

CITY OF DEQUINCY, LOUISIANA

Financial Report

Year Ended September 30, 2024

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditors' Report	1 - 3
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)	
Statement of net position	6
Statement of activities	7
FUND FINANCIAL STATEMENTS (FFS)	
Major fund descriptions	9
Balance sheet - governmental funds	10
Reconciliation of the governmental funds balance sheet to the statement of net position	11
Statement of revenues, expenditures, and changes in fund balances- governmental funds	12
Reconciliation of the statement of revenues, expenditures, and changes in fund balances of governmental funds to the statement of activities	13
Statement of net position - proprietary fund	14
Statement of revenues, expenses, and changes in fund net position - proprietary fund	15
Statement of cash flows - proprietary fund	16-17
NOTES TO BASIC FINANCIAL STATEMENTS	18-43
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund - budgetary comparison schedule	45
Public Safety Special Revenue Fund - budgetary comparison schedule	46
Street Special Revenue Fund - budgetary comparison schedule	47
Industrial Airpark Special Revenue Fund - budgetary comparison schedule	48
Schedule of employer's share of net pension liability	49
Schedule of employer contributions	50
Notes to the required supplementary information	51

TABLE OF CONTENTS

	<u>Page</u>
SUPPLEMENTARY INFORMATION	
Statement of net position - compared to prior year totals	53
General and Special Revenue Funds- comparative balance sheet	54
Comparative departmental statement of net positions - Proprietary Fund	55
Comparative departmental statement of revenues and expenses - Proprietary Fund	56
Comparative departmental statement of revenues and expenses - Proprietary Fund	57-58
Schedule of Justice System Funding	59
OTHER INFORMATION	
Budgetary comparison schedules:	
General Fund - budgetary comparison schedule - revenues	61
General Fund - budgetary comparison schedule - expenditures	62
Public Safety Special Revenue Fund - budgetary comparison schedule	63
Street Special Revenue Fund - budgetary comparison schedule	64
Debt Service Fund - budgetary comparison schedule	65
Schedule of number of utility customers and sewer rates per month	66
INTERNAL CONTROL, COMPLIANCE, AND OTHER MATTERS	
Independent Auditors' 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	68-69
Schedule of current and prior year audit findings and management's corrective action plan	70

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INDEPENDENT AUDITOR'S REPORT

The Honorable Riley Smith, Mayor
and Members of the City Council
City of Dequincy, Louisiana

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Dequincy, Louisiana's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The combined and comparative statements and the Justice System Funding Schedule 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, these combined and comparative statements and the Justice System Funding Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024, on our consideration of the City of Dequincy, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Dequincy, Louisiana's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 25, 2025

BASIC FINANCIAL STATEMENTS

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

CITY OF DEQUINCY, LOUISIANA

Statement of Net Position

September 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing demand deposits	\$ 5,719,935	\$ 1,489,150	\$ 7,209,085
Investments	848,659	356,141	1,204,800
Receivables, net	69,039	171,091	240,130
Internal balances	(864,301)	864,301	-
Due from other governmental units	209,548	109,067	318,615
Prepaid items	103,340	47,874	151,214
Total current assets	<u>6,086,220</u>	<u>3,037,624</u>	<u>9,123,844</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing demand deposits	96,408	934,337	1,030,745
Investments	-	107,396	107,396
Capital assets, net	8,894,473	3,698,335	12,592,808
Right-of-use assets, net	267,784	29,155	296,939
Total noncurrent assets	<u>9,258,665</u>	<u>4,769,223</u>	<u>14,027,888</u>
Total assets	<u>15,344,885</u>	<u>7,806,847</u>	<u>23,151,732</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>231,951</u>	<u>116,316</u>	<u>348,267</u>
LIABILITIES			
Current liabilities:			
Accounts and other payables	186,060	110,233	296,293
Due to other governments	-	282,730	282,730
Customers deposits payable	-	131,583	131,583
Right-of-use lease liability	69,560	7,583	77,143
Bonds payable	26,363	116,186	142,549
Total current liabilities	<u>281,983</u>	<u>648,315</u>	<u>930,298</u>
Noncurrent liabilities:			
Compensated absences	70,749	41,744	112,493
Right-of-use lease liability	208,776	22,749	231,525
Bonds payable	249,954	1,445,368	1,695,322
Net pension liability	1,531,924	796,219	2,328,143
Total noncurrent liabilities	<u>2,061,403</u>	<u>2,306,081</u>	<u>4,367,484</u>
Total liabilities	<u>2,343,386</u>	<u>2,954,396</u>	<u>5,297,782</u>
DEFERRED INFLOWS OF RESOURCES	<u>79,942</u>	<u>31,058</u>	<u>111,000</u>
NET POSITION			
Net investment in capital assets	9,162,257	2,136,781	11,299,038
Restricted for public safety	356,795	-	356,795
Restricted for street maintenance	1,358,794	-	1,358,794
Restricted for debt service	96,408	261,338	357,746
Restricted for industrial airpark	24,144	-	24,144
Unrestricted	2,155,110	2,539,590	4,694,700
Total net position	<u>\$ 13,153,508</u>	<u>\$ 4,937,709</u>	<u>\$ 18,091,217</u>

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

CITY OF DEQUINCY, LOUISIANA

Statement of Activities
For the Year Ended September 30, 2024

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 615,606	\$ -	\$ -	\$ 399,242	\$ (216,364)	\$ -	\$ (216,364)
Public safety	1,812,515	10,364	-	39,152	(1,762,999)	-	(1,762,999)
Highways and streets	988,194	-	-	-	(988,194)	-	(988,194)
Industrial airpark	625,071	84,504	-	238,675	(301,892)	-	(301,892)
Culture and recreation	4,874	-	-	-	(4,874)	-	(4,874)
Total governmental activities	<u>4,046,260</u>	<u>94,868</u>	<u>-</u>	<u>677,069</u>	<u>(3,274,323)</u>	<u>-</u>	<u>(3,274,323)</u>
Business-type activities:							
Gas services	610,866	780,709	-	-	-	169,843	169,843
Sewer services	1,199,597	472,628	-	229,135	-	(497,835)	(497,835)
Garbage services	297,205	355,738	-	-	-	58,533	58,533
Total business-type activities	<u>2,107,668</u>	<u>1,609,075</u>	<u>-</u>	<u>229,135</u>	<u>-</u>	<u>(269,458)</u>	<u>(269,458)</u>
Total	<u>\$ 6,153,928</u>	<u>\$ 1,703,943</u>	<u>\$ -</u>	<u>\$ 906,204</u>	<u>(3,274,323)</u>	<u>(269,458)</u>	<u>(3,543,781)</u>
General revenues (expenses):							
Taxes -							
Property taxes, levied for general purposes					117,536	-	117,536
Sales and use taxes, levied for general purposes					1,468,611	695,588	2,164,199
Franchise taxes					204,128	-	204,128
Fines and forfeitures					325,244	-	325,244
Intergovernmental					593,866	-	593,866
State sources					630,866	-	630,866
Non-employer pension contribution					44,106	23,157	67,263
Interest and investment earnings (loss)					140,222	(37,622)	102,600
Gain (loss) on disposal of capital assets					51,744	1,693	53,437
Miscellaneous					117,068	311,294	428,362
Transfers					281,033	(281,033)	-
Total general revenues and transfers					<u>3,974,424</u>	<u>713,076</u>	<u>4,687,500</u>
Change in net position					<u>700,101</u>	<u>443,618</u>	<u>1,143,719</u>
Net position - October 1, 2023					<u>12,453,407</u>	<u>4,494,091</u>	<u>16,947,498</u>
Net position - September 30, 2024					<u>\$ 13,153,508</u>	<u>\$ 4,937,709</u>	<u>\$ 18,091,217</u>

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

MAJOR FUNDS

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.

Public Safety Sales Tax Fund -

The Public Safety Fund accounts for the 1/2% sales tax dedicated to fire and police and related expenses.

Street Sales Tax Fund -

The Sales Tax Fund accounts for the 1% sales tax dedicated to street maintenance and related expenses.

Industrial Airpark Fund -

The Industrial Airpark Fund accounts for the provision of airpark and industrial development services.

Enterprise Fund

Utility Fund -

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

CITY OF DEQUINCY, LOUISIANA

Balance Sheets
Governmental Funds
September 30, 2024

	General	Public Safety Special Revenue	Street Special Revenue	Industrial Airpark Special Revenue	Non Major Governmental Fund	Total
ASSETS						
Cash and interest-bearing demand deposits	\$ 2,369,044	\$ 71,683	\$ 2,909,479	\$ 369,729	\$ -	\$ 5,719,935
Investments	680,082	-	-	168,577	-	848,659
Restricted cash and interest-bearing deposits	-	-	-	-	96,408	96,408
Receivables:						-
Other	55,742	12,844	-	453	-	69,039
Due from other governmental units	58,077	38,972	63,995	48,504	-	209,548
Due from other funds	246,026	216,243	-	464,814	-	927,083
Prepaid items	12,717	56,175	10,304	24,144	-	103,340
Total assets	<u>3,421,688</u>	<u>395,917</u>	<u>2,983,778</u>	<u>1,076,221</u>	<u>96,408</u>	<u>7,974,012</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	28,184	20,694	14,912	24,559	-	88,349
Accrued liabilities	43,215	18,428	6,568	1,154	-	69,365
Retainage payable	-	-	-	28,346	-	28,346
Due to other funds	187,880	-	1,603,504	-	-	1,791,384
Total liabilities	<u>259,279</u>	<u>39,122</u>	<u>1,624,984</u>	<u>54,059</u>	<u>-</u>	<u>1,977,444</u>
Fund balances -						
Nonspendable (prepaid items)	12,717	56,175	10,304	24,144	-	103,340
Restricted:						
Public safety	-	300,620	-	-	-	300,620
Street maintenance	-	-	1,348,490	-	-	1,348,490
Debt service	-	-	-	-	96,408	96,408
Unassigned	3,149,692	-	-	998,018	-	4,147,710
Total fund balances	<u>3,162,409</u>	<u>356,795</u>	<u>1,358,794</u>	<u>1,022,162</u>	<u>96,408</u>	<u>5,996,568</u>
Total liabilities and fund balances	<u>\$ 3,421,688</u>	<u>\$ 395,917</u>	<u>\$ 2,983,778</u>	<u>\$ 1,076,221</u>	<u>\$ 96,408</u>	<u>\$ 7,974,012</u>

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

CITY OF DEQUINCY, LOUISIANA

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

Total fund balances for governmental funds		\$ 5,996,568
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	\$ 443,267	
Construction in progress	1,345,114	
Buildings and improvements, net of \$9,124,920 accumulated depreciation	3,436,758	
Infrastructure, net of \$1,244,395 accumulated depreciation	2,725,821	
Equipment and vehicles, net of \$2,381,279 accumulated depreciation	<u>943,513</u>	8,894,473
Intangible right-of-use assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Right-of-use assets		<u>267,784</u>
The deferred outflows of expenditures for the municipal and police employees retirement systems are not a use of current resources, and therefore, are not reported in the funds.		
		231,951
Long-term liabilities of governmental activities are not payable from current resources and, therefore, not reported in the funds. These liabilities consist of:		
Bonds payable	(276,317)	
Right-of-use lease liabilities	(278,336)	
Compensated absences payable	(70,749)	
Net pension liability	<u>(1,531,924)</u>	(2,157,326)
The deferred inflows of contributions for the municipal and police employees retirement systems are not available resources, and therefore, are not reported in the funds.		
		<u>(79,942)</u>
Total net position of governmental activities		<u>\$ 13,153,508</u>

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

CITY OF DEQUINCY, LOUISIANA

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

	General	Public Safety Special Revenue	Street Special Revenue	Industrial Airpark Special Revenue	Non Major Governmental Funds	Total
Revenues:						
Taxes	\$ 292,907	\$ 347,794	\$ 695,446	\$ 250,000	\$ -	\$ 1,586,147
Licenses and permits	204,128	-	-	-	-	204,128
Fines and forfeitures	-	325,244	-	-	-	325,244
Charges for services	-	10,364	-	84,504	-	94,868
Intergovernmental	948,108	263,878	18,088	671,727	-	1,901,801
Miscellaneous	175,527	155	15,499	39,044	76	230,301
Total revenues	<u>1,620,670</u>	<u>947,435</u>	<u>729,033</u>	<u>1,045,275</u>	<u>76</u>	<u>4,342,489</u>
Expenditures:						
Current -						
General government	512,181	-	-	-	-	512,181
Public safety	-	1,806,149	-	-	-	1,806,149
Highways and streets	-	-	555,918	-	-	555,918
Industrial airpark	-	-	-	287,041	-	287,041
Culture and recreation	4,874	-	-	-	-	4,874
Debt service	-	-	-	-	38,254	38,254
Capital outlay	161,530	515,459	122,519	703,571	-	1,503,079
Total expenditures	<u>678,585</u>	<u>2,321,608</u>	<u>678,437</u>	<u>990,612</u>	<u>38,254</u>	<u>4,707,496</u>
Excess (deficiency) of revenues over expenditures	<u>942,085</u>	<u>(1,374,173)</u>	<u>50,596</u>	<u>54,663</u>	<u>(38,178)</u>	<u>(365,007)</u>
Other financing sources (uses):						
Other sources	-	392,143	7,469	13,665	-	413,277
Transfers in	416,915	661,353	-	-	45,589	1,123,857
Transfers out	(715,105)	-	64,511	(192,230)	-	(842,824)
Total other financing sources (uses)	<u>(298,190)</u>	<u>1,053,496</u>	<u>71,980</u>	<u>(178,565)</u>	<u>45,589</u>	<u>694,310</u>
Net changes in fund balances	643,895	(320,677)	122,576	(123,902)	7,411	329,303
Fund balances, beginning	<u>2,518,514</u>	<u>677,472</u>	<u>1,236,218</u>	<u>1,146,064</u>	<u>88,997</u>	<u>5,667,265</u>
Fund balances, ending	<u>\$ 3,162,409</u>	<u>\$ 356,795</u>	<u>\$ 1,358,794</u>	<u>\$ 1,022,162</u>	<u>\$ 96,408</u>	<u>\$ 5,996,568</u>

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

CITY OF DEQUINCY, 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 September 30, 2024

Total net changes in fund balance for the year ended September 30, 2024 per statement of revenues, expenditures and changes in fund balances	\$ 329,303
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The change in net position reported for governmental activities in the statement of activities is different because:

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

Capital outlay which are considered expenditures on the statement of revenues, expenditures and changes in fund balances	\$ 1,503,079	
Depreciation expense	(804,863)	
Depreciation expense - right-of-use assets	(66,758)	
Gain (loss) on disposal of capital assets	46,244	677,702

Bond and other debt proceeds provide current financial recourses to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal on long-term liabilities is an expenditure in governmental funds, but is a reduction of long-term liabilities in the Statement of Net Position:

Principal payments		25,204
Proceeds from intangible right-of-use assets		(334,542)

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 governmental funds.

Change in compensated absences	2,613	
Pension expense	(44,285)	(41,672)

Non-employer's contributions to the municipal employees and the police employees pension plans

44,106

Total net changes in net position for the year ended September 30, 2023 per statement of activities	<u>\$ 700,101</u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF DEQUINCY, LOUISIANA

Statement of Net Position
 Proprietary Funds
 September 30, 2024

	<u>Utility Fund</u>
ASSETS	
Current assets:	
Cash and interest-bearing demand deposits	\$ 1,489,150
Investments	356,141
Accounts receivable, net	171,091
Prepaid items	47,874
Due from other governmental agencies	109,067
Due from other funds	<u>864,301</u>
Total current assets	<u>3,037,624</u>
Noncurrent assets:	
Restricted assets -	
Cash and interest-bearing demand deposits	934,337
Investments	107,396
Capital assets -	
Land and construction in progress	33,593
Capital assets, net	3,664,742
Right-of-use assets	<u>29,155</u>
Total noncurrent assets	<u>4,769,223</u>
Total assets	<u>7,806,847</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	<u>116,316</u>
LIABILITIES	
Current liabilities:	
Accounts payable	89,859
Accrued liabilities	20,374
Due to other governmental agencies	282,730
Customer deposits	131,583
Right-of-use lease liability	7,583
Revenue bonds payable-current portion	<u>116,186</u>
Total current liabilities	<u>648,315</u>
Noncurrent liabilities:	
Compensated absences	41,744
Right-of-use lease liability	22,749
Revenue bonds payable	1,445,368
Net pension liability	<u>796,219</u>
Total noncurrent liabilities	<u>2,306,081</u>
Total liabilities	<u>2,954,395</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	<u>31,058</u>
NET POSITION	
Net investment in capital assets	2,136,781
Restricted for debt service	261,338
Unrestricted	<u>2,539,590</u>
Total net position	<u>\$ 4,937,709</u>

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

CITY OF DEQUINCY, LOUISIANA

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

	<u>Utility Fund</u>
Operating revenues:	
Charges for services -	
Gas	\$ 780,709
Sewer	472,628
Garbage	355,738
Permits, reconnections and penalties	<u>40,344</u>
Total operating revenues	<u>1,649,418</u>
Operating expenses:	
Gas expenses	610,866
Sewer expenses	1,199,597
Garbage expenses	<u>297,205</u>
Total operating expenses	<u>2,107,668</u>
Operating income (loss)	<u>(458,249)</u>
Nonoperating revenues (expenses):	
Non-employer pension contribution	23,157
Taxes	695,588
Grant proceeds	229,135
Insurance proceeds	270,950
Interest income	27,835
Gain (loss) on sale of assets	1,693
Earnings (loss) on investments	<u>(65,458)</u>
Total nonoperating revenues (expenses)	<u>1,182,900</u>
Income (loss) before contributions and transfers	<u>724,651</u>
Transfers from other funds	2,030
Transfers to other funds	<u>(283,063)</u>
	<u>(281,033)</u>
Change in net position	443,618
Net position, beginning	<u>4,494,091</u>
Net position, ending	<u>\$4,937,709</u>

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

CITY OF DEQUINCY, LOUISIANA

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

	<u>Utility Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 2,122,937
Payments to suppliers	(1,150,392)
Payments to employees	<u>(726,411)</u>
Net cash provided by operating activities	<u>246,134</u>
Cash flows from noncapital financing activities:	
Cash paid to other funds	815,694
Transfers to other funds	<u>(281,032)</u>
Net cash provided by noncapital financing activities	<u>534,662</u>
Cash flows from capital and related financing activities:	
Principal paid on notes and revenue bonds	(112,275)
Lease liability payable	(30,333)
Interest and fiscal charges paid on notes and revenue bonds	(37,622)
Grant proceeds	229,135
Sales taxes	695,588
Cash proceeds from sale of assets	1,693
Acquisition of property, plant and equipment	<u>(279,605)</u>
Net cash used by capital and related financing activities	<u>466,581</u>
Cash flows from investing activities:	
Maturities of interest-bearing time deposits	438,667
Purchase of interest-bearing time deposits	(463,537)
Interest on interest-bearing deposits	<u>(33,306)</u>
Net cash used by investing activities	<u>(58,176)</u>
Net decrease in cash and cash equivalents	1,189,201
Cash and cash equivalents, beginning of period	<u>1,234,286</u>
Cash and cash equivalents, end of period	<u>\$ 2,423,487</u>

(continued)

CITY OF DEQUINCY, LOUISIANA

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

	<u>Utility Fund</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating income/(loss)	\$ (458,249)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	374,919
Pension expense	2,632
Bad debt expense	14,927
Changes in operating assets and liabilities:	
(Increase)/decrease in accounts receivable	(76,620)
(Increase)/decrease in prepaid items	12,584
(Increase)/decrease in due from governmental agencies	184,361
Increase/(decrease) in accounts payable	(107,273)
Increase/(decrease) in accrued liabilities	554
Increase/(decrease) in due to governmental agencies	282,730
Increase/(decrease) in customer deposits	13,562
Increase/(decrease) in compensated absence	<u>2,007</u>
Net cash provided by operating activities	<u>\$ 246,134</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
Cash and cash equivalents, beginning of period -	
Cash - unrestricted	\$ 843,129
Cash - restricted	<u>391,157</u>
Total cash and cash equivalents	<u>1,234,286</u>
Cash and cash equivalents, end of period -	
Cash - unrestricted	1,489,150
Cash - restricted	<u>934,337</u>
Total cash and cash equivalents	<u>2,423,487</u>
Net increase/(decrease)	<u>\$ 1,189,201</u>

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

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

The City of Dequincy was incorporated in 1903 and since 1991, the City has operated under a Mayor-Council form of government under a home rule charter.

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements include the various departments, activities, and organizational units that are within the control and authority of the Mayor and City Council of the City. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Statement No. 14 of the Governmental Accounting Standards Board. This statement defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

Consistent with this criterion, the City of DeQuincy has no component units.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

Fund Financial Statements (FFS)

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

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

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

The City reports the following major governmental funds:

Governmental Fund -

General Fund

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. This fund is considered a major fund.

Special Revenue Funds -

Special Revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Public Safety Fund, the Sales Tax Fund, and the Industrial Airpark Sales Tax Fund are considered special revenue funds. The Public Safety Fund accounts for the 1/2% sales tax dedicated to fire and police and related expenses. The Sales Tax Fund accounts for the 1% sales tax dedicated to street maintenance and related expenses. The Industrial Airpark Fund accounts for the provision of airpark and industrial development services supported by ad valorem taxes. These funds are considered major funds.

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

Proprietary Funds –

Enterprise Funds

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

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

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

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

Basis of Accounting

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

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

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

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.

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

Cash, interest-bearing deposits, and investments

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. 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 which are stated at cost.

Interfund receivables and payables

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

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and franchise taxes. Business-type activities report customer's utility service receivables as their major receivables. Through the establishment of an allowance account, uncollectible amounts due from customers' utility receivables are determined based on the City's collection history. Receivables are reported net of an allowance for uncollectible accounts. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month are \$110,716 as of September 30, 2024.

Capital Assets

The accounting treatment over property, plant, and equipment (capital assets) depends on whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. The City maintains a threshold level of \$1,000 or more for capitalizing capital assets. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

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

Buildings and improvements	7-40 years
Leasehold improvements	5-40 years
Gas distribution system	10-25 years
Autos and trucks	3-10 years
Machinery and equipment	5-10 years
Infrastructure	20-40 years

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

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

Restricted Assets

Restricted assets include cash, interest-bearing deposits, and investments of the proprietary fund that are legally restricted as to their use.

Long-term debt

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures of revenues, respectively. At September 30, 2024, the City's deferred outflows and inflows of resources are attributable to its pension plans.

Compensated Absences

City employees are entitled to certain compensated absences based upon their length of service.

Sick leave is earned at the rate of one day per month not to exceed twelve days in one year for one to three years of employment and up to 15 days for three years or more of employment. Employees are allowed to accumulate and carry forward up to thirty days of sick leave from year to year. Accumulated sick leave is not payable at time of separation. Salary paid for sick leave will be based on an eight-hour workday. Sick leave can be carried forward to the succeeding year or years with no limit as to the amount accumulated. No employee shall be paid for accumulated leave when he resigns or is terminated. When an employee retires, he is to be paid for accumulated sick leave as follows:

Ten to nineteen years	up to 30 days
Twenty to thirty years	up to 60 days
Thirty years or more	up to 90 days

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

Annual leave cannot be carried over to the following year (“use it or lose it”). Upon termination, any unused earned annual leave will be paid to the employee. Annual leave is also based on the number of months of services and is earned as follows:

After 6 months	40 hours
Between 12-59 months	80 hours
Between 60-119 months	120 hours
Between 120-179 months	160 hours
After 180 months	200 hours

As of September 30, 2024, employees of the City have accumulated and vested \$112,493 of compensated absence benefits. The estimated liabilities include required salary-related payments.

Equity Classifications

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

- a. Net investment in capital assets – This component consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased balances of deferred outflows of resources related to those assets.
- b. Restricted net position – This component is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the City's debt. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.
- c. Unrestricted net position – This component consists of all other net position that does not meet the definition of the above two components and is available for general use by the City.

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

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the City’s Mayor and City Council, which is the highest level of decision-making authority for the City.
- 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 Mayor and City Council may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

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

Enterprise (Proprietary) Funds equity at the fund level is classified the same as in the government-wide statements.

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

In the fund financial statements, governmental funds expenditures are classified by character and proprietary fund expenses are classified by operating and nonoperating.

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

CITY OF DEQUINCY, LOUISIANA

Notes to Basic Financial Statements (Continued)

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 City uses unrestricted resources only when restricted resources are fully depleted. The primary restricted revenue sources include:

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

G. Use of Estimates

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

H. Comparative Data and Reclassification

Comparative data for the prior year have been presented in certain sections of the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the City November 1 and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year. City property tax revenues are budgeted in the year billed.

For the year ended September 30, 2024, taxes of 5.930 mills were levied on property with assessed valuations totaling \$19,448,420 and total taxes levied were \$117,077. There are no taxes receivable amounts at September 30, 2024.

On July 9, 2012, the City entered into an agreement with the Chennault International Airport Authority (Authority) for the purpose of encouraging and stimulating economic development throughout Calcasieu Parish. As part of the agreement, the Authority transferred \$250,000 of ad valorem taxes levied pursuant to a 5.45 mill tax renewal approved by voters of Calcasieu Parish for the benefit of the Dequincy Airport.

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(3) Sales and Use Tax

Proceeds of the 1% sales and use tax levied by the City effective November 1966 (2024 collections \$695,446) issued in perpetuity are dedicated as follows:

1. Provide funds for the maintenance of the City's streets.

Proceeds of an additional 1% sales and use tax levied by the City, effective January 1, 2011 (2024 collections \$695,588) and expires in 2036 are dedicated as follows:

1. Proceeds of the sales and use tax have been pledged and dedicated to the retirement of bonds and interest coupons to be issued for sewer improvements of the City.
2. Provide funds for the maintenance of the City's sewer system.

Proceeds of the ½% sales and use tax levied by the City effective October 1, 2012 (2024 collections \$347,794) and expires in 2027 are dedicated as follows:

1. 70% of proceeds are dedicated to Police Department expenses.
2. 30% of proceeds are dedicated to Fire Department expenses.

(4) Cash and Interest-Bearing Deposits and Investments

A. Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At September 30, 2024, the City had cash and interest-bearing deposits (book balances) totaling \$8,239,830 as follows:

Demand deposits	\$ 7,084,615
Time deposits	<u>1,155,215</u>
Total	<u>\$ 8,239,830</u>

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

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Deposit balances (bank balances) at September 30, 2024 were secured as follows:

Bank balances	<u>\$8,321,642</u>
Federal deposit insurance	718,190
Pledged securities	<u>7,603,452</u>
Total FDIC insurance and pledged securities	<u>\$8,321,642</u>

Deposits in the amount of \$7,603,452 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand. The City does not have a policy for custodial credit risk.

B. Investments

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

	% of Portfolio	Fair Value	Investment Maturities			
			Less than 1 Year	5-10 Years	10-15 Years	15-20 Years
U.S. agency securities	21%	\$ 275,973	\$ 51,078	\$ 107,698	\$ 29,991	87,206
LAMP	79%	<u>1,036,223</u>	<u>1,036,223</u>	-	-	-
	<u>100%</u>	<u>\$ 1,312,196</u>	<u>\$ 1,087,301</u>	<u>\$ 107,698</u>	<u>\$ 29,991</u>	<u>\$ 87,206</u>

Custodial Credit Risk – In the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's requires all investments to be kept in the City's name and all ownership to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the City. Accordingly, the City had no custodial credit risk related to its investments at September 30, 2024.

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

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

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

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

The City participates in the 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 government 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 financial statements for LAMP may be accessed on their website (<https://www.lamppool.com>). The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LA- R.S. 33:2955.

The investment in LAMP is not exposed to 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. Credit risk is the risk that an issuer or other counterparty to an investment will be unable to meet its obligations. LAMP is rated AAAM by Standard & Poor's. Interest rate risk is the risk that changes in interest rates will adversely affect the estimated fair value of an investment. 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.

LAMP's financial statements can be obtained by contacting LAMP at 650 Poydras Street, Suite 200 New Orleans Louisiana 70130 or by contacting the administrative office at 800-249-5267, and the financial statements are available on the Louisiana Legislative Auditors website at <https://lla.la.gov/>.

(5) Receivables

Receivables at September 30, 2024 consists of the following:

	Governmental Activities		Business-Type Activities	Total
	General Fund	Sales Tax Funds	Utility Fund	
Accounts, net	\$ 55,742	\$ -	\$ -	\$ 55,742
Unbilled utilities	-	-	171,091	171,091
Other	-	13,297	-	13,297
Totals	<u>\$ 55,742</u>	<u>\$ 13,297</u>	<u>\$ -</u>	<u>\$ 240,130</u>

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(6) Due From Other Governmental Units

Amounts due from other governmental units at September 30, 2024 was as follows:

Fund Financial Statements:

Governmental funds-

Calcasieu Parish School Board	\$ 89,007
Calcasieu Parish Police Jury	38,254
Federal grant funds	4,657
State grant funds	<u>77,630</u>
Total Fund Financial Statements	<u>\$ 209,548</u>

Proprietary funds-

Calcasieu Parish School Board	\$ 59,339
State of Louisiana - federal grant funds	<u>49,728</u>
Total Proprietary Fund Statements	<u>\$ 109,067</u>

Governmental-wide financial statements:

Total amount reported in governmental funds	<u>\$ 209,548</u>
Total amount reported in proprietary funds	<u>\$ 109,067</u>

(7) Capital Assets

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

	Balance 10/1/2023	Additions	Deletions	Balance 9/30/2024
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 342,095	\$ -	\$ -	\$ 342,095
Construction in process	762,143	652,800	69,829	1,345,114
Property held for future use or sale	92,900	8,272	-	101,172
Other capital assets:				
Buildings and improvements	2,676,955	286,640	-	2,963,595
Improvements other than buildings	9,571,527	26,556	-	9,598,083
Automobiles	1,799,332	42,453	164,614	1,677,171
Machinery and equipment	1,550,080	154,336	56,795	1,647,621
Infrastructure	<u>3,902,908</u>	<u>67,308</u>	-	<u>3,970,216</u>
Totals	<u>20,697,940</u>	<u>1,238,365</u>	<u>291,238</u>	<u>21,645,067</u>
Less accumulated depreciation				
Buildings and improvements	1,540,960	71,968	-	1,612,928
Improvements other than buildings	7,150,193	361,799	-	7,511,992
Automobiles	1,272,074	117,817	154,655	1,235,236
Machinery and equipment	1,062,729	140,109	56,795	1,146,043
Infrastructure	<u>1,131,225</u>	<u>113,170</u>	-	<u>1,244,395</u>
Total accumulated depreciation	<u>12,157,181</u>	<u>804,863</u>	<u>211,450</u>	<u>12,750,594</u>
Governmental activities capital assets, net	<u>\$ 8,540,759</u>	<u>\$ 433,502</u>	<u>\$ 79,788</u>	<u>\$ 8,894,473</u>

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(7) Capital Assets (continued)

	Balance 10/1/2023	Additions	Deletions	Balance 9/30/2024
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 11,000	\$ -	\$ -	\$ 11,000
Construction in progress	483,891	240,826	702,124	22,593
Other capital assets:				
Buildings	69,694	15,360	-	85,054
Improvements	-	-	-	-
Gas distribution system	666,396	-	-	666,396
Sewer system	6,135,655	792,090	37,181	6,890,564
Autos and trucks	63,583	2,600	15,696	50,487
Machinery and equipment	433,085	67,984	-	501,069
Totals	<u>7,863,304</u>	<u>1,118,860</u>	<u>755,001</u>	<u>8,227,163</u>
Less accumulated depreciation				
Buildings	41,859	3,929	-	45,788
Improvements	-	-	-	-
Gas distribution system	667,506	7,807	-	675,313
Sewer system	3,290,136	310,864	24,189	3,576,811
Autos and trucks	42,996	7,275	15,696	34,575
Machinery and equipment	158,586	37,755	-	196,341
Total accumulated depreciation	<u>4,201,083</u>	<u>367,630</u>	<u>39,885</u>	<u>4,528,828</u>
Business-type activities, capital assets, net	<u>\$ 3,662,221</u>	<u>\$ 751,230</u>	<u>\$ 715,116</u>	<u>\$ 3,698,335</u>

Depreciation was charged to governmental activities as follows:

General government	\$ 81,930
Police	125,968
Fire	94,444
Streets	164,492
Airpark	338,029
Total governmental depreciation expense	<u>\$ 804,863</u>

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

Gas	\$ 9,624
Sewer	358,006
Total business-type depreciation expense	<u>\$ 367,630</u>

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(8) Leased Assets

The City recognizes an intangible right-of-use lease asset and a lease liability and in the government-wide and proprietary fund financial statements.

The following is a summary of the right-of-use assets for the year ended September 31, 2024:

	Balance 10/01/23	Additions	Deletions	Balance 09/30/24
Governmental activities:				
Intangible Right-to-use-assets	\$ -	\$ 334,542	\$ -	\$ 334,542
Less: accumulated amortization	-	66,758	-	66,758
Intangible right-to-use-assets, net	<u>\$ -</u>	<u>\$ 267,784</u>	<u>\$ -</u>	<u>\$ 267,784</u>
Business-type activities:				
Intangible Right-to-use-assets	\$ -	\$ 36,444	\$ -	\$ 36,444
Less: accumulated amortization	-	7,289	-	7,289
Intangible right-to-use-assets, net	<u>\$ -</u>	<u>\$ 29,155</u>	<u>\$ -</u>	<u>\$ 29,155</u>

The leased assets will be amortized over the lease term. Unamortized lease assets to be amortized in future periods are as follows

<u>Year Ending June 30,</u>	Governmental Funds	Business-Type Activities
2025	\$ 66,908	\$ 7,289
2026	66,908	7,289
2027	66,908	7,289
2028	62,721	7,288
2029	4,339	-
	<u>\$ 267,784</u>	<u>\$ 29,155</u>

Following is a summary of changes in the lease liability for the year ended September 31, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities	\$ -	\$ 334,542	\$ 56,206	\$ 278,336	\$ 69,560
Business-Type Activities	-	36,444	6,112	30,332	7,583
Total	<u>\$ -</u>	<u>\$ 370,986</u>	<u>\$ 62,318</u>	<u>\$ 308,668</u>	<u>\$ 77,143</u>

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. For purposes of discounting future payments on the lease, the City used the interest rate of 3.33% - 7.92%. Subsequently, the lease liability is reduced by the principal portion of the lease payments made.

(Continued)

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct cost. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or the lease term.

Minimum lease payments through the lease term are as follows:

Year Ended June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 69,560	\$ 12,472	\$ 7,583	\$ 1,385
2026	69,560	12,472	7,583	1,385
2027	69,560	12,472	7,583	1,385
2028	63,801	11,439	7,583	1,385
2029	5,855	1,051	-	-
	<u>\$ 278,336</u>	<u>\$ 49,906</u>	<u>\$ 30,332</u>	<u>\$ 5,540</u>

(9) Accounts and Other Payables

The accounts, salaries, and other payables consisted of the following as of September 30, 2024:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ 88,349	\$ 89,859	\$ 178,208
Accrued liabilities	69,365	20,374	89,739
Totals	<u>\$ 186,060</u>	<u>\$ 110,233</u>	<u>\$ 296,293</u>

(10) Long-Term Liabilities

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

	Balance 10/1/2023	Additions	Deletions	Balance 9/30/2024
Governmental activities:				
Rural Development bonds payable	\$ 301,521	\$ -	\$ 25,204	\$ 276,317
Compensated absences	73,362	18,547	21,160	70,749
Totals	<u>374,883</u>	<u>18,547</u>	<u>46,364</u>	<u>347,066</u>
Business-Type activities				
Sewer bonds	1,673,829	-	112,275	1,561,554
Comensated absences	41,018	16,979	16,253	41,744
Totals	<u>\$ 1,714,847</u>	<u>\$ 16,979</u>	<u>\$ 128,528</u>	<u>\$ 1,603,298</u>

(Continued)

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Long-term liabilities payable at September 30, 2024 is comprised of the following:

	Total	Current Portion
Governmental activities:		
\$619,000 Revenue Bonds, Series 2003, due in monthly installments of \$3,188 maturing May 2033; including interest at 4.5%. These funds used to construct the Public Safety Building.	\$ 276,317	\$ 26,363
Business-type activities:		
\$1,200,000 Sales Tax Bonds, Series 2019, due in semi-annual interest payments, interest ranging between 1.75% to 3.50%, and annual principal payments ranging between \$63,000 and \$104,000 maturing June 2034. Funds used for sewer improvements.	\$ 868,000	\$ 73,000
\$1,000,000 Sewer Revenue Bond, due in monthly installments of \$4,540, including interest at 4.50%, maturing May 2036. Funds used to construct the sewer plant	491,916	33,035
\$349,000 Sewer Revenue Bond, due in monthly installments of \$1,584, including interest of 4.50%, maturing March 2039. Funds used to make improvements to the Westside sewer treatment plant.	201,638	10,151
	\$ 1,561,554	\$ 116,186

The City is committed under bond agreements with the USDA Office of Rural Development to maintain certain reserve and contingency funds. The reserve and sinking fund amounts for the Public Safety building bonds was \$77,894 and \$18,514, respectively, and the reserve and contingency fund amounts for the sewer system bonds was \$105,127 and \$130,656, respectively, as of September 30, 2024. Additionally, under provisions of the 2019 bond issue, the City established a bond sinking fund whereby the City deposits monthly a pro rata amount to fully fund the upcoming debt service payments. The amount in the sinking fund was \$35,994 as of September 30, 2024.

The annual requirements to amortize all bonds and notes outstanding as of September 30, 2024, are as follows:

Year Ended June 30,	Governmental Activities		Business-type Activities	
	Bonds		Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 26,363	\$ 11,891	\$ 116,186	\$ 57,923
2026	27,574	10,680	121,170	53,909
2027	28,841	9,414	125,245	49,716
2028	30,166	8,089	130,415	45,376
2029	31,551	6,703	135,686	40,830
2030-2034	131,822	11,672	772,302	122,615
2035-2039	-	-	160,550	11,207
	\$ 276,317	\$ 58,449	\$ 1,561,554	\$ 381,576

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(11) Pension Plans

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

Plan Descriptions:

Municipal Employees' Retirement Systems (MERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1731 and 11:1781. The 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 and 11:2220.

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.

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

	<u>MERS</u>	<u>MPERS</u>
Final average salary	Final average compensation	Highest 36 months or 60 months ²
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 55 12 years age 55 20 years any age ¹ 30 years any age ³ 25 years age 55 ³ 10 years age 60 ³
Benefit percent per years of service	3.00%	2.50 - 3.33% ⁴

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%.

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Contributions

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. Contributions of employees, employers, and non-employer contributing entities effective for the year ended September 30, 2024 for the defined benefit pension plans in which the City is a participating employer were as follows:

<u>Plan</u>	<u>Active Member Contribution Percentage</u>	<u>Employer Contribution Percentage</u>	<u>Nonemployer Contributing Entities</u>	<u>Government Contributions</u>
MERS	10.00%	29.50%	\$ 32,833	\$ 40,577
MPERS	10.00%	31.25%	28,949	67,538
Total			<u>\$ 61,782</u>	<u>\$ 108,115</u>

Net Pension Liability

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

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
MERS	\$ 1,128,920	0.398407%	0.002773%
MPERS	1,199,223	0.125522%	0.006843%
Total	<u>\$ 2,328,143</u>		

Since the measurement date of the net pension liability was September 30, 2023, the net pension liability is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

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

(Continued)

CITY OF DEQUINCY, LOUISIANA

Notes to the 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 primary government is a participating employer:

	MERS	MPERS
Date of experience study on which significant assumptions are based	7/1/2018 - 6/30/2023	7/1/2014 - 6/20/2019
Actuarial cost method	Entry Age Normal	Entry Age Normal
Investment rate of return	6.85%, net of investment expense	6.75%, net of investment expense
Expected remaining service lives	3	4
Inflation rate	2.5%	2.5%
Projected salary increases	4.4% - 9.5%	4.70% - 12.30%
Projected benefit changes including COLAs	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)

- (1) PUBG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using MP2018 scales
- (2) PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusting using MP2018 scales
- (3) PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP2018 scale
- (4) RP-2010 Safety Below-Median Healthy Retiree Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale
- (5) RP-2010 Safety Below-Median Employee Table multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale
- (6) RP-2010 Safety Disable Retiree Table multiplied by 105% for males and 115% for females, each with full generational projection using the MP 2019 scale

Cost of Living Adjustments

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

Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide systems (MERS and MPERS) 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.

(Continued)

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Long-term Rate of Return

For MERS and MPERS, 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:

<u>Asset Class</u>	<u>MERS</u>		<u>MPERS</u>	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	29.00%	1.26%	34.00%	1.07%
Equities	56.00%	2.44%	52.00%	3.14%
Alternative Investments	<u>15.00%</u>	<u>0.65%</u>	<u>14.00%</u>	<u>1.03%</u>
Totals	<u>100%</u>	4.35%	<u>100%</u>	5.24%
Inflation		<u>2.50%</u>		<u>2.62%</u>
Expected arithmetic nominal return		<u>6.85%</u>		<u>7.86%</u>

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended September 30, 2024, the City recognized \$3,731 and \$43,186 in pension expense related to MERS and MPERS, respectively.

(Continued)

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

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

	Deferred Outflows of Resources		
	MERS	MPERS	Total
Difference between expected and actual experience	\$ -	\$ 64,929	\$ 64,929
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	83,016	43,667	126,683
Net differences between projected and actual earnings on plan investments	15,202	33,338	48,540
Contributions subsequent to the measurement date	40,577	67,538	108,115
Total	<u>\$ 138,795</u>	<u>\$209,472</u>	<u>\$ 348,267</u>

	Deferred Inflows of Resources		
	MERS	MPERS	Total
Difference between expected and actual experience	\$ 37,371	\$ 36,277	\$ 73,648
Changes of assumptions	6,663	-	6,663
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	30,689	30,689
Total	<u>\$ 44,034</u>	<u>\$ 66,966</u>	<u>\$111,000</u>

Deferred outflows of resources of \$108,903 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 September 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

<u>Year Ended June 30,</u>	MERS	MPERS	Total
2025	\$ 42,406	\$ (694)	\$ 41,712
2026	78,557	122,733	201,290
2027	(38,753)	(26,054)	(64,807)
2028	(28,028)	(21,017)	(49,045)
	<u>\$ 54,182</u>	<u>\$ 74,968</u>	<u>\$ 129,150</u>

(Continued)

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

Discount Rate

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan’s fiduciary net positions was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for MERS was 6.85%, a decrease of .00% from the prior year. The discount rate used to measure the total pension liability for MPERS was 6.75%, a decrease of .00% from the prior year.

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

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

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	6.850%	\$ 1,699,987	\$ 1,128,920	\$ 646,841
MPERS	6.750%	1,781,414	1,199,223	713,204
Total		<u>\$ 3,481,401</u>	<u>\$ 2,328,143</u>	<u>\$ 1,360,045</u>

Payables to the Pension Plans

As of September 30, 2024, the City’s payables were \$27,091 and \$14,884 to MERS and MPERS, respectively, for the month of September 2024, which were the contractually required contributions.

(12) On-Behalf Payment of Salaries

The City has recognized \$56,450 as a revenue and expenditure for on-behalf salary payments made by the State of Louisiana.

(13) 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.

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(14) Fair Value Measurement

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

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

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

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

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

Proprietary Funds:

Description	Total	Level 1	Level 2	Level 3
U.S. agency securities	<u>\$ 275,973</u>	<u>\$ 275,973</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(15) Interfund Transactions

A. Receivables and Payables

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

	Interfund Receivables	Interfund Payables
Governmental Funds:		
General Fund	\$ 246,026	\$ 187,880
Public Safety Special Revenue Fund	216,243	-
Street Special Revenue Fund	-	1,603,504
Industrial Airpark	464,814	
Enterprise Fund:		
Utility Fund	864,301	-
Total	\$1,791,384	\$1,791,384

Transfers are recorded in the year in which they were budgeted. However, the amounts are not always paid in that same year; therefore, causing balances as noted above. These balances are expected to be paid within the next fiscal year.

B. Interfund Transfers

Interfund transfers consisted of the following at September 30, 2024:

	Interfund Transfers In	Interfund Transfers Out
Governmental Funds:		
General Fund	\$ 416,915	\$ 715,105
Public Safety Special Revenue Fund	661,353	-
Street Special Revenue Fund	64,511	-
Industrial Airpark		192,230
Other Governmental Funds	45,589	-
Enterprise Fund:		
Utility Fund	-	281,033
Total	\$1,188,368	\$1,188,368

Transfers made to the General Fund are for the normal operations of the City. The amounts each fund will transfer are calculated as part of the budget preparation process. These amounts reflect each fund's proportionate share of expenses paid out of the General Fund.

CITY OF DEQUINCY, LOUISIANA

Notes to the Basic Financial Statements (Continued)

(16) Compensation of City Officials

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

Riley Smith, Mayor	\$ 22,700
City Council:	
Margaret Brown	1,800
Bobby Dahlquist	1,800
Cameron Smith	1,800
James Smith	1,800
Scott Wylie	1,800
	<u>\$ 31,700</u>

(17) Compensation, Reimbursements, Benefits, and Other Payments to Entity Head

Under Act 706, the City of Dequincy is required to disclose the compensation, reimbursements, benefits, and other payments made to the mayor, in which the payments are related to the position. The following is a schedule of payments made to Riley Smith, Mayor for the year ended September 30, 2024:

Salary	\$ 22,700
Benefits - retirement	10,581
Benefits - insurance	6,610
	<u>\$ 39,891</u>

(18) Pending Litigation

As of September 30, 2024, the City is not involved in any lawsuits and is not aware of any unasserted claims.

(19) Changes to Financial Statements

As of October 1, 2023, the Industrial Airpark Fund was classified as proprietary fund. Upon further consideration by the City, it was determined that the fund should be classified as a special revenue fund since the fund is substantially funded by ad valorem taxes transferred from Chennault International Airport Authority. Capital assets, along with the related accumulated depreciation, being maintained in the proprietary funds were transferred to the government-wide financials as of September 30, 2024.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF DEQUINCY, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 259,500	\$ 259,500	\$ 292,907	\$ 33,407
Licenses and permits	169,500	169,500	204,128	34,628
Intergovernmental	2,451,000	461,000	948,108	487,108
Miscellaneous	38,010	38,010	175,527	137,517
Total revenues	<u>2,918,010</u>	<u>928,010</u>	<u>1,620,670</u>	<u>692,660</u>
Expenditures:				
Current-				
General government	925,800	925,800	512,181	413,619
Cultural and recreation	14,000	14,000	4,874	9,126
Capital outlay	2,000,000	1,000,000	161,530	838,470
Total expenditures	<u>2,939,800</u>	<u>1,939,800</u>	<u>678,585</u>	<u>1,261,215</u>
Deficiency of revenues over expenditures	<u>(21,790)</u>	<u>(1,011,790)</u>	<u>942,085</u>	<u>1,953,875</u>
Other financing sources (uses):				
Transfers in	265,000	-	416,915	416,915
Transfers out	(1,352,220)	(1,452,220)	(715,105)	737,115
Total other financing sources (uses)	<u>(1,087,220)</u>	<u>(1,452,220)</u>	<u>(298,190)</u>	<u>1,154,030</u>
Net change in fund balances	(1,109,010)	(2,464,010)	643,895	3,107,905
Fund balance, beginning	<u>2,518,514</u>	<u>2,518,514</u>	<u>2,518,514</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,409,504</u>	<u>\$ 54,504</u>	<u>\$ 3,162,409</u>	<u>\$ 3,107,905</u>

See notes to required supplementary information.

CITY OF DEQUINCY, LOUISIANA
Public Safety Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
Revenues:				
Taxes	\$ 280,000	\$ 280,000	\$ 347,794	\$ 67,794
Fines and forfeits	250,000	250,000	325,244	75,244
Charges for service	2,000	2,000	10,364	8,364
Intergovernmental	120,500	120,500	263,878	143,378
Miscellaneous	1,000	1,000	155	(845)
Total revenues	<u>653,500</u>	<u>653,500</u>	<u>947,435</u>	<u>293,935</u>
Expenditures:				
Public safety -				
Police	1,534,300	1,800,300	1,633,950	166,350
Fire	149,420	169,420	172,199	(2,779)
Total public safety	<u>1,683,720</u>	<u>1,969,720</u>	<u>1,806,149</u>	<u>163,571</u>
Capital outlay	<u>300,000</u>	<u>350,000</u>	<u>515,459</u>	<u>(165,459)</u>
Total expenditures	<u>1,983,720</u>	<u>2,319,720</u>	<u>2,321,608</u>	<u>(1,888)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,330,220)</u>	<u>(1,666,220)</u>	<u>(1,374,173)</u>	<u>292,047</u>
Other financing sources (uses):				
Gain (loss) on sale of assets	-	-	35,851	(35,851)
Proceeds from capital lease	-	-	334,542	(334,542)
Contributions	-	-	21,750	(21,750)
Transfers in	<u>1,310,220</u>	<u>760,220</u>	<u>661,353</u>	<u>98,867</u>
Total other financing sources (uses)	<u>1,310,220</u>	<u>760,220</u>	<u>1,053,496</u>	<u>(293,276)</u>
Net change in fund balance	(20,000)	(906,000)	(320,677)	(320,677)
Fund balance, beginning	<u>677,472</u>	<u>677,472</u>	<u>677,472</u>	<u>-</u>
Fund balance, ending	<u>\$ 657,472</u>	<u>\$ (228,528)</u>	<u>\$ 356,795</u>	<u>\$ (320,677)</u>

See notes to required supplementary information.

CITY OF DEQUINCY, LOUISIANA
Streets Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 560,000	\$ 560,000	\$ 695,446	\$135,446
Grants	70,000	15,000	18,088	3,088
Interest earned	1,500	1,500	3,780	2,280
Miscellaneous	<u>1,000</u>	<u>1,000</u>	<u>11,719</u>	<u>10,719</u>
Total revenues	<u>632,500</u>	<u>577,500</u>	<u>729,033</u>	<u>151,533</u>
Expenditures:				
Highways and streets	861,550	881,550	555,918	325,632
Capital outlay	<u>150,000</u>	<u>200,000</u>	<u>122,519</u>	<u>77,481</u>
Total expenditures	<u>1,011,550</u>	<u>1,081,550</u>	<u>678,437</u>	<u>403,113</u>
Excess of revenues over expenditures	<u>(379,050)</u>	<u>(504,050)</u>	<u>50,596</u>	<u>554,646</u>
Other financing sources (uses):				
Gain (loss) on sale of assets	-	-	7,469	7,469
Transfers (in) out	<u>10,000</u>	<u>70,000</u>	<u>64,511</u>	<u>(5,489)</u>
Total other financing sources (uses)	<u>10,000</u>	<u>70,000</u>	<u>71,980</u>	<u>1,980</u>
Net change in fund balance	(369,050)	(434,050)	122,576	556,626
Fund balance, beginning	<u>1,236,218</u>	<u>1,236,218</u>	<u>1,236,218</u>	<u>-</u>
Fund balance, ending	<u>\$ 867,168</u>	<u>\$ 802,168</u>	<u>\$ 1,358,794</u>	<u>\$556,626</u>

See notes to required supplementary information.

CITY OF DEQUINCY, LOUISIANA
Industrial Airpark Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes - ad valorem	\$ 250,000	\$ 200,000	\$ 250,000	\$ 50,000
Fuel sales	84,504	55,000	84,504	29,504
Grants	627,095	300,000	671,727	371,727
Interest earned	14,168	10,000	14,168	4,168
Miscellaneous	69,509	17,600	24,876	7,276
Total revenues	<u>1,045,276</u>	<u>582,600</u>	<u>1,045,275</u>	<u>462,675</u>
Expenditures:				
Personel expenses	97,815	102,000	89,772	12,228
Fuel purchases	75,574	76,000	75,575	425
Repairs and maintenance	39,639	50,000	57,944	(7,944)
Professional fees	7,194	14,000	7,494	6,506
Telephone and utilities	15,226	14,500	15,226	(726)
Insurance	14,749	20,000	20,133	(133)
Office expense	6,407	6,500	3,740	2,760
Miscellaneous	33,095	44,500	17,157	27,343
Capital oulay	-	705,000	703,571	1,429
Total expenditures	<u>289,699</u>	<u>1,032,500</u>	<u>990,612</u>	<u>41,888</u>
Excess of revenues over expenditures	<u>755,577</u>	<u>(449,900)</u>	<u>54,663</u>	<u>504,563</u>
Other financing sources (uses):				
Gain (loss) on sale of assets	4,271	-	4,271	4,271
Gain (loss) on investments	9,374	-	9,394	9,394
Transfers (in) out	-	(265,000)	(192,230)	72,770
Total other financing sources (uses)	<u>13,645</u>	<u>(265,000)</u>	<u>(178,565)</u>	<u>86,435</u>
Net change in fund balance	755,577	(714,900)	(123,902)	590,998
Fund balance, beginning	<u>1,146,064</u>	<u>1,146,064</u>	<u>1,146,064</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,901,641</u>	<u>\$ 431,164</u>	<u>\$ 1,022,162</u>	<u>\$ 590,998</u>

See notes to required supplementary information.

CITY OF DEQUINCY, LOUISIANA

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

Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Municipal Employees' Retirement System:					
2015	972,387	0.272213%	464,603	209.3%	66.18%
2016	1,102,770	0.269053%	480,623	229.4%	62.11%
2017	1,079,339	0.258004%	468,554	230.4%	62.49%
2018	1,032,043	0.249245%	455,188	226.7%	63.94%
2019	1,064,384	0.254719%	472,619	225.2%	64.68%
2020	1,195,695	0.276563%	528,602	226.2%	64.52%
2021	821,429	0.295322%	584,786	140.5%	77.82%
2022	1,375,285	0.331140%	667,773	206.0%	67.87%
2023	1,456,123	0.398407%	854,694	170.4%	72.46%
2024	1,128,920	0.401180%	823,856	137.0%	79.05%
Municipal Police Employees' Retirement System:					
2015	768,981	0.098160%	260,504	295.2%	70.73%
2016	944,602	0.100781%	262,302	360.1%	66.04%
2017	824,903	0.094486%	281,068	293.5%	70.08%
2018	842,667	0.099676%	295,187	285.5%	71.89%
2019	851,607	0.093772%	296,667	287.1%	71.01%
2020	1,238,047	0.133954%	413,748	299.2%	70.94%
2021	727,673	0.136510%	416,468	174.7%	84.09%
2022	1,329,546	0.130070%	472,518	281.4%	70.80%
2023	1,326,136	0.125522%	433,801	305.7%	71.30%
2024	1,199,221	0.132365%	462,135	259.5%	75.80%

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

This schedule is intended to show information for 10 years.

See notes to required supplementary information.

CITY OF DEQUINCY, LOUISIANA

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

<u>Year Ended June 30,</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to Contractual Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Contributions as a % of Covered Employee Payroll</u>
Municipal Employees' Retirement System:					
2015	91,759	91,759	-	464,603	19.75%
2016	94,923	94,923	-	480,623	19.75%
2017	106,596	106,596	-	468,554	22.75%
2018	112,659	112,659	-	455,188	24.75%
2019	122,881	122,881	-	472,619	26.00%
2020	146,687	146,687	-	528,602	27.75%
2021	172,512	172,512	-	584,786	29.50%
2022	196,993	196,993	-	667,773	29.50%
2023	236,221	236,221	-	854,694	27.64%
2024	241,090	241,090	-	823,856	29.26%
Municipal Police Employees' Retirement System:					
2015	82,710	82,710	-	260,504	31.75%
2016	83,281	83,281	-	262,302	31.75%
2017	89,239	89,239	-	281,068	31.75%
2018	90,770	90,770	-	295,187	30.75%
2019	95,675	95,675	-	296,667	32.25%
2020	134,468	134,468	-	413,748	32.50%
2021	140,558	140,558	-	416,468	33.75%
2022	140,574	140,574	-	472,518	29.75%
2023	132,882	132,882	-	433,801	30.63%
2024	158,297	158,297	-	462,135	34.25%

This schedule is intended to show information for 10 years.

See notes to required supplementary information.

CITY OF DEQUINCY, LOUISIANA

Notes to the Required Supplementary Information
For the Year Ended September 30, 2023

(1) Budget and Budgetary Accounting

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

1. The City Clerk submits, no later than 15 days prior to the beginning of each fiscal year, to the Mayor and City Council a proposed operating budget.
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 the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the City Council.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted or as amended by the City Council.

(2) Pension Plans

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

(3) Excess of Expenditures Over Appropriations

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

Fund and Function	Budget	Actual	Excess
Public Safety Special Revenue:			
Fire	169,420	172,199	(2,779)
Capital outlay	350,000	515,459	(165,459)

SUPPLEMENTARY INFORMATION

CITY OF DEQUINCY, LOUISIANA

Statement of Net Position

September 30, 2024

With Comparative Totals for September 30, 2023

	2024			2023 Total
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing demand deposits	\$ 5,719,935	\$ 1,489,150	\$ 7,209,085	\$ 6,580,389
Investments	848,659	356,141	1,204,800	1,141,725
Receivables, net	69,039	171,091	240,130	207,954
Internal balances	(864,301)	864,301	-	-
Due from other governmental units	209,548	109,067	318,615	1,260,614
Inventory	-	-	-	14,439
Prepaid items	103,340	47,874	151,214	170,827
Total current assets	<u>6,086,220</u>	<u>3,037,624</u>	<u>9,123,844</u>	<u>9,375,948</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing demand deposits	96,408	934,337	1,030,745	480,154
Investments	-	107,396	107,396	98,722
Capital assets, net	8,894,473	3,698,335	12,592,808	12,202,981
Right-of-use assets, net	267,784	29,155	296,939	-
Total noncurrent assets	<u>9,258,665</u>	<u>4,769,223</u>	<u>14,027,888</u>	<u>12,781,857</u>
Total assets	<u>15,344,885</u>	<u>7,806,847</u>	<u>23,151,732</u>	<u>22,157,805</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>231,951</u>	<u>116,316</u>	<u>348,267</u>	<u>737,018</u>
LIABILITIES				
Current liabilities:				
Accounts, salaries and other payables	186,060	110,233	296,293	891,335
Due to other governmental agencies	-	282,730	282,730	-
Right-of-use lease liability	69,560	7,583	77,143	-
Bonds payable	26,363	116,186	142,549	137,494
Customers' deposits payable	-	131,583	131,583	118,021
Total current liabilities	<u>281,983</u>	<u>648,315</u>	<u>930,298</u>	<u>1,146,850</u>
Noncurrent liabilities:				
Compensated absences	70,749	41,744	112,493	114,380
Right-of-use lease liability	208,776	22,749	231,525	-
Bonds payable	249,954	1,445,368	1,695,322	1,837,856
Net pension liability	1,531,924	796,219	2,328,143	2,782,260
Total noncurrent liabilities	<u>2,061,403</u>	<u>2,306,081</u>	<u>4,367,484</u>	<u>4,734,496</u>
Total liabilities	<u>2,343,386</u>	<u>2,954,396</u>	<u>5,297,782</u>	<u>5,881,346</u>
DEFERRED INFLOWS OF RESOURCES	<u>79,942</u>	<u>31,058</u>	<u>111,000</u>	<u>65,979</u>
NET POSITION				
Net investment in capital assets	9,162,257	2,136,781	11,299,038	10,529,152
Restricted for public safety	356,795	-	356,795	677,472
Restricted for street maintenance	1,358,794	-	1,358,794	1,236,218
Restricted for debt service	96,408	261,338	357,746	350,335
Restricted for industrial airpark	24,144	-	24,144	-
Unrestricted	2,155,110	2,539,590	4,694,700	4,154,321
Total net position	<u>\$ 13,153,508</u>	<u>\$ 4,937,709</u>	<u>\$ 18,091,217</u>	<u>\$ 16,947,498</u>

CITY OF DEQUINCY, LOUISIANA

Balance Sheet
General and Special Revenue Funds
September 30, 2024

With Comparative Amounts for September 30, 2023

	General		Public Safety Special Revenue		Streets Special Revenue	
	2024	2023	2024	2023	2024	2023
ASSETS						
Cash and interest-bearing demand deposits	\$ 2,369,044	\$ 3,956,796	\$ 71,683	\$ 36,322	\$ 2,909,479	\$ 1,476,034
Interest-bearing time deposits	680,082	644,851	-	-	-	-
Receivables:						
Other	55,742	112,632	12,844	630	-	-
Due from other governmental units	58,077	455,066	38,972	42,493	63,995	376,874
Due from other funds	246,026	-	216,243	648,455	-	397,338
Prepaid items	12,717	15,168	56,175	72,519	10,304	11,940
Total assets	<u>\$ 3,421,688</u>	<u>\$ 5,184,513</u>	<u>\$ 395,917</u>	<u>\$ 800,419</u>	<u>\$ 2,983,778</u>	<u>\$ 2,262,186</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 28,184	\$ 72,947	\$ 20,694	\$ 106,678	\$ 14,912	\$ 340,294
Accrued liabilities	43,215	46,643	18,428	16,269	6,568	2,905
Retainage payable	-	-	-	-	(0)	30,663
Due to other funds	187,880	2,546,409	-	-	1,603,504	652,106
Total liabilities	<u>259,279</u>	<u>2,665,999</u>	<u>39,122</u>	<u>122,947</u>	<u>1,624,984</u>	<u>1,025,968</u>
Fund balances -						
Nonspendable (prepaid items)	12,717	15,168	56,175	72,519	10,304	11,940
Restricted:						
Public safety	-	-	300,620	604,953	-	-
Street maintenance	-	-	-	-	1,348,490	1,224,278
Debt service	-	-	-	-	-	-
Unassigned	3,149,692	2,503,346	-	-	-	-
Total fund balances	<u>3,162,409</u>	<u>2,518,514</u>	<u>356,795</u>	<u>677,472</u>	<u>1,358,794</u>	<u>1,236,218</u>
Total liabilities and fund balances	<u>\$ 3,421,688</u>	<u>\$ 5,184,513</u>	<u>\$ 395,917</u>	<u>\$ 800,419</u>	<u>\$ 2,983,778</u>	<u>\$ 2,262,186</u>

CITY OF DEQUINCY, LOUISIANA

Comparative Statement of Net Position
Enterprise Fund
September 30, 2024 and 2023

	Utility Fund	
	2024	2023
ASSETS		
Current assets:		
Cash and interest-bearing deposits	\$ 1,489,150	\$ 843,129
Investments	356,141	337,691
Accounts receivable, net	171,091	94,471
Prepaid expenses	47,874	60,458
Due from other governmental agencies	109,067	293,428
Due from other funds	864,301	1,679,995
Total current assets	<u>3,037,624</u>	<u>3,309,172</u>
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits	934,337	391,157
Investments	107,396	98,722
Capital assets -		
Land and construction in progress	33,593	494,891
Capital assets, net	3,664,742	3,167,330
Right-of-use assets, net	29,155	-
Total noncurrent assets	<u>4,769,223</u>	<u>4,152,100</u>
Total assets	<u>7,806,847</u>	<u>7,461,272</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	<u>116,316</u>	<u>304,898</u>
LIABILITIES		
Current liabilities:		
Accounts payable	89,859	197,132
Accrued liabilities	20,374	19,820
Retainage payable	-	10,243
Due to other governmental agencies	282,730	-
Due to other funds	-	176,913
Customer deposits	131,583	118,021
Right-of-use lease liability	7,583	-
Revenue bonds payable-current portion	116,186	112,289
Total current liabilities	<u>648,315</u>	<u>634,418</u>
Noncurrent liabilities:		
Compensated absence	41,744	39,737
Right-of-use lease liability	22,749	-
Revenue bonds payable	1,445,368	1,561,540
Net pension liability	796,219	1,026,993
Total noncurrent liabilities	<u>2,306,081</u>	<u>2,628,270</u>
Total liabilities	<u>2,954,395</u>	<u>3,262,688</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	<u>31,058</u>	<u>9,391</u>
NET POSITION		
Net investment in capital assets	2,136,781	1,988,392
Restricted for debt service	261,338	261,338
Unrestricted (deficit)	2,539,590	2,244,361
Total net position	<u>\$ 4,937,709</u>	<u>\$ 4,494,091</u>

CITY OF DEQUINCY, LOUISIANA

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

Enterprise Fund

For the Years Ended September 30, 2024 and 2023

	Utility Fund	
	2024	2023
Operating revenues:		
Charges for services -		
Gas charges	\$ 780,709	\$ 827,572
Sewer service charges	472,628	450,588
Garbage services	355,738	-
Permits, reconnections and penalties	40,344	45,972
Total operating revenues	1,649,418	1,324,132
Operating expenses:		
Gas expenses	610,866	741,991
Sewer expenses	1,199,597	1,262,427
Garbage expenses	297,205	-
Total operating expenses	2,107,668	2,004,418
Operating income (loss)	(458,249)	(680,286)
Nonoperating revenues (expenses):		
Non-employer pension contribution	23,157	21,138
Taxes	695,588	722,689
Grant proceeds	229,135	373,416
Insurance proceeds	270,950	-
Interest income	27,835	24,183
Gain (loss) on sale of assets	1,693	(18,397)
Earnings (loss) on investments	(65,458)	(71,384)
Total nonoperating revenues (expenses)	1,182,900	1,051,645
Income (loss) before contributions and transfers	724,651	371,359
Transfers:		
Transfers from other funds	2,030	750
Transfers to other funds	(283,063)	(16,736)
Total transfers	(281,033)	(15,986)
Change in net position	443,618	355,373
Net position, beginning	4,494,091	4,138,718
Net position, ending	\$ 4,937,709	\$ 4,494,091

CITY OF DEQUINCY, LOUISIANA

Comparative Departmental Statement of Revenues and Expenses
 Enterprise Fund
 Utility Fund
 Years Ended September 30, 2024 and 2023

	Totals		Gas	
	2024	2023	2024	2023
Operating revenues:				
Charges for services	\$ 1,609,075	\$ 1,278,160	\$ 780,709	\$ 827,572
Miscellaneous	40,344	45,972	9,645	8,042
Allocation of administrative revenues	-	-	14,895	9,620
Total operating revenues	<u>1,649,418</u>	<u>1,324,132</u>	<u>805,249</u>	<u>845,234</u>
Operating expenses:				
Salaries	537,597	527,520	91,022	79,372
Payroll taxes	8,050	7,515	1,281	1,101
Retirement	128,327	205,264	24,863	33,547
Workers compensation	15,905	23,523	2,518	2,689
Fuel purchases	283,210	390,467	270,087	382,034
Sanatation	261,239	-	-	-
Auto expense	19,969	7,984	6,542	3,729
Lease expense	1,173	-	1,173	-
Repairs and maintenance	74,900	141,076	12,722	36,915
Professional fees	25,867	29,291	17,646	18,981
Telephone	6,526	5,320	1,959	1,721
Depreciation	367,631	294,058	9,623	8,093
Depreciation right-to-use assets	7,288	-	7,288	-
Bad debt	14,927	11,191	-	-
Insurance	158,426	155,654	46,192	41,587
Utilities	64,087	66,631	2,261	1,822
Supplies	59,382	46,319	24,253	20,671
Training	5,441	13,381	3,681	10,818
Sewer analysis	29,065	36,673	-	-
Miscellaneous	38,658	42,551	8,824	12,236
Allocation of administrative expenses	-	-	78,930	86,675
Total operating expenses	<u>2,107,668</u>	<u>2,004,418</u>	<u>610,866</u>	<u>741,991</u>
Operating income (loss)	<u>\$ (458,249)</u>	<u>\$ (680,286)</u>	<u>\$ 194,383</u>	<u>\$ 103,243</u>

Sewer		Garbage		Administration	
2024	2023	2024	2023	2024	2023
\$ 472,628	\$ 450,588	\$ 355,738	\$ -	\$ -	\$ -
-	21,782	-	-	30,698	16,148
9,017	6,528	6,787	-	(30,698)	(16,148)
<u>481,645</u>	<u>478,898</u>	<u>362,525</u>	<u>-</u>	<u>-</u>	<u>-</u>
379,347	383,016	-	-	67,227	65,132
6,770	6,414	-	-	-	-
103,464	171,717	-	-	-	-
13,387	20,834	-	-	-	-
13,123	8,433	-	-	-	-
-	-	261,239	-	-	-
13,427	4,255	-	-	-	-
-	-	-	-	-	-
22,584	77,359	-	-	39,594	26,802
8,221	10,310	-	-	-	-
4,567	3,599	-	-	-	-
358,008	285,965	-	-	-	-
-	-	-	-	-	-
-	-	-	-	14,927	11,191
112,233	114,067	-	-	-	-
61,826	64,809	-	-	-	-
12,345	5,770	-	-	22,784	19,878
1,760	2,563	-	-	-	-
29,065	36,673	-	-	-	-
11,687	15,898	-	-	18,147	14,417
47,783	50,745	35,965	-	(162,679)	(137,420)
<u>1,199,597</u>	<u>1,262,427</u>	<u>297,205</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (717,953)</u>	<u>\$ (783,529)</u>	<u>\$ 65,320</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF DEQUINCY, LOUISIANA
Justice System Funding Schedule - Collecting/Disbursing Entity
For the Year Ended September 30, 2024

	First Six Month Period Ended 3/31/2023	Second Six Month Period Ended 9/30/2023
	<u>\$ -</u>	<u>\$ -</u>
Beginning Balance of Amounts Collected	<u>\$ -</u>	<u>\$ -</u>
Add: Collections -		
Civil Fees	-	-
Bond Fees	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	168,431	158,858
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Service/Collection Fees	-	-
Other	-	-
Subtotal Collections	<u>168,431</u>	<u>158,858</u>
Less: Disbursements to Governments and Nonprofits -		
DeQuincy Witness - Criminal Fees - Other	1,602	1,521
Louisiana Supreme Court- Criminal Fines - Other	266	265
THI/SCI - Criminal Fines - Other	1,610	1,595
Louisiana State Treasurer CMIS - Criminal Fines - Other	1,689	1,647
Crime-Stoppers - Criminal Fines - Other	1,138	1,098
Public Defenders - Criminal Fines - Other	5,650	5,490
Crime Lab 1 - Criminal Fines - Other	150	250
Crime Lab 2 - Criminal Fines - Other	280	280
Crime Lab 3 - Criminal Fines - Other	14,130	13,830
Crime Lab 3b - Criminal Fines - Other	460	470
Crime Lab 4 - Criminal Fines - Other	100	-
LA Commission Crime Victims - Criminal Fines - Other	788	810
LA Commission Post Law - Criminal Fines - Other	1,103	1,076
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	139,465	130,526
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies -		
Bond Fee Refunds	-	-
Subtotal Disbursements/Retainage	<u>168,431</u>	<u>158,858</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ -</u>	<u>\$ -</u>

OTHER INFORMATION

CITY OF DEQUINCY, LOUISIANA
General Fund

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

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Taxes:					
Ad valorem taxes	\$ 85,000	\$ 85,000	\$ 117,536	\$ 32,536	\$ 112,831
Franchise taxes	174,500	174,500	175,371	871	191,396
Total taxes	<u>259,500</u>	<u>259,500</u>	<u>292,907</u>	<u>33,407</u>	<u>304,227</u>
Licenses and permits:					
Occupational licenses	70,000	70,000	73,664	3,664	70,307
Insurance licenses	70,000	70,000	90,060	20,060	85,004
Permits	29,500	29,500	40,404	10,904	36,617
Total licenses and permits	<u>169,500</u>	<u>169,500</u>	<u>204,128</u>	<u>34,628</u>	<u>191,928</u>
Charges for services:					
Sanitation	-	-	-	-	287,368
Total charges for services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>287,368</u>
Intergovernmental:					
Federal grant	2,000,000	10,000	317,242	307,242	328,860
State of Louisiana -					
Grants	100,000	100,000	82,000	(18,000)	44,659
Beer taxes	6,000	6,000	7,666	1,666	7,597
Casino revenue	250,000	250,000	396,785	146,785	407,727
Poker machines	95,000	95,000	144,415	49,415	155,700
Total intergovernmental	<u>2,451,000</u>	<u>461,000</u>	<u>948,108</u>	<u>487,108</u>	<u>944,543</u>
Miscellaneous:					
Rent income	10,000	10,000	510	(9,490)	155,020
Interest earned	1,510	1,510	122,043	120,533	50,340
Donations	10,000	10,000	11,100	1,100	6,623
Insurance rebate	13,000	13,000	23,135	10,135	525,812
Miscellaneous	3,500	3,500	14,586	11,086	2,176
Total miscellaneous	<u>38,010</u>	<u>38,010</u>	<u>175,527</u>	<u>137,517</u>	<u>739,971</u>
Total revenues	<u>\$2,918,010</u>	<u>\$ 928,010</u>	<u>\$1,620,670</u>	<u>\$ 692,660</u>	<u>\$2,468,037</u>

CITY OF DEQUINCY, LOUISIANA
General Fund

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

	2024		Actual	Variance with Final Budget Positive (Negative)	2023 Actual
	Actual				
	Original	Final			
Current:					
General government -					
Council salaries	\$ 9,000	\$ 9,000	\$ 9,000	\$ -	\$ 8,700
Mayor's compensation	20,000	20,000	21,618	(1,618)	18,000
Clerk and other salaries	86,000	86,000	84,365	1,635	186,470
Payroll taxes and retirement	20,000	20,000	60,676	(40,676)	55,920
Worker's compensation	1,500	1,500	5,045	(3,545)	5,385
Insurance	83,100	83,100	105,755	(22,655)	76,852
Utilities	9,500	9,500	9,465	35	11,373
Telephone	4,500	4,500	2,209	2,291	2,170
Professional fees	14,000	14,000	55,344	(41,344)	76,422
Festivals & tourism	15,000	15,000	17,881	(2,881)	17,066
Office supplies	5,800	5,800	12,599	(6,799)	7,883
Tax roll collection	8,400	8,400	8,375	25	8,391
Training and conventions	10,000	10,000	3,851	6,149	1,856
Dues	2,000	2,000	1,174	826	1,447
Museum	35,000	35,000	36,042	(1,042)	39,778
Coroner/medical	10,000	10,000	11,600	(1,600)	4,700
Repairs and maintenance	521,000	521,000	34,889	486,111	25,355
Animal control	28,500	28,500	21,838	6,662	19,420
Miscellaneous	42,500	42,500	10,455	32,045	10,395
Total general government	<u>925,800</u>	<u>925,800</u>	<u>512,181</u>	<u>413,619</u>	<u>577,583</u>
Sanitation	-	-	-	-	254,120
Cultural and recreation -					
Repairs and maintenance	5,000	5,000	482	4,518	2,886
Utilities	7,000	7,000	3,066	3,934	2,484
Miscellaneous	2,000	2,000	1,326	674	17,192
Total parks and recreation	<u>14,000</u>	<u>14,000</u>	<u>4,874</u>	<u>9,126</u>	<u>22,562</u>
Capital outlay:					
General government	-	-	123,062	(123,062)	66,750
Cultural and recreation	2,000,000	1,000,000	38,468	961,532	1,224
Total capital outlay	<u>2,000,000</u>	<u>1,000,000</u>	<u>161,530</u>	<u>838,470</u>	<u>67,974</u>
Total expenditures	<u>\$2,939,800</u>	<u>\$1,939,800</u>	<u>\$678,585</u>	<u>\$1,261,215</u>	<u>\$ 922,239</u>

CITY OF DEQUINCY, LOUISIANA
Public Safety Special Revenue Fund

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

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$ 280,000	\$ 280,000	\$ 347,794	\$ 67,794	\$ 353,698
Fines and forfeits	250,000	250,000	325,244	75,244	300,761
Charges for service	2,000	2,000	10,364	8,364	293,863
Intergovernmental	120,500	120,500	263,878	143,378	299,198
Miscellaneous	1,000	1,000	155	(845)	129
Total revenues	<u>653,500</u>	<u>653,500</u>	<u>947,435</u>	<u>293,935</u>	<u>1,247,649</u>
Expenditures:					
Public safety -					
Police department -					
Personnel services	1,097,000	1,263,000	1,126,887	136,113	1,120,085
Operations	290,300	390,300	362,111	28,189	278,145
Repairs and maintenance	40,000	40,000	34,051	5,949	39,174
Feeding prisoners	60,000	60,000	56,220	3,780	54,651
Court fees	40,000	40,000	54,128	(14,128)	46,864
Miscellaneous	7,000	7,000	553	6,447	4,941
Total police department	<u>1,534,300</u>	<u>1,800,300</u>	<u>1,633,950</u>	<u>166,350</u>	<u>1,543,860</u>
Fire department -					
Personnel services	49,020	69,020	56,484	12,536	47,568
Operations	84,200	84,200	100,062	(15,862)	102,431
Repairs and maintenance	14,000	14,000	13,473	527	32,270
Miscellaneous	2,200	2,200	2,180	20	696
Total fire department	<u>149,420</u>	<u>169,420</u>	<u>172,199</u>	<u>(2,779)</u>	<u>182,965</u>
Total public safety	1,683,720	1,969,720	1,806,149	163,571	1,726,825
Capital outlay	300,000	350,000	515,459	(165,459)	121,920
Total expenditures	<u>1,983,720</u>	<u>2,319,720</u>	<u>2,321,608</u>	<u>(1,888)</u>	<u>1,848,745</u>
Excess (deficiency) of revenues over expenditures	<u>(1,330,220)</u>	<u>(1,666,220)</u>	<u>(1,374,173)</u>	<u>292,047</u>	<u>(601,096)</u>
Other financing sources (uses):					
Gain (loss) on sale of assets	-	-	35,851	(35,851)	-
Proceeds from capital lease	-	-	334,542	(334,542)	-
Contributions	-	-	21,750	(21,750)	-
Transfer in	11,310,220	760,220	665,469	94,751	867,260
Transfers out	-	-	(4,116)	4,116	-
Total other financing sources	<u>11,310,220</u>	<u>760,220</u>	<u>1,053,496</u>	<u>(293,276)</u>	<u>867,260</u>
Net change in fund balance	9,980,000	(906,000)	(320,677)	585,323	266,164
Fund balance, beginning	<u>677,472</u>	<u>677,472</u>	<u>677,472</u>	<u>-</u>	<u>411,308</u>
Fund balance, ending	<u>\$10,657,472</u>	<u>\$ (228,528)</u>	<u>\$ 356,795</u>	<u>\$ 585,323</u>	<u>\$ 677,472</u>

CITY OF DEQUINCY, LOUISIANA
Streets Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended September 30, 2024

With Comparative Actual Amounts for the Year Ended September 30, 2023

	2024		Actual	Variance with Final Budget	
	Budget			Positive	2023
	Original	Final		(Negative)	Actual
Revenues:					
Taxes	\$ 560,000	\$ 560,000	\$ 695,446	\$ 135,446	\$ 714,286
Grants	70,000	15,000	18,088	3,088	330,933
Interest earned	1,500	1,500	3,780	2,280	4,745
Miscellaneous	1,000	1,000	11,719	10,719	80,440
Total revenues	<u>632,500</u>	<u>577,500</u>	<u>729,033</u>	<u>151,533</u>	<u>1,130,404</u>
Expenditures:					
Highways and streets:					
Personnel services	264,100	284,100	291,050	(6,950)	228,993
Workers compensation	6,700	6,700	6,636	64	12,776
Repairs and maintenance	358,000	358,000	93,783	264,217	188,932
Office expense	(15,000)	2,100	1,737	363	15,076
Utilities	92,000	92,000	82,990	9,010	86,483
Insurance	102,300	102,300	59,239	43,061	49,774
Miscellaneous	7,100	7,100	6,305	795	5,657
Uniforms	6,000	6,000	5,777	223	11,681
Professional fees	23,250	23,250	8,401	14,849	8,305
Total highways and streets	<u>844,450</u>	<u>881,550</u>	<u>555,918</u>	<u>325,632</u>	<u>607,677</u>
Capital outlay	150,000	200,000	122,519	77,481	416,569
Total expenditures	<u>994,450</u>	<u>1,081,550</u>	<u>678,437</u>	<u>403,113</u>	<u>1,024,246</u>
Excess (deficiency) of revenues over expenditures	<u>(361,950)</u>	<u>(504,050)</u>	<u>50,596</u>	<u>554,646</u>	<u>106,158</u>
Other financing sources (uses):					
Gain (loss) on sale of assets	-	-	7,469	7,469	-
Transfer in	10,000	70,000	65,169	(4,831)	244
Transfers out	-	-	(658)	(658)	(9,357)
Total other financing sources	<u>10,000</u>	<u>70,000</u>	<u>71,980</u>	<u>1,980</u>	<u>(9,113)</u>
Net change in fund balance	(351,950)	(434,050)	122,576	556,626	97,045
Fund balance, beginning	<u>1,236,218</u>	<u>1,236,218</u>	<u>1,236,218</u>	<u>-</u>	<u>1,139,173</u>
Fund balance, ending	<u>\$ 884,268</u>	<u>\$ 802,168</u>	<u>\$ 1,358,794</u>	<u>\$ 556,626</u>	<u>\$ 1,236,218</u>

CITY OF DEQUINCY, LOUISIANA
Debt Service Fund

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

	2024			Variance with Final Budget Positive (Negative)	2023 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Interest earned	\$ 10	\$ 10	\$ 76	\$ (66)	\$ 72
Total revenue	<u>10</u>	<u>10</u>	<u>76</u>	<u>(66)</u>	<u>72</u>
Expenses:					
Principal	25,204	25,204	25,204	-	24,097
Interest	13,050	13,050	13,050	-	14,158
Miscellaneous	-	-	-	-	218
Total expense	<u>38,254</u>	<u>38,254</u>	<u>38,254</u>	<u>-</u>	<u>38,473</u>
Other financing sources:					
Transfer in	42,000	42,000	45,589	3,589	127,398
Total other financing sources	<u>42,000</u>	<u>42,000</u>	<u>45,589</u>	<u>3,589</u>	<u>127,398</u>
Net change in fund balance	3,756	3,756	7,411	(66)	88,997
Fund balance, beginning	<u>88,997</u>	<u>88,997</u>	<u>88,997</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 176,753</u>	<u>\$ 176,753</u>	<u>\$ 96,408</u>	<u>\$ (66)</u>	<u>\$ 88,997</u>

CITY OF DEQUINCY, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers and Sewer Rates Per Month
(Unaudited)
September 30, 2024

Following are the sewer rates and number of customers by customer type:

	Rate per Month	Number of Customers
RESIDENTIAL:		
Inside city limits	\$23.80	1,114
Outside city limits	\$28.12	68
 COMMERCIAL		
Small businesses -no public restroom	\$32.45	78
Convenience stores and banks	\$49.75	10
Small rv park	\$58.41	2
Funeral home, bar, and washateria	\$71.39	5
Restaurants	\$93.02	9
Grocery stores	\$136.28	1
Small motel	\$114.65	1
Medium hotel	\$352.60	1
Elderly housing complex	\$266.07	1
Nursing home and hospital	\$439.13	2
Schools	\$439.13-\$661.94	4
Small apartment complex	\$214.16-\$266.07	3
Large mobile home park	\$610.02	1
Large apartment complex	\$837.16	<u>1</u>
Total sewer customers		<u>1,301</u>
 Number of Customers -		
Gas		1,268
Garbage		1,152

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

KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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

The Honorable Riley Smith, Mayor
and members of the City Council
City of Dequincy, Louisiana

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

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Dequincy, Louisiana's Response to Findings

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

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 25, 2025

CITY OF DEQUINCY, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended September 30, 2024

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

A. Internal Control Over Financial Reporting

There were no findings with regards to internal controls.

B. Compliance Findings

There were no findings with regards to internal controls.

Part II: Prior Year Findings

A. Internal Control Over Financial Reporting

There were no findings with regards to internal controls.

B. Compliance Findings

2023-001 Late Filing of Audit Report With the Louisiana Legislature Auditor

Condition: The City did not submit the audited financial statements to the Louisiana Legislative Auditor by the due date.

Recommendation: We recommend the City establish appropriate controls for ensuring the required reports will be submitted in a timely manner in the future.

Current Status: Resolved

CITY OF DEQUINCY

DeQuincy, Louisiana

Agreed-Upon Procedures Report

Year Ended September 30, 2024

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Riley Smith, Mayor
and Members of the Board of Aldermen
City of DeQuincy, Louisiana
and the Louisiana Legislative Auditor

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

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

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

Board or Finance Committee

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

Bank Reconciliations

3. Obtain a listing of the City's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the City's main operating account. Select the City's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected accounts, and observe that:
 - a) Bank reconciliations included evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
 - b) Bank reconciliations included evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within one month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Collections (excluding electronic fund transfers)

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

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

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

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

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

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

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

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

Contracts

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

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

Payroll and Personnel

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

Ethics

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

Debt Service

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

Fraud Notice

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

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

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

Information Technology Disaster Recovery/Business Continuity

27. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
We performed the procedure and discussed the results with management.
 - b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
We performed the procedure and discussed the results with management.
 - c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
We performed the procedure and discussed the results with management.

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

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

We performed the procedure and discussed the results with management.

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

a. Completed the training if hired before June 9, 2020; and

b. Completed the training within 30 days of initial service or employment if hired on or after June 9, 2020.

We performed the procedure and discussed the results with management.

Prevention of Sexual Harassment

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

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

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

a) Number and percentage of public servants in the custodial who have completed the training requirements;

b) Number of sexual harassment complaints received by the custodial;

c) Number of complaints which resulted in a finding that sexual harassment occurred;

d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

e) Amount of time it took to resolve each complaint.

Exceptions:

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

Written Policies and Procedures

1. The entity has insufficient written policies for the following; (a) Budgeting - monitoring the budget, (b) Purchasing - how vendors are added to the vendor list and controls to ensure compliance with public bid law, (c) Receipts - preparing deposits, (d) Information Technology Disaster Recovery/ Business Continuity - identification of critical data and frequency of data backups, storage of backups in a separate physical located isolated from the network, periodic testing/ verification that backups can be restored, timely application of all available system and software patches/updates, identification of personnel, processes, and tools needed to recover operations after a critical event.

Board or Finance Committee

2. The minutes do not state or mention the following: a) Monthly budget to actual comparison for General fund, quarterly budget to actual, at a minimum, on proprietary funds, and semi-annual budget to actual, at a minimum, on all special revenue funds, and, (b) The board/finance committee received written updates of the progress of resolving audit finding(s) according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Credit Cards

3. One transaction did not have adequate written documentation of the business/public purpose.

Management's Response:

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

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

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
March 25, 2025