes	528,570
Interest expense	(285,646)
Paying agent fees	<u>(49,490)</u>
Total nonoperating revenues (expenses)	<u>207,556</u>
Income before transfers	<u>36,316</u>
Transfers in (out):	
Transfers in	697,275
Transfers out	<u>(745,339)</u>
Total transfers in (out)	<u>(48,064)</u>
Change in net position	(11,748)
Net position, beginning	<u>9,756,341</u>
Net position, ending	<u>\$9,744,593</u>

<u>Gas</u> <u>Department</u>	<u>Water</u> <u>Department</u>	<u>Sewer</u> <u>Department</u>
\$1,489,714	\$1,645,088	\$913,602
12,578	26,033	11,763
<u>68,373</u>	<u>61,352</u>	<u>12,554</u>
<u>1,570,665</u>	<u>1,732,473</u>	<u>937,919</u>
1,254,111	-	-
-	2,170,342	-
<u>-</u>	<u>-</u>	<u>987,844</u>
<u>1,254,111</u>	<u>2,170,342</u>	<u>987,844</u>
<u>\$ 316,554</u>	<u>\$ (437,869)</u>	<u>\$ (49,925)</u>

CITY OF VILLE PLATTE, LOUISIANA

Enterprise Fund - Utility Fund
 Departmental Statement of Operating Expenses
 For the Year Ended June 30, 2020

	Gas	Water	Sewer	Totals
Salaries	\$ 159,596	\$ 185,662	\$ 110,117	\$ 455,375
Phone allowance	-	720	-	720
Retirement contributions	38,445	42,179	24,073	104,697
Payroll taxes	4,355	3,200	1,960	9,515
Group insurance	46,741	34,857	31,548	113,146
Uniforms	4,377	2,653	4,736	11,766
Insurance	50,407	19,887	31,822	102,116
Workman's compensation insurance	4,808	16,777	10,475	32,060
General Fund - payment in lieu of taxes	146,467	163,574	90,558	400,599
Natural gas purchased	468,412	-	-	468,412
Dues and conventions	97	6,538	2,056	8,691
Equipment repairs and maintenance	60,119	177,547	135,060	372,726
Materials and supplies	42,641	15,379	3,983	62,003
Chemicals	-	32,424	15,177	47,601
Testing and inspection fees	-	-	17,885	17,885
Professional fees	49,622	49,112	66,069	164,803
Utilities and telephone	30,406	165,233	101,732	297,371
Rent	15,000	-	-	15,000
Gas, oil and fuel	-	942	796	1,738
Office supplies	14,637	10,295	9,117	34,049
Depreciation	72,271	1,170,225	308,816	1,551,312
Miscellaneous	13,887	31,232	1,024	46,143
Sand, gravel and dirt	-	6,884	1,210	8,094
Bad debt expense	31,823	35,022	19,630	86,475
Total operating expenses	<u>\$1,254,111</u>	<u>\$2,170,342</u>	<u>\$987,844</u>	<u>\$4,412,297</u>

CITY OF VILLE PLATTE

Section 8 Housing Program
 Financial Data Schedule - Balance Sheet
 June 30, 2020

Line Item #	Account Description	14.871 Housing Choice Vouchers	97.109 Housing Assistance Grant	14.HCC HCV CARES ACT Funding	Total
111	Cash - unrestricted	\$ 22,494	\$ -	\$ -	\$ 22,494
113	Cash - restricted	52,275	-	16,314	68,589
100	Total cash	<u>74,769</u>	<u>-</u>	<u>16,314</u>	<u>91,083</u>
144	Inter program due from	-	206,227	-	206,227
150	Total current assets	<u>74,769</u>	<u>206,227</u>	<u>16,314</u>	<u>297,310</u>
164	Furniture, equipment & machinery - administration	5,925	-	-	5,925
166	Accumulated depreciation	(5,925)	-	-	(5,925)
160	Total capital assets, net of accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
200	Deferred outflows of resources	33,180	-	-	33,180
190	Total assets and deferred outflows of resources	<u>\$ 107,949</u>	<u>\$ 206,227</u>	<u>\$ 16,314</u>	<u>\$ 330,490</u>
342	Unearned revenue	\$ -	\$ -	\$ 16,314	\$ 16,314
347	Inter Program - Due to	206,227	-	-	206,227
310	Total current liabilities	<u>206,227</u>	<u>-</u>	<u>16,314</u>	<u>222,541</u>
357	Accrued pension liability	131,814	-	-	131,814
350	Total non-current liabilities	<u>131,814</u>	<u>-</u>	<u>-</u>	<u>131,814</u>
300	Total liabilities	<u>338,041</u>	<u>-</u>	<u>16,314</u>	<u>354,355</u>
400	Deferred inflows of resources	12,258	-	-	12,258
511.4	Restricted net position	52,275	-	-	52,275
512.4	Unrestricted net position	(294,625)	206,227	-	(88,398)
513	Total equity - net position	<u>(242,350)</u>	<u>206,227</u>	<u>-</u>	<u>(36,123)</u>
600	Total liabilities, deferred inflows of resources and equity	<u>\$ 107,949</u>	<u>\$ 206,227</u>	<u>\$ 16,314</u>	<u>\$ 330,490</u>

CITY OF VILLE PLATTE

Section 8 Housing Program
 Financial Data Schedule - Income Statement
 For the Year Ended June 30, 2020

Line Item #	Account Description	14.871 Housing Choice Vouchers	97.109 Housing Assistance Grant	14.HCC HCV CARES ACT Funding	Total
70600	HUD PHA operating grants	\$ 639,495	\$ -	\$ 442	\$ 639,937
71100	Investment income -unrestricted	81	-	-	81
71400	Fraud recovery	5,246	-	-	5,246
71500	Other revenue	2,190	-	-	2,190
70000	Total revenue	<u>647,012</u>	<u>-</u>	<u>442</u>	<u>647,454</u>
91100	Administrative salaries	63,991	-	-	63,991
91200	Auditing fees	1,000	-	-	1,000
91500	Employee benefit contributions- administrative	19,255	-	-	19,255
91600	Office Expenses	10,320	-	-	10,320
91900	Other	7,800	-	-	7,800
91000	Total Operating - Administrative	<u>102,366</u>	<u>-</u>	<u>-</u>	<u>102,366</u>
92400	Tenant services - other	-	-	442	442
92500	Total tenant services	-	-	<u>442</u>	<u>442</u>
96130	Workmen's compensation	306	-	-	306
96100	Total insurance premiums	306	-	-	306
96900	Total operating expenses	<u>102,672</u>	<u>-</u>	<u>442</u>	<u>103,114</u>
97000	Excess of operating revenue over operating expenses	<u>544,340</u>	<u>-</u>	<u>-</u>	<u>544,340</u>
97300	Housing assistance payments	<u>525,015</u>	<u>-</u>	<u>-</u>	<u>525,015</u>
90000	Total expenses	<u>627,687</u>	<u>-</u>	<u>442</u>	<u>628,129</u>
10000	Excess of total revenue over total expenses	<u>19,325</u>	<u>-</u>	<u>-</u>	<u>19,325</u>
11030	Beginning equity	(261,675)	206,227	-	(55,448)
11170	Administrative Fee Equity	(294,625)	-	-	(294,625)
11180	Housing Assistance Payments Equity	52,275	-	-	52,275
11190	Unit Months Available	1,716	-	-	1,716
11210	Unit Months Leased	1,468	-	-	1,468

OTHER SUPPLEMENTARY INFORMATION

CITY OF VILLE PLATTE, LOUISIANA

Enterprise Fund - Utility Fund
Schedule of Number of Utility Customers
(Unaudited)
June 30, 2020

Records maintained by the City indicated the following number of customers were being served during the month of June, 2020:

<u>Department</u>	
Gas (metered)	1,588
Water (metered)	2,798
Sewerage	2,710

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Insurance in Force
(Unaudited)
June 30, 2020

Description of Coverage	Coverage Amounts
Workmen's compensation - Employer's liability	Statutory
Blanket coverage on City property buildings and contents	\$ 13,854,299
Comprehensive automobile and physical damage	1,111,115
Commercial general liability	500,000/claim
Public officials	500,000/claim
Police professional liability	500,000/claim
Auto liability	500,000/claim
Inland marine	405,288
Fire policy	1,000,000

**INTERNAL CONTROL, COMPLIANCE
AND OTHER MATTERS**

KOLDER, SLAVEN & COMPANY, LLC

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Victor R. Slaven, CPA* - retired 2020

* A Professional Accounting Corporation

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

WWW.KCSRCPAS.COM

The Honorable Jennifer Vidrine, Mayor
and Members of the City Council
City of Ville Platte, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Ville Platte, Louisiana (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 30, 2020.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or 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 have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed 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 2020-003, 2020-004, 2020-005, 2020-006, and 2020-007.

City of Ville Platte's Response to Findings

The City of Ville Platte's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
December 30, 2020

KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable Jennifer Vidrine, Mayor
and Members of the City Council
City of Ville Platte, Louisiana

Report on Compliance for Each Major Federal Program

We have audited the City of Ville Platte, Louisiana's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2020. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

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, 2020.

Report on Internal Control over Compliance

Management of the City of Ville Platte is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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. 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

Ville Platte, Louisiana
December 30, 2020

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Name	Pass-through Identifying Number	CFDA Number	Expenditures
United States Department of Housing and Urban Development			
Housing Voucher Cluster -			
Section 8 Housing Choice Vouchers	-	14.871	639,495
Section 8 Housing Choice Vouchers - COVID-19			
HCV CARES Act Funding	-	14.871	<u>442</u>
Total Department of Housing and Urban Development			<u>639,937</u>
United States Department of Treasury			
Passed through the State of Louisiana Division of Administration			
COVID-19 Coronavirus Relief Fund	-	21.019	<u>484,111</u>
Total			<u>\$ 1,124,048</u>

The accompanying notes are an integral part of this schedule.

CITY OF VILLE PLATTE, LOUISIANA

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of Ville Platte under programs of the federal government for the year ended June 30, 2020. 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 of Ville Platte, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Ville Platte.

(2) Summary of Significant Accounting Policies

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 of Ville Platte's basic financial statements for the year ending June 30, 2020. 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 of Ville Platte has elected not to use the 10 percent *de minimus* indirect cost rate allowed under the Uniform Guidance.

(4) Subrecipients

The City of Ville Platte provided no federal awards to subrecipients.

(5) Loans Outstanding

The City of Ville Platte had debt outstanding of \$9,289,000 at June 30, 2020 as it relates to the Capitalization Grants for Drinking Water State Revolving Funds CFDA 66.468.

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Part I. Summary of Auditor's Results

Financial Statements

1. Type of auditor's opinion issued on financial statements:

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental activities	Unmodified
Business-type activities	Unmodified
Major funds:	
General	Unmodified
1975 Sales Tax Fund Special Revenue	Unmodified
1984 Sales Tax Fund Special Revenue	Unmodified
City Court Special Revenue	Unmodified
Utility Fund Enterprise	Unmodified
Section 8 Housing Program Enterprise	Unmodified

2. Internal control over financial reporting:

Material weakness(es) identified?	<u> </u> yes	<u> x </u> no
Significant deficiency(ies) identified?	<u> x </u> yes	<u> </u>

3. Noncompliance material to the financial statements?

<u> x </u> yes	<u> </u> no
------------------	------------------

Federal Awards

4. Internal control over major federal programs:

Material weakness(es) identified?	<u> </u> yes	<u> x </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u> x </u> no

5. Major programs and type of auditor's report issued:

<u>CFDA Number</u>	<u>Federal Agency and Name of Major Program</u>	<u>Type of Opinion</u>
21.019	<u>U.S. Department of Treasury</u> Coronavirus Relief Fund	Unmodified

6. Audit findings required to be reported in accordance with 2 CFR §200.516(a)?

<u> </u> yes	<u> x </u> no
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7. Threshold for distinguishing type A and B programs?

\$ 750,000

8. Qualified as a low-risk auditee?

<u> </u> yes	<u> x </u> no
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Other

9. Management letter issued?

<u> </u> yes	<u> x </u> no
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(continued)

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2020

Part II. Findings reported in accordance with *Government Auditing Standards*:

A. Internal Control Findings

2020-001 Maintenance of Police Department Ticket Log

Fiscal year finding initially occurred: 2017

CONDITION: The police department ticket log was not maintained properly for all tickets.

CRITERIA: A ticket log must be maintained properly in order to account for all issued, voided, and skipped tickets.

CAUSE: Policies and procedures for maintaining the log were not followed.

EFFECT: Fees for tickets may not be collected and misappropriation of assets or fraud could occur.

RECOMMENDATION: Police department personnel should question officers about all skipped tickets and enter the appropriate documentation on the log so that all tickets will be accounted for.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Police department personnel will be trained properly to ensure all skipped tickets are documented and the log will be reviewed by a supervisor to ensure procedures are followed.

2020-002 Inadequate Segregation of Duties in Utility Department Collections

Fiscal year finding initially occurred: 2020

CONDITION: Collection procedures and processes within the City's utility department were not adequately segregated.

CRITERIA: AU-C §315.04, *Understanding the Entity and its Environment and Assessing the Risks of Material Misstatement*, defines internal control as follows: "Internal control is a process, affected by those charged with governance, management, and other personnel, designed to provide reasonable assurance about the achievement of objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations".

CAUSE: The City does not have a sufficient number of staff to properly segregate duties, maintain subsidiary ledgers, and deposit collections daily.

EFFECT: Failure to adequately segregate accounting and financial functions increases the risk that errors and/or irregularities including fraud and/or defalcations may occur and not be prevented and/or detected.

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2020

RECOMMENDATION: The City should hire additional personnel to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The City has hired additional personnel to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

B. Compliance Findings

2020-003 Compliance with LRS 49:121 Identification of Property

Fiscal year finding initially occurred: 2019

CONDITION: Various vehicles owned by the City were not identified with decals.

CRITERIA: Vehicles owned by the City must be identified with appropriate decals on both sides of the vehicle as required by LRS 49:121 Identification of Property.

CAUSE: The City does not have policies and procedures in place to ensure that all vehicles owned by the City have proper decals as required by RS 49:121 Identification of Property.

EFFECT: Vehicles may not be easily identifiable, which could result in unauthorized use of the vehicle.

RECOMMENDATION: The City should mark all vehicles with the proper decals as required by RS 49:121.

MANAGEMENT'S CORRECTIVE ACTION PLAN: All vehicles will have the proper identification as required by RS 49:121.

2020-004 Compliance with Utility Collection Policies and Procedures

Fiscal year finding initially occurred: 2019

CONDITION: During a test of delinquent utility customer accounts, it was noted that the City is not following the disconnect policy which is a violation of the City's adopted ordinance. The City's aged receivable report at June 30, 2020 revealed that 73% of the City's outstanding balances are past due. Fifty four percent of the total amount due is over 90 days delinquent.

CRITERIA: The City's Ordinance No. 6-17-20-1 states that "Payments on accounts shall be due on or before 4:00 pm of the twentieth (20th) day of the month billed. The account shall remain delinquent until the total past due account balance is paid. The City shall terminate the delivery of water and gas to those accounts that remain delinquent as of the first (1st) day of the succeeding month".

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2020

CAUSE: The City did not disconnect services as required by the adopted ordinance.

EFFECT: Failure to collect user fees in a timely manner results in a loss of revenue and jeopardizes continuity of operations. When utility balances are allowed to remain outstanding, it may be difficult for the customer to return to nondelinquent status.

RECOMMENDATION: We recommend the City disconnect customers for non-payment of services in accordance with the adopted ordinance.

MANAGEMENT'S CORRECTIVE ACTION PLAN: The City will enforce the utility collection policy in accordance with the adopted ordinance.

2020-005 Compliance with Bid Law

Fiscal year finding initially occurred: 2020

CONDITION: The City did not obtain quotes for the purchase of air conditioners at a cost that was between \$10,000 and \$30,000.

CRITERIA: LRS 38:2212.1 states that "Purchases of ten thousand dollars or more, but less than thirty thousand dollars, shall be made by obtaining not less than three quotes by telephone, facsimile, email, or any other printable electronic form. If telephone quotes are received, a written confirmation of the accepted offers shall be obtained and made a part of the purchase file. If quotations lower than the accepted quotation are received, the reasons for their rejection shall be recorded in the purchase file."

CAUSE: The condition is a result of failure to monitor compliance with LRS 38:2212.1.

EFFECT: The absence of a competitive atmosphere could result in the overpayment of public funds for materials and supplies.

RECOMMENDATION: Management should comply with the requirements of LRS 38:2212.1 by implementing controls to monitor purchases that require compliance with the statute.

MANAGEMENT'S CORRECTIVE ACTION PLAN: Management will monitor the City's purchases more effectively to ensure that the City complies with all bid law requirements.

2020-006 Compliance with RS 42:20(B)(2) Written Minutes

Fiscal year finding initially occurred: 2020

CONDITION: The City did not post the written minutes on the City's website during the year ending June 30, 2020.

(continued)

CITY OF VILLE PLATTE, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2020

CRITERIA: LRS 42:20(B)(2) states that “All public bodies shall post their written minutes on the website within 10 days of publishing in the official journal”.

CAUSE: The City failed to follow the requirements of LRS 42:20(B)(2).

EFFECT: Members of the public were not informed of details of the meetings on the City’s website.

RECOMMENDATION: The City should post all information required under the Open Meeting Law on the website.

MANAGEMENT’S CORRECTIVE ACTION PLAN: A copy of the minutes of meetings will be published on the City’s website as required by state statute.

2020-007 Compliance with RS 42:17.1(B) Open Meetings Law for Declared Emergencies and Disasters

Fiscal year finding initially occurred: 2020

CONDITION: The City did not post the certification requirements of LRS 42:17.1(B), Exception for meetings during a gubernatorially declared disaster or emergency, with the notice of the meeting of July 14, 2020.

CRITERIA: LRS 42:17.1(B) states that “All public bodies conducting meetings via teleconference or videoconference during a gubernatorial declared emergency or disaster shall publish on their website within 24 hours of the meeting: (1) notice and agenda for the meeting, including a certification by the presiding officer that the meeting is limited to one of the matters cited in R.S. 42:17.1(A)(2); and (2) detailed information regarding how members of the public may participate in the meeting and submit comments regarding matters on the agenda.”

CAUSE: The City failed to follow the requirements of LRS 42:17.1(B).

EFFECT: Members of the public were not informed of details in advance of the July 14, 2020 meeting, as required by LRS 42:17.1(B).

RECOMMENDATION: The City should post all information required under the Open Meeting Law for Declared Emergencies and Disasters on the website.

MANAGEMENT’S CORRECTIVE ACTION PLAN: The requirements of LRS 42:17.1(B) were published on the City’s website as required by state statute on November 19, 2020 and the meeting was held on November 20, 2020, which included the adoption of the 2020 property tax millage rates.

Part III. Findings and questioned costs for Federal awards defined in the Uniform Guidance:

There are no findings to be reported under this section.

City of Ville Platte

126 East Main Street
Post Office Box 390
Ville Platte, LA 70586



Phone: (337)363-2939

Fax: (337) 363-1121

www.cityofvilleplatte.com

Jennifer Vidrine
Mayor

Council Members

Faye Lemoine
District "A"

Jerry Joseph
District "B"

Mike Perron
District "C"

Lionel Anderson
District "D"

Donald Sam
District "E"

Bryant Riggs
District "F"

Eric LaFleur
City Attorney

CORRECTIVE ACTION PLAN

December 30, 2020

The City of Ville Platte respectfully submits the following corrective action plan for the year ended June 30, 2020.

Name and address of independent public accounting firm:

Kolder, Slaven & Company, LLC

434 E. Main Street

P.O. Box 588

Ville Platte, LA 70586

Audit period: June 30, 2020

The findings from the June 30, 2020 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT

INTERNAL CONTROL

2020-001

Recommendation: Police department personnel should question officers about all skipped tickets and enter the appropriate documentation on the log so that all tickets will be accounted for.

Action Taken: Police department personnel will be trained properly to ensure all skipped tickets are documented and the log will be reviewed by a supervisor to ensure procedures are followed.

2020-002

Recommendation: The City should hire additional personnel to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

Action Taken: The City has hired additional personnel to ensure that a single employee does not have control of more than one of the following responsibilities: (1) authorization; (2) custody; (3) recordkeeping; and (4) reconciliation.

!! MOVING VILLE PLATTE FORWARD!!

Equal Employment Opportunity

COMPLIANCE

2020-003

Recommendation: The City should mark all vehicles with the proper decals as required by RS 49:121.

Action Taken: All vehicles will have the proper identification as required by RS 49:121.

2020-004

Recommendation: We recommend the City disconnect customers for non-payment of services in accordance with the adopted ordinance.

Action Taken: The City will enforce the utility collection policy in accordance with the adopted ordinance.

2020-005

Recommendation: Management should comply with the requirements of LRS 38:2212.1 by implementing controls to monitor purchases that require compliance with the statute.

Action Taken: Management will monitor the City's purchases more effectively to ensure that the City complies with all bid law requirements.

2020-006

Recommendation: The City should post all information required under the Open Meeting Law on the website.

Action Taken: A copy of the minutes of meetings will be published on the City's website as required by state statute.


2020-007

Recommendation: The City should post all information required under the Open Meeting Law for Declared Emergencies and Disasters on the website.

Action Taken: The requirements of LRS 42:17.1(B) were published on the City's website as required by state statute on November 19, 2020 and the meeting was held on November 20, 2020, which included the adoption of the 2020 property tax millage rates.

If there are any questions regarding this plan, please call Jennifer Vidrine, Mayor, at (337) 363-2939.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jennifer Vidrine".

Jennifer Vidrine, Mayor
City of Ville Platte

City of Ville Platte

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Jennifer Vidrine
Mayor

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Council Members

Faye Lemoine
District "A"

Jerry Joseph
District "B"

Mike Perron
District "C"

Lionel Anderson
District "D"

Donald Sam
District "E"

Bryant Riggs
District "F"

Eric LaFleur
City Attorney

Part I. Findings reported in accordance with Government Auditing Standards:

A. Internal Control

2019-001 Maintenance of Police Department Ticket Log

Fiscal year finding initially occurred: 2017

CONDITION: The police department ticket log was not maintained properly for all tickets.

RECOMMENDATION: Police department personnel should question officers about all skipped tickets and enter the appropriate documentation on the log so that all tickets will be accounted for.

CURRENT STATUS: See finding 2020-001.

B. Compliance

2019-002 Compliance with LRS 49:121 Identification of Property

Fiscal year finding initially occurred: 2019

CONDITION: Various vehicles owned by the City were not identified with decals.

RECOMMENDATION: The City should mark all vehicles with the proper decals as required by RS 49:121.

CURRENT STATUS: See finding 2020-003.

2019-003 Compliance with Utility Collection Policies and Procedures

CONDITION: Due to the amount of delinquent utility accounts remaining active, it appears that the City is not following the requirements of the utility revenue bond indenture.

Fiscal year finding initially occurred: 2019

RECOMMENDATION: We recommend the City disconnect customers for non-payment of services in accordance with the adopted ordinance.

CURRENT STATUS: See finding 2020-004.

!! MOVING VILLE PLATTE FORWARD!!

Equal Employment Opportunity

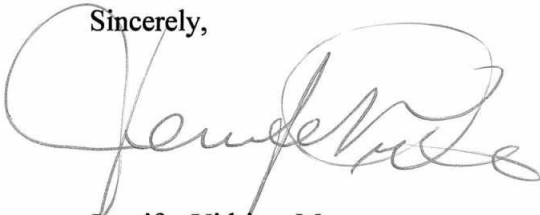
2019-004 Excess Compensation for Mayor and City Council

CONDITION: Payments in the amount \$40,010 for per diem, auto allowances, and phone allowances were paid to the Mayor and Council Members during the fiscal year ended June 30, 2019 in addition to their salary. Although the salaries were set by ordinance on 12/8/2015 as required by state law, the additional payments of per diem, auto allowances, and phone allowance were not set by ordinance.

Fiscal year finding initially occurred: 2019

CURRENT STAUS: Resolved.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jennifer Vidrine". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Jennifer Vidrine, Mayor
City of Ville Platte