

CITY OF YOUNGSVILLE, LOUISIANA

Financial Report

Year Ended June 30, 2018

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Youngsville, Louisiana, (the City) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, and each major fund of the City of Youngsville, Louisiana, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedules of employer's share of net pension liability and employer contributions on pages 48 through 54 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Youngsville, Louisiana's basic financial statements. The other supplementary information on pages 58 through 75 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The prior year comparative information on the comparative statements has been derived from the City of Youngsville's 2017 financial statements, which was subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements from which they have been derived.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2018, on our consideration of the City of Youngsville, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 14, 2018

BASIC FINANCIAL STATEMENTS

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Net Position
June 30, 2018

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	\$ 4,736,185	\$ 1,337,585	\$ 6,073,770
Receivables, net	882,142	601,378	1,483,520
Internal balances	1,242,308	(1,242,308)	-
Inventory	5,790	-	5,790
Prepaid items	110,217	138,129	248,346
Total current assets	<u>6,976,642</u>	<u>834,784</u>	<u>7,811,426</u>
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	5,889,900	838,251	6,728,151
Investments	349,708	-	349,708
Capital assets:			
Land and construction in progress	2,050,690	4,416,493	6,467,183
Capital assets, net	40,448,288	42,138,320	82,586,608
Total noncurrent assets	<u>48,738,586</u>	<u>47,393,064</u>	<u>96,131,650</u>
Total assets	<u>55,715,228</u>	<u>48,227,848</u>	<u>103,943,076</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on bond refunding	249,745	-	249,745
Deferred outflows related to pensions	811,963	-	811,963
Total deferred outflows of resources	<u>1,061,708</u>	<u>-</u>	<u>1,061,708</u>
LIABILITIES			
Current liabilities:			
Accounts, salaries and other payables	700,800	337,757	1,038,557
Customers' deposits	-	356,755	356,755
Capital lease payable	47,172	-	47,172
Note payable	93,528	-	93,528
Bonds payable	2,092,000	225,000	2,317,000
Accrued interest	239,406	4,698	244,104
Total current liabilities	<u>3,172,906</u>	<u>924,210</u>	<u>4,097,116</u>
Noncurrent liabilities:			
Net pension liability	1,486,468	-	1,486,468
Capital lease payable	141,550	-	141,550
Note payable	592,352	-	592,352
Bonds payable	31,090,687	2,757,000	33,847,687
Total noncurrent liabilities	<u>33,311,057</u>	<u>2,757,000</u>	<u>36,068,057</u>
Total liabilities	<u>36,483,963</u>	<u>3,681,210</u>	<u>40,165,173</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	11,425	-	11,425
NET POSITION			
Net investment in capital assets	12,774,664	43,738,927	56,513,591
Restricted for sales tax dedications	3,702,467	-	3,702,467
Restricted for debt service	2,573,441	215,218	2,788,659
Unrestricted	1,230,976	592,493	1,823,469
Total net position	<u>\$ 20,281,548</u>	<u>\$ 44,546,638</u>	<u>\$ 64,828,186</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Activities
For the Year Ended June 30, 2018

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	\$ 1,920,907	\$ 1,049,096	\$ -	\$ -	\$ (871,811)	\$ -	\$ (871,811)
Public safety:							
Police	3,029,761	627,622	201,308	10,353	(2,190,478)	-	(2,190,478)
Fire	988,413	-	-	-	(988,413)	-	(988,413)
Streets	2,535,670	-	103,849	-	(2,431,821)	-	(2,431,821)
Interest on long-term debt	1,189,584	-	-	-	(1,189,584)	-	(1,189,584)
Total governmental activities	<u>9,664,335</u>	<u>1,676,718</u>	<u>305,157</u>	<u>10,353</u>	<u>(7,672,107)</u>	<u>-</u>	<u>(7,672,107)</u>
Business-type activities:							
Water	2,552,302	2,356,031	-	-	-	(196,271)	(196,271)
Sewer	1,294,548	1,065,105	-	221,940	-	(7,503)	(7,503)
Sanitation	1,098,614	1,100,108	-	-	-	1,494	1,494
Recreation	2,900,616	871,601	-	-	-	(2,029,015)	(2,029,015)
Total business-type activities	<u>7,846,080</u>	<u>5,392,845</u>	<u>-</u>	<u>221,940</u>	<u>-</u>	<u>(2,231,295)</u>	<u>(2,231,295)</u>
Total	<u>\$ 17,510,415</u>	<u>\$ 7,069,563</u>	<u>\$ 305,157</u>	<u>\$ 232,293</u>	<u>(7,672,107)</u>	<u>(2,231,295)</u>	<u>(9,903,402)</u>
General revenues:							
Taxes -							
Ad valorem taxes					1,202,791	422,324	1,625,115
Sales and use taxes, levied for general purposes					9,344,318	-	9,344,318
Franchise taxes					645,290	-	645,290
Grants and contributions not restricted to specific programs -							
State sources					16,073	-	16,073
Non-employer pension contribution					32,504	-	32,504
Interest and investment earnings					65,388	1,812	67,200
Miscellaneous					25,213	-	25,213
Transfers					(1,781,379)	1,781,379	-
Total general revenues and transfers					<u>9,550,198</u>	<u>2,205,515</u>	<u>11,755,713</u>
Change in net position					1,878,091	(25,780)	1,852,311
Net position - July 1, 2017					<u>18,403,457</u>	<u>44,572,418</u>	<u>62,975,875</u>
Net position - June 30, 2018					<u>\$ 20,281,548</u>	<u>\$ 44,546,638</u>	<u>\$ 64,828,186</u>

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

FUND FINANCIAL STATEMENTS (FFS)

MAJOR FUND DESCRIPTIONS

General Fund

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

Special Revenue Funds

1968 Sales Tax Fund -

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

1981 Sales Tax Fund -

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

1999 Sales Tax Fund -

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

Recreational Facilities Sales Tax Fund -

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

Debt Service Fund

General Obligation Bonds Fund -

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

Capital Projects Fund

Street Improvements and Construction Fund -

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

Recreational Facility Construction Fund -

To account for the construction of the recreational facility and the multi-purpose community center utilizing the proceeds of the \$10,000,000 2012 and \$9,500,000 2013 Recreational Facility Sales Tax Revenue Bonds and grant revenues.

Enterprise Funds

Utility Fund -

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

Sports Complex Fund -

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

CITY OF YOUNGSVILLE, LOUISIANA

Balance Sheet
Governmental Funds
June 30, 2018

	General	1968 Sales Tax Special Revenue	1981 Sales Tax Special Revenue	1999 Sales Tax Special Revenue	Recreational Facilities Sales Tax Revenue	General Obligation Bonds	Street Improvements and Construction	Recreational Facility Construction	Total
ASSETS									
Cash and interest-bearing deposits	\$ 1,183,402	\$ 768,506	\$ 335,197	\$ 1,741,162	\$ 707,918	\$ 2,492,550	\$ 3,397,350	\$ -	\$ 10,626,085
Investments	-	-	-	-	-	349,708	-	-	349,708
Receivables:									
Taxes	-	621,585	-	-	251,565	-	-	-	873,150
Due from other funds	2,145,363	362,233	94,617	838,493	300,000	26,173	154,144	-	3,921,023
Other	8,992	-	-	-	-	-	-	-	8,992
Inventory	5,790	-	-	-	-	-	-	-	5,790
Prepaid items	51,738	-	58,479	-	-	-	-	-	110,217
Total assets	<u>\$ 3,395,285</u>	<u>\$ 1,752,324</u>	<u>\$ 488,293</u>	<u>\$ 2,579,655</u>	<u>\$ 1,259,483</u>	<u>\$ 2,868,431</u>	<u>\$ 3,551,494</u>	<u>\$ -</u>	<u>\$ 15,894,965</u>
LIABILITIES AND FUND BALANCES									
Liabilities -									
Accounts payable	\$ 229,690	\$ 775	\$ 82,737	\$ 445	\$ -	\$ -	\$ 26,337	\$ -	\$ 339,984
Contracts payable	-	-	-	-	-	-	61,053	-	61,053
Retainage payable	31,198	-	-	-	-	-	-	-	31,198
Accrued liabilities	154,721	-	113,844	-	-	-	-	-	268,565
Due to other funds	96,306	1,668,588	190,651	107,338	154,431	55,584	405,817	-	2,678,715
Total liabilities	<u>511,915</u>	<u>1,669,363</u>	<u>387,232</u>	<u>107,783</u>	<u>154,431</u>	<u>55,584</u>	<u>493,207</u>	<u>-</u>	<u>3,379,515</u>
Fund balances -									
Nonspendable (for prepaid items)	51,738	-	58,479	-	-	-	-	-	110,217
Restricted:									
Sales tax dedications	-	82,961	42,582	2,471,872	1,105,052	-	-	-	3,702,467
Debt service	-	-	-	-	-	2,812,847	-	-	2,812,847
Capital projects	-	-	-	-	-	-	3,058,287	-	3,058,287
Unassigned	2,831,632	-	-	-	-	-	-	-	2,831,632
Total fund balances	<u>2,883,370</u>	<u>82,961</u>	<u>101,061</u>	<u>2,471,872</u>	<u>1,105,052</u>	<u>2,812,847</u>	<u>3,058,287</u>	<u>-</u>	<u>12,515,450</u>
Total liabilities and fund balances	<u>\$ 3,395,285</u>	<u>\$ 1,752,324</u>	<u>\$ 488,293</u>	<u>\$ 2,579,655</u>	<u>\$ 1,259,483</u>	<u>\$ 2,868,431</u>	<u>\$ 3,551,494</u>	<u>\$ -</u>	<u>\$ 15,894,965</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2018

Total fund balances for governmental funds at June 30, 2017		\$ 12,515,450
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land and construction in progress	\$ 2,050,690	
Buildings, net of \$700,045 accumulated depreciation	1,748,796	
Infrastructure, net of \$7,532,807 accumulated depreciation	37,725,461	
Equipment, net of \$1,516,989 accumulated depreciation	<u>974,031</u>	42,498,978
The deferred loss on bond refunding is not an available resource, and therefore, is not reported in the funds		249,745
The deferred outflows of expenditures for the municipal police employees retirement system are not a use of current resources, and therefore, are not reported in the funds		811,963
Long-term liabilities at June 30, 2018:		
Capital lease payable	(188,722)	
Note payable	(685,880)	
Bonds payable	(33,182,687)	
Net pension liability	(1,486,468)	
Accrued interest payable	<u>(239,406)</u>	(35,783,163)
The deferred inflows of contributions for the municipal police employees retirement system are not available resources, and therefore, are not reported in the funds		<u>(11,425)</u>
Total net position of governmental activities at June 30, 2018		<u>\$ 20,281,548</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended June 30, 2018

	General	1968 Sales Tax Special Revenue	1981 Sales Tax Special Revenue	1999 Sales Tax Special Revenue	Recreational Facilities Sales Tax Revenue	General Obligation Bonds	Street Improvements and Construction	Recreational Facility Construction	Total
Revenues:									
Taxes	\$ 3,188,074	\$ 2,671,100	\$ 1,335,550	\$ 1,335,550	\$ 2,662,125	\$ -	\$ -	\$ -	\$ 11,192,399
Licenses and permits	1,049,096	-	-	-	-	-	-	-	1,049,096
Intergovernmental	130,275	-	201,308	-	-	-	-	-	331,583
Fines and forfeits	85,885	-	541,737	-	-	-	-	-	627,622
Miscellaneous	26,138	1,850	26,248	925	8,266	19,745	7,429	-	90,601
Total revenues	<u>4,479,468</u>	<u>2,672,950</u>	<u>2,104,843</u>	<u>1,336,475</u>	<u>2,670,391</u>	<u>19,745</u>	<u>7,429</u>	<u>-</u>	<u>13,291,301</u>
Expenditures:									
Current -									
General government	1,749,468	29,736	18,455	15,415	22,616	-	18,117	-	1,853,807
Public safety:									
Police	-	-	2,663,878	-	-	-	-	-	2,663,878
Fire	988,413	-	-	-	-	-	-	-	988,413
Streets	1,138,151	-	-	-	-	-	-	-	1,138,151
Capital outlay	1,271,952	-	282,781	-	-	-	634,620	-	2,189,353
Debt service	18,369	36,738	29,386	18,369	1,683	3,867,998	55,610	-	4,028,153
Total expenditures	<u>5,166,353</u>	<u>66,474</u>	<u>2,994,500</u>	<u>33,784</u>	<u>24,299</u>	<u>3,867,998</u>	<u>708,347</u>	<u>-</u>	<u>12,861,755</u>
Excess (deficiency) of revenues over expenditures	<u>(686,885)</u>	<u>2,606,476</u>	<u>(889,657)</u>	<u>1,302,691</u>	<u>2,646,092</u>	<u>(3,848,253)</u>	<u>(700,918)</u>	<u>-</u>	<u>429,546</u>
Other financing sources (uses):									
Issuance of bonds	-	-	-	-	-	8,215,000	3,500,000	-	11,715,000
Transfer to escrow agent	-	-	-	-	-	(7,550,910)	-	-	(7,550,910)
Proceeds from capital lease	-	-	172,235	-	-	-	-	-	172,235
Transfers in	1,000,000	-	674,470	-	-	3,220,685	88,825	-	4,983,980
Transfers out	(662,717)	(2,620,279)	-	(804,099)	(1,953,588)	(286,160)	(275,464)	(163,052)	(6,765,359)
Total other financing sources (uses)	<u>337,283</u>	<u>(2,620,279)</u>	<u>846,705</u>	<u>(804,099)</u>	<u>(1,953,588)</u>	<u>3,598,615</u>	<u>3,313,361</u>	<u>(163,052)</u>	<u>2,554,946</u>
Net changes in fund balances	(349,602)	(13,803)	(42,952)	498,592	692,504	(249,638)	2,612,443	(163,052)	2,984,492
Fund balances, beginning	<u>3,232,972</u>	<u>96,764</u>	<u>144,013</u>	<u>1,973,280</u>	<u>412,548</u>	<u>3,062,485</u>	<u>445,844</u>	<u>163,052</u>	<u>9,530,958</u>
Fund balances, ending	<u>\$ 2,883,370</u>	<u>\$ 82,961</u>	<u>\$ 101,061</u>	<u>\$ 2,471,872</u>	<u>\$ 1,105,052</u>	<u>\$ 2,812,847</u>	<u>\$ 3,058,287</u>	<u>\$ -</u>	<u>\$ 12,515,450</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2018

Total net changes in fund balances at June 30, 2018 per Statement of
Revenues, Expenditures and Changes in Fund Balances \$2,984,492

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

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

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 2,160,765	
Depreciation expense for the year ended June 30, 2018	(1,528,223)	
Loss on sale/disposal of capital assets	<u>(43,726)</u>	588,816

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

Bond proceeds	(11,715,000)	
Proceeds from capital lease	(172,235)	
Payment to escrow agent	8,649,986	
Principal paid on long-term debt	1,780,000	
Principal paid on capital lease	9,532	
Principal paid on note payable	93,528	
Loss on bond refunding amortized	(138,329)	
Amortization of bond discount	<u>(5,087)</u>	(1,497,605)

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

Bond interest payments owed for the current fiscal year which will be paid during the next fiscal year were accrued and are recorded as an expense in the statement of activities.	(151)
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Pension expense not requiring the use of current economic sources and, therefore, not recorded as a fund expenditure	(229,965)
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Non-employer's contributions to the municipal police employees retirement plan	<u>32,504</u>
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Total changes in net position at June 30, 2018 per Statement of Activities	<u>\$ 1,878,091</u>
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The accompanying notes are an integral part of the basic financial statements.

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Net Position
Proprietary Funds
June 30, 2018

	Utility Fund	Sports Complex Fund	Total
ASSETS			
Current assets:			
Cash	\$ 1,269,993	\$ 67,592	\$ 1,337,585
Receivables:			
Accounts receivable (net)	520,317	79,290	599,607
Accrued interest receivable	1,060	-	1,060
Due from other funds	173,488	208	173,696
Other receivables	711	-	711
Prepaid Items	<u>49,640</u>	<u>88,489</u>	<u>138,129</u>
Total current assets	<u>2,015,209</u>	<u>235,579</u>	<u>2,250,788</u>
Noncurrent assets:			
Restricted assets -			
Cash	391,344	-	391,344
Interest-bearing deposits, at cost	446,907	-	446,907
Capital assets:			
Land and construction in progress	945,493	3,471,000	4,416,493
Other capital assets, net of accumulated depreciation	<u>22,106,043</u>	<u>20,032,277</u>	<u>42,138,320</u>
Total noncurrent assets	<u>23,889,787</u>	<u>23,503,277</u>	<u>47,393,064</u>
Total assets	<u>25,904,996</u>	<u>23,738,856</u>	<u>49,643,852</u>
LIABILITIES			
Current liabilities:			
Accounts payable	59,484	115,988	175,472
Customers' deposits	356,755	-	356,755
Contracts payable	69,423	-	69,423
Retainage payable	26,043	-	26,043
Other liabilities	32,740	34,079	66,819
Due to other funds	1,026,800	389,204	1,416,004
Payable from restricted assets -			
Revenue bonds	225,000	-	225,000
Accrued interest	<u>4,698</u>	<u>-</u>	<u>4,698</u>
Total current liabilities	1,800,943	539,271	2,340,214
Noncurrent liabilities:			
Revenue bonds payable	<u>2,757,000</u>	<u>-</u>	<u>2,757,000</u>
Total liabilities	<u>4,557,943</u>	<u>539,271</u>	<u>5,097,214</u>
NET POSITION			
Net investment in capital assets	20,235,650	23,503,277	43,738,927
Restricted for debt service	215,218	-	215,218
Unrestricted (deficit)	<u>896,185</u>	<u>(303,692)</u>	<u>592,493</u>
Total net position	<u>\$ 21,347,053</u>	<u>\$ 23,199,585</u>	<u>\$ 44,546,638</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position -
Proprietary Funds
For the Year Ended June 30, 2018

	Utility Fund	Sports Complex Fund	Total
Operating revenues:			
Charges for services -			
Water sales	\$ 1,922,145	\$ -	\$ 1,922,145
Sewer service charges	904,448	-	904,448
Sanitation charges	1,074,422	-	1,074,422
Recreation	-	795,745	795,745
Miscellaneous	620,229	75,856	696,085
Total operating revenues	<u>4,521,244</u>	<u>871,601</u>	<u>5,392,845</u>
Operating expenses:			
Water department	2,548,171	-	2,548,171
Sewerage department	1,263,221	-	1,263,221
Sanitation department	1,098,614	-	1,098,614
Recreation department	-	2,897,128	2,897,128
Total operating expenses	<u>4,910,006</u>	<u>2,897,128</u>	<u>7,807,134</u>
Operating loss	<u>(388,762)</u>	<u>(2,025,527)</u>	<u>(2,414,289)</u>
Nonoperating revenues (expenses):			
Ad valorem taxes	422,324	-	422,324
Interest income	1,812	-	1,812
Interest expense	(35,458)	-	(35,458)
Loss on sale of capital assets	-	(3,488)	(3,488)
Total nonoperating revenues (expenses)	<u>388,678</u>	<u>(3,488)</u>	<u>385,190</u>
Loss before contributions and transfers	<u>(84)</u>	<u>(2,029,015)</u>	<u>(2,029,099)</u>
Capital contributions	<u>221,940</u>	<u>-</u>	<u>221,940</u>
Transfers in (out)			
Transfers in	843,559	980,000	1,823,559
Transfers out	(42,180)	-	(42,180)
Total transfers in (out)	<u>801,379</u>	<u>980,000</u>	<u>1,781,379</u>
Change in net position	1,023,235	(1,049,015)	(25,780)
Net position, beginning	<u>20,323,818</u>	<u>24,248,600</u>	<u>44,572,418</u>
Net position, ending	<u>\$21,347,053</u>	<u>\$23,199,585</u>	<u>\$ 44,546,638</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Cash Flows
 Proprietary Funds
 For the Year Ended June 30, 2018

	Utility Fund	Sports Complex Fund	Total
Cash flows from operating activities:			
Receipts from customers	\$ 3,879,589	\$ 913,062	\$ 4,792,651
Payments to suppliers	(3,640,956)	(1,425,242)	(5,066,198)
Payments to employees	(541,501)	(523,110)	(1,064,611)
Other receipts	<u>620,229</u>	<u>75,856</u>	<u>696,085</u>
Net cash provided (used) by operating activities	<u>317,361</u>	<u>(959,434)</u>	<u>(642,073)</u>
Cash flows from noncapital financing activities:			
Cash received from other funds	235,592	98,458	334,050
Transfers from other funds	<u>801,379</u>	<u>980,000</u>	<u>1,781,379</u>
Net cash provided by noncapital financing activities	<u>1,036,971</u>	<u>1,078,458</u>	<u>2,115,429</u>
Cash flows from capital and related financing activities:			
Principal paid on revenue bonds payable	(578,000)	-	(578,000)
Interest and fiscal charges paid on revenue bonds payable	(38,022)	-	(38,022)
Net increase in customer deposits payable	(19,030)	-	(19,030)
Acquisition of property, plant and equipment	(1,472,730)	(68,505)	(1,541,235)
Proceeds from ad valorem taxes	422,324	-	422,324
Proceeds from insurance/grants/capital contributions	<u>313,953</u>	<u>-</u>	<u>313,953</u>
Net cash used by capital and related financing activities	<u>(1,371,505)</u>	<u>(68,505)</u>	<u>(1,440,010)</u>
Cash flows from investing activities:			
Purchase of interest-bearing deposits	(282,048)	-	(282,048)
Maturities of interest-bearing deposits	281,407	-	281,407
Interest on investments	<u>1,101</u>	<u>-</u>	<u>1,101</u>
Net cash provided by investing activities	<u>460</u>	<u>-</u>	<u>460</u>
Net increase (decrease) in cash and cash equivalents	(16,713)	50,519	33,806
Cash and cash equivalents, beginning of period	<u>1,842,909</u>	<u>17,073</u>	<u>1,859,982</u>
Cash and cash equivalents, end of period	<u>\$ 1,826,196</u>	<u>\$ 67,592</u>	<u>\$ 1,893,788</u>

(continued)

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Cash Flows
 Proprietary Funds (Continued)
 For the Year Ended June 30, 2018

	Utility Fund	Sports Complex Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Reconciliation of operating loss to net cash provided (used) by operating activities:			
Operating loss	\$ (388,762)	\$ (2,025,527)	\$ (2,414,289)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
Depreciation	809,215	878,110	1,687,325
Changes in current assets and liabilities:			
(Increase) decrease in accounts receivable	(21,426)	117,317	95,891
Decrease in inventory	-	5,790	5,790
(Increase) decrease in prepaid items	(1,735)	267	(1,468)
Increase (decrease) in accounts payable	(94,748)	73,666	(21,082)
Increase in other liabilities	14,817	15,055	29,872
Decrease in unearned revenue	-	(24,112)	(24,112)
Net cash provided (used) by operating activities	<u>\$ 317,361</u>	<u>\$ (959,434)</u>	<u>\$ (642,073)</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the statement of net position:			
Cash and cash equivalents, beginning of period -			
Cash - unrestricted	\$ 1,229,150	\$ -	\$ 1,229,150
Cash - restricted	392,193	17,073	\$ 409,266
Interest-bearing deposits - restricted	502,973	-	502,973
Less: Interest-bearing deposits with a maturity over three months	<u>(281,407)</u>	<u>-</u>	<u>(281,407)</u>
Total cash and cash equivalents, beginning of period	<u>1,842,909</u>	<u>17,073</u>	<u>1,859,982</u>
Cash and cash equivalents, end of period -			
Cash - unrestricted	1,269,993	67,592	1,337,585
Cash - restricted	391,344	-	391,344
Interest-bearing deposits - restricted	446,907	-	446,907
Less: Interest-bearing deposits with a maturity over three months	<u>(282,048)</u>	<u>-</u>	<u>(282,048)</u>
Total cash and cash equivalents, end of period	<u>1,826,196</u>	<u>67,592</u>	<u>1,893,788</u>
Net increase (decrease)	<u>\$ (16,713)</u>	<u>\$ 50,519</u>	<u>\$ 33,806</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

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

A. Financial Reporting Entity

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

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

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

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Fund Financial Statements

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

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

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

The major funds of the City are described below:

Governmental Funds -

General Fund

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

Special Revenue Funds

1968 Sales Tax Fund –

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

1981 Sales Tax Fund –

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

1999 Sales Tax Fund –

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

Recreational Facility Sales Tax Fund –

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Debt Service Fund – General Obligation Bonds Fund –

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

Capital Projects Funds

Street Improvements and Construction Fund –

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

Recreational Facility Construction Fund -

The Recreational Facility Construction Fund is used to account for the construction of the recreational facility and multi-purpose community center using proceeds from grant revenue and issuance of bonds. During the fiscal year ended June 30, 2014, the recreational facility was completed and the assets were transferred to the Sports Complex Fund.

Proprietary Funds -

Enterprise Funds

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

C. Measurement Focus/Basis of Accounting

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

Measurement Focus

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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

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

Cash and interest-bearing deposits

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Interfund receivables and payables

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

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and franchise taxes. Business-type activities report customer's utility service receivables as their major receivables. Uncollectible utility service receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectibles for customers' utility receivables was \$80,205 at June 30, 2018. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month are recorded at year end.

Inventories

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The City maintains a threshold level of \$1,000 or more for capitalizing capital assets.

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Buildings	40 years
Sports Complex	30 years
Equipment	5 years
Utility system and improvements	20-40 years
Infrastructure	20 years

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

Restricted Assets

Restricted assets include cash, interest-bearing deposits and investments that are legally restricted as to their use. The restricted assets are related to capital projects constructions accounts, revenue bond accounts and utility meter deposits.

Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively. The City recognizes deferred outflows of resources and deferred inflows of resources that are attributable to unamortized losses on bond refundings and its pension plan.

Long-term debt

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

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Compensated Absences

Vacation and sick leave are recorded as expenditures of the period in which paid. Vacation must be taken in the year accrued and cannot be carried over. Sick leave is accumulated by employees at a rate dependent upon number of years of employment. Although sick leave is available for employees when needed, it does not vest nor is it payable at termination of employment. Therefore, no liability has been recorded in the accounts as of June 30, 2018.

Equity Classifications

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

- a. Net investment in capital assets -- Consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- b. Restricted net position -- Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the City's debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- c. Unrestricted net position -- Consists of all other net position that does not meet the definition of the two components and is available for general use by the City.

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

- a. Nonspendable -- amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted -- amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed -- amounts that can be used only for specific purposes determined by a formal decision of the City's Mayor and City Council, which is the highest level of decision-making authority for the City.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes determined by a formal decision of the City's Mayor and City Council.
- e. Unassigned – all other spendable amounts.

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

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

E. Revenues, Expenditures, and Expenses

Operating Revenues and Expenses

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

Expenditures/Expenses

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

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

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

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

Interfund Transfers

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

F. Revenue Restrictions

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

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

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

G. Capitalization of Interest Expense

It is the policy of the City of Youngsville to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets. During the fiscal year ended June 30, 2018, there was no interest capitalized.

H. Bond Discount and Bond Issue Costs

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

I. Use of Estimates

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

J. Report Reclassification

Certain previously reported amounts for the year ended June 30, 2017 have been reclassified to conform to the June 30, 2018 classifications.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(2) Ad Valorem Taxes

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

For the year ended June 30, 2018, taxes of 11.68 mills were levied on property with assessed valuations totaling \$142,051,085 and were dedicated for general corporate purposes (3.82 mills), fire protection (4.86 mills), and water services (3 mills).

Gross taxes levied for the current fiscal year totaled \$1,659,157. The taxes are remitted to the City net of deductions for pension fund contributions.

(3) Sales and Use Taxes

- A. Proceeds of a 1 percent sales and use tax, accounted for in the 1968 Sales Tax Special Revenue Fund, (2018 collections \$2,671,100) were rededicated on September 30, 2006 and are dedicated to constructing, acquiring, extending, improving and/or maintaining sewers and sewerage disposal works, waterworks, public streets, roads, alleys, sidewalks, and drainage facilities, including the purchase of equipment therefore. The tax proceeds may also be funded into bonds or used to pay any bonded or funded indebtedness of the City incurred for such capital purposes, to the extent and in the manner provided by state law. As of June 30, 2018, the net sales tax proceeds are dedicated to paying the City's \$5,000,000 2009 Sales Tax Bonds and the \$3,500,000 2014 Sales Tax Bonds.
- B. Proceeds of a 1% sales and use tax levied by the City of Youngsville, accounted for in the 1981 Sales Tax Special Revenue Fund, (2018 collections \$2,671,100) of which \$1,335,550 was transferred to the General Fund as per special election) are dedicated to providing funds to maintain the City's police force and law enforcement facilities, including the acquisition of equipment and furnishings therefore, the construction and/or acquisition of buildings to house such facilities and paying employees' and policemen's salaries. On November 15, 2012, a special election was held at which time the citizens of the City voted to rededicate 50% of the 1981 Sales Tax revenues to the General Fund for a period of two years beginning January 1, 2013 and ending December 31, 2014. On November 6, 2014, the 50% rededication was approved as a permanent change. In addition to the uses authorized in the original sales tax dedication, the rededicated tax may be used to pay for constructing, improving, and maintaining works of public improvement and acquiring equipment therefore; constructing, acquiring, operating and maintaining fire protection facilities and acquiring equipment and furnishings therefore and paying fire department salaries and benefits.
- C. Proceeds of a 1/2% percent sales and use tax, accounted for in the 1999 Sales Tax Special Revenue Fund, (2018 collections \$1,335,550) beginning September 1, 2000 are dedicated for constructing, acquiring, improving, maintaining and operating sewers and sewerage disposal works for the City, and to be funded into bonds to pay the capital costs thereof, to the extent and in the manner provided by state law. As of June 30, 2018, the net sales tax proceeds are dedicated to paying the City's \$848,000 Sales Tax Refunding Bonds, the 2010 Sewer Revenue Bonds, and the Sewer Revenue Refunding Bonds.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- D. Proceeds of a 1% percent sales and use tax, accounted for in the Recreational Facility Sales Tax Special Revenue Fund, (2018 collections \$2,662,125) beginning April 1, 2012 are dedicated for the payment of revenue bonds associated with the acquisition, construction and equipping of a Community Center and related infrastructure and recreational facilities and ongoing operation and maintenance expenses of the facilities, and for any and all other lawful purposes for which the tax may be expended. As of June 30, 2018, the net sales tax proceeds are dedicated to paying the City's \$10,000,000 Recreational Facility Sales Tax Revenue Bonds, dated May 23, 2012, and the City's \$9,500,000 Recreational Facility Sales Tax Revenue Bonds, dated May 2, 2013.

(4) Cash and Interest-Bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2018, the City had cash and interest-bearing deposits (book balances) totaling \$12,801,921 as follows:

Non interest-bearing	\$ 6,073,436
Interest-bearing	3,937,108
Time deposits	<u>2,791,377</u>
Total	<u>\$ 12,801,921</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the City or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2018, are secured as follows:

Bank balances	<u>\$ 13,347,736</u>
Federal deposit insurance	1,028,297
Pledged securities	<u>12,319,439</u>
Total	<u>\$ 13,347,736</u>

Deposits in the amount of \$12,319,439 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. The City does not have a policy for custodial credit risk.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(5) Investments

Beginning with the fiscal year ended June 30, 2016, the City began categorizing its fair value measurements within the fair value hierarchy established by generally accepted accounting principles in accordance with GASB 72. As of June 30, 2018, the City had investments in U.S. treasury obligations in the amount of \$349,708, which represents 100% of the City's investments as of this date. They are being held as a temporary account for the construction of street improvement projects in the City. These investments mature in less than one year and are recorded at fair value based on quoted market rates using "level 1" inputs in accordance with GASB 72. The investments are rated AAA by Standard and Poor's and are guaranteed by the U.S. government. Accordingly, there is no interest rate risk or credit risk associated with these investments.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The investments are in the name of the City. Accordingly, the City had no custodial credit risk related to investments at June 30, 2018. The City does not have a policy for custodial credit risk.

(6) Receivables

Receivables at June 30, 2018 of \$1,483,520 (\$882,142 and \$601,378 for governmental and business-type activities, respectively) consist of the following:

	General	1968 Sales	Recreational	Proprietary	Total
	Fund	Tax Fund	Facilities	Funds	
			Sales Tax		
Accounts (net)	\$ -	\$ -	\$ -	\$ 599,607	\$ 599,607
Sales tax	-	621,585	251,565	-	873,150
Other	8,992	-	-	1,771	10,763
	<u>\$ 8,992</u>	<u>\$ 621,585</u>	<u>\$ 251,565</u>	<u>\$ 601,378</u>	<u>\$ 1,483,520</u>

(7) Restricted Assets

Restricted assets consisted of the following at June 30, 2018:

	Governmental	Business-Type	Total
	Activities	Activities	
Street improvements construction accounts	\$ 3,397,350	\$ -	\$ 3,397,350
Bond and interest sinking account - investments	349,708	-	349,708
Bond and interest sinking account	932,211	187,134	1,119,345
Bond reserve account	1,560,339	137,774	1,698,113
Bond contingency account	-	120,008	120,008
Customers' deposits	-	356,755	356,755
Revenue bond construction account	-	34,068	34,068
LCDBG sewer construction account	-	2,512	2,512
Total restricted assets	<u>\$ 6,239,608</u>	<u>\$ 838,251</u>	<u>\$ 7,077,859</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance 07/01/17	Additions	Deletions	Balance 06/30/18
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,017,735	\$ 281,026	\$ -	\$ 1,298,761
Construction in progress	435,899	1,243,533	927,503	751,929
Other capital assets:				
Buildings	2,415,305	33,536	-	2,448,841
Infrastructure	44,471,134	988,469	201,335	45,258,268
Equipment	2,318,223	541,704	368,907	2,491,020
Totals	<u>50,658,296</u>	<u>3,088,268</u>	<u>1,497,745</u>	<u>52,248,819</u>
Less accumulated depreciation				
Buildings	637,711	62,334	-	700,045
Infrastructure	6,421,641	1,268,775	157,609	7,532,807
Equipment	1,688,782	197,114	368,907	1,516,989
Total accumulated depreciation	<u>8,748,134</u>	<u>1,528,223</u>	<u>526,516</u>	<u>9,749,841</u>
Governmental activities, capital assets, net	<u>\$ 41,910,162</u>	<u>\$ 1,560,045</u>	<u>\$ 971,229</u>	<u>\$ 42,498,978</u>
Business-type activities:				
Capital assets not being depreciated:				
Land - sewer system	\$ 241,745	\$ -	\$ -	\$ 241,745
Land - sports complex	3,471,000	-	-	3,471,000
Construction in progress	711,555	1,058,343	1,066,150	703,748
Other capital assets:				
Buildings	243,757	-	-	243,757
Water system	11,733,711	58,206	-	11,791,917
Sewer system	16,292,908	1,104,957	3,920	17,393,945
Machinery and equipment	1,985,088	248,062	75,996	2,157,154
Sports complex	22,539,853	26,404	-	22,566,257
Totals	<u>57,219,617</u>	<u>2,495,972</u>	<u>1,146,066</u>	<u>58,569,523</u>
Less accumulated depreciation				
Sports complex	2,070,912	825,165	-	2,896,077
Water system	3,464,782	403,098	-	3,867,880
Sewer system	4,119,017	406,117	3,920	4,521,214
Machinery and equipment	745,138	52,945	68,544	729,539
Total accumulated depreciation	<u>10,399,849</u>	<u>1,687,325</u>	<u>72,464</u>	<u>12,014,710</u>
Business-type activities, capital assets, net	<u>\$ 46,819,768</u>	<u>\$ 808,647</u>	<u>\$ 1,073,602</u>	<u>\$ 46,554,813</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Construction in progress of \$751,929 in the governmental activities consists of work performed through June 30, 2018 on various street improvement projects and drainage improvements. Construction in progress of \$703,748 in the business-type activities consists of work performed through June 30, 2018 on sewer system improvements.

Depreciation expense was charged to governmental activities as follows:

General government	\$ 23,374
Police	135,918
Streets	<u>1,368,931</u>
Total depreciation expense	<u>\$ 1,528,223</u>

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

Water	\$ 403,098
Sewer	406,117
Recreation	<u>878,110</u>
Total depreciation expense	<u>\$ 1,687,325</u>

(9) Accounts, Salaries, and Other Payables

The accounts, salaries, and other payables consisted of the following at June 30, 2018:

	Governmental Activities	Business-Type Activities	Total
Accounts	\$ 339,984	\$ 175,472	\$ 515,456
Contracts and retainage	92,251	95,466	187,717
Other liabilities	<u>268,565</u>	<u>66,819</u>	<u>335,384</u>
Totals	<u>\$ 700,800</u>	<u>\$ 337,757</u>	<u>\$ 1,038,557</u>

(10) Changes in Long-Term Debt

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2018:

	Governmental Activities		Business-type Activities	
	General Obligation Bonds	Capital Lease	Note Payable	Revenue Bonds
Long-term debt payable, July 1, 2017	\$31,844,000	\$ 26,019	\$779,408	\$ 3,560,000
Long-term debt issued	11,715,000	172,235	-	-
Long-term debt retired	<u>(10,300,000)</u>	<u>(9,532)</u>	<u>(93,528)</u>	<u>(578,000)</u>
Long-term debt payable, June 30, 2018	<u>\$33,259,000</u>	<u>\$ 188,722</u>	<u>\$ 685,880</u>	<u>\$ 2,982,000</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term debt payable at June 30, 2018 is comprised of the following:

		<u>Current Portion</u>
General Obligation bonds -		
\$5,000,000 2009 Sales Tax Bonds, dated May 1, 2009; \$450,000 due in annual installments of \$220,000 to \$230,000 through May 1, 2019, interest at 4.375 through 4.5 percent, payable from 1968 sales tax revenues, rededicated in 2006.	\$ 230,000	\$ 230,000
\$8,140,000 2011 Revenue Bonds, dated June 1, 2011; due in annual installments of \$170,000 to \$480,000 through July 1, 2041; interest at 4.625 percent, payable from lawfully available funds.	7,190,000	175,000
\$2,025,000 2012 Limited Tax Revenue Bonds, dated December 5, 2012; due in annual installments of \$222,000 to \$243,000 through May 1, 2021; interest at 2.25 percent, payable from ad valorem tax revenues.	703,000	227,000
\$848,000 2013 Sales Tax Refunding Bonds, dated January 31, 2013; due in annual installments of \$78,000 to \$87,000 through June 1, 2023; interest at 2.131 percent, payable from 1999 sales tax revenues.	416,000	80,000
\$9,500,000 2013 Recreational Facility Sales Tax Bonds, dated May 2, 2013; due in annual installments of \$400,000 to \$570,000 through December 1, 2033; interest at 3.625 percent, payable from 2012 sales tax revenues.	7,400,000	395,000
\$3,500,000 2014 Sales Tax Bonds, dated December 17, 2014; due in annual installments of \$295,000 to \$325,000 through May 1, 2026; interest at 2.41 percent, payable from 1968 sales tax revenues, rededicated in 2006.	2,505,000	300,000
\$3,565,000 2016 Sales Tax Refunding Bonds, dated September 14, 2016; due in annual installments of \$45,000 to \$385,000 through May 1, 2026; interest at 1.90 through 2.275 percent, payable from 1968 sales tax revenues, rededicated in 2006.	3,450,000	45,000
\$575,000 Excess Revenue Bonds, Series 2017, dated November 1, 2017; due in annual installments of \$45,000 to \$55,000 through May 1, 2028; interest at 2.350 percent, payable from the excess of annual revenues of the City.	525,000	45,000
\$3,500,000 2017 Sales Tax Revenue Bonds, dated December 19, 2017; due in annual installments of \$190,000 to \$280,000 through May 1, 2032; interest at 2.273 percent, payable from 1968 sales tax revenues, rededicated in 2006.	3,250,000	190,000

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

		<u>Current Portion</u>
\$7,640,000 2017 Recreational Facility Sales Tax Revenue Refunding Bonds, date 09/13/2017; due in annual installments of \$405,000 to \$610,000 through December 1, 2032; interest at 2.29 percent, payable from 2012 sales tax revenues.	<u>7,590,000</u>	<u>405,000</u>
Total general obligation bonds payable	33,259,000	<u>\$ 2,092,000</u>
Less: Discount on issuance of debt	<u>(76,313)</u>	
Net general obligation bonds payable	<u>\$ 33,182,687</u>	
Capital leases -		
\$29,973 vehicle lease dated December 12, 2016, due in 36 monthly installments of \$918, including interest at 6.84%, through December 12, 2019, secured by 1981 sales tax revenues and an asset with a carrying value of \$21,881 at June 30, 2018.	\$ 16,487	\$ 10,205
\$172,235 equipment lease dated May 10, 2018, due in 48 monthly installments of \$3,860, including interest at 3.62%, through July 29, 2022, secured by 1981 sales tax revenues and an asset with a carrying value of \$168,403 at June 30, 2018.	<u>172,235</u>	<u>36,967</u>
Total capital leases	<u>\$ 188,722</u>	<u>\$ 47,172</u>
Note payable -		
\$935,288 note payable to Lafayette Parish School Board, due in monthly installments of \$7,654, bearing no interest, through October 1, 2025, to recapture sales tax revenues erroneously remitted to the City by Lafayette Parish School Board.	<u>\$ 685,880</u>	<u>\$ 93,528</u>
Revenue bonds -		
\$4,429,000 Sewer Revenue Bonds, Series 2010 dated June 28, 2010; due in annual installments of \$210,000 to \$242,000 through May 1, 2031; interest at .95%; secured by Utility Fund revenues, 1968 sales tax revenues, rededicated in 2006, and 1999 sales tax revenues.	\$ 2,973,000	\$ 216,000
\$333,000 Sewer Revenue Refunding Bonds, Series 2009 dated June 25, 2009; due in annual installments of \$40,000 to \$42,000 through May 1, 2019; interest at 3.7 percent; secured by Utility Fund revenues, 1968 sales tax revenues, rededicated in 2006, and 1999 sales tax revenues.	<u>9,000</u>	<u>9,000</u>
Total revenue bonds payable	<u>\$ 2,982,000</u>	<u>\$ 225,000</u>

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

The long-term debt is due as follows:

Year Ending June 30,	Governmental Activities					Business-type Activities	
	Bonds		Capital Lease		Note Payable	Bonds	
	Principal payments	Interest payments	Principal payments	Interest payments	Principal payments	Principal payments	Interest payments
2019	\$ 2,092,000	\$ 977,089	\$ 47,172	\$ 6,301	\$ 93,529	\$ 225,000	\$ 28,576
2020	2,169,000	922,166	48,584	4,158	93,529	218,000	26,192
2021	2,211,000	871,195	43,789	2,527	93,529	220,000	24,120
2022	2,030,000	818,534	45,329	986	93,529	222,000	22,031
2023	2,082,000	768,778	3,848	11	93,529	224,000	19,921
2024-2028	10,120,000	3,032,941	-	-	218,235	1,154,000	67,251
2029-2033	8,370,000	1,692,104	-	-	-	719,000	13,709
2034-2038	2,385,000	691,119	-	-	-	-	-
2039-2043	1,800,000	181,300	-	-	-	-	-
Total	<u>\$33,259,000</u>	<u>\$9,955,226</u>	<u>\$188,722</u>	<u>\$ 13,983</u>	<u>\$685,880</u>	<u>\$2,982,000</u>	<u>\$201,800</u>

Bond Refunding -

On September 13, 2017, the City issued \$7,640,000 of Recreational Facility Sales Tax Revenue Refunding Bonds, Series 2017 with an average interest rate of 2.29% to refund \$8,520,000 of outstanding Recreation Sales Tax Revenue Bonds, Series 2012 with an average interest rate of 3.19%. The refunding bonds were issued at par, and after paying issuance costs, the net bond proceeds plus existing funds of \$1,099,076 were used to purchase U.S. government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded 2012 bonds. The advance refunding met the requirements of an in-substance debt defeasance and the refunded bonds were removed from the City's government-wide financial statements. As a result of the advance refunding, the City reduced its total debt service requirements by \$630,517, which resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$565,230.

(11) Debt Defeasance

On September 14, 2016, the City defeased \$3,160,000 of Series 2009 Sales Tax Revenue Bonds by creating a separate irrevocable trust fund. On September 13, 2017, the City defeased \$8,520,000 of Series 2012 Recreation Sales Tax Revenue Bonds by creating a separate irrevocable trust fund. The investments and fixed earnings from the investments are sufficient to fully service the defeased debt until the debt is called or matures. For financial reporting purposes, the debt has been considered defeased and therefore, has been removed as a liability from the City's financial statements. As of June 30, 2018, the amount of defeased debt outstanding but removed from the financial statements amounted to \$3,160,000 of Series 2009 Sales Tax Revenue Bonds and \$8,115,000 of Series 2012 Recreation Sales Tax Revenue Bonds.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Utility Revenue Bonds:

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

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

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

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

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

- B. Under the terms of the bond indentures on outstanding Sewer Revenue Bonds, Series 2010 dated June 28, 2010 and Sewer Revenue Refunding Bonds, Series 2009 dated June 25, 2009, all income and revenues (hereinafter referred to as revenue) of every nature, earned or derived from operation of the Utility System, are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

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

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

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

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Sales Tax Revenue Bonds:

Under the terms of the bond indentures on outstanding Sales Tax Bonds dated May 1, 2009, December 17, 2014, and September 14, 2016, all proceeds derived from the levy and collection of the 1968 sales tax are pledged and dedicated to the retirement of said bonds, and are to be set aside into the following special funds:

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

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

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

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

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

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

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

All of the above sales taxes were issued in perpetuity.

The City of Youngsville was in compliance with all significant limitations and restrictions in the bond indentures at June 30, 2018.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(13) Pension Plan

The City participates in a cost-sharing defined benefit plan, administered by a public employee retirement system. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by the public employee retirement system to the State Legislature. The plan is not closed to new entrants.

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

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

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

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

Deferred Retirement Option Plan:

A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in MPERS is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is thirty six months or less. If employment is terminated after the three-year period the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into MPERS shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service. For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of MPERS's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on MPERS's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account.

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

Initial Benefit Option Plan:

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Contributions:

Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay. For the year ended June 30, 2018, total contributions due for employers and employees were 40.75%. The employer and employee contribution rates for all members hired prior to January 1, 2013 and Hazardous Duty members hired after January 1, 2013 were 30.75% and 10%, respectively.

Net Pension Liability:

At June 30, 2018, the City reported a liability of \$1,486,468 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2017, the City's proportion was .170263%, which was an increase of .002465% from its proportion measured as of June 30, 2016.

Since the measurement date of the net pension liability was June 30, 2017, the net pension liability is based upon fiduciary net position for the plan as of those dates. Detailed information about the pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial report for those fiscal years.

Actuarial Assumptions:

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

Date of experience study on which significant assumptions are based	7/1/2009 - 6/30/2014
Actuarial cost method	Entry Age Normal Cost
Expected remaining service lives	4 years
Investment rate of return	7.325%, net of investment expense
Inflation rate	2.7%
Projected salary increases	4.25% - 9.75%
Mortality rates	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries. RP-2000 Disabled Lives Table set back 5 years for males and set back 3 years for females for disabled annuitants. RP-2000 Employee Table set back 4 year for males and 3 years for females for active members.
Cost-of-living adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

Cost of Living Adjustments:

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

Long-term Rate of Return:

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

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

<u>Asset Class</u>	<u>Expected Rate of Return</u>	
	<u>Target Asset Allocation</u>	<u>Long-term Expected Portfolio Real Rate of Return</u>
Equity	53%	3.66%
Fixed income	21%	0.52%
Alternative	20%	1.10%
Other	6%	0.16%
	<u>100%</u>	<u>5.44%</u>
Inflation		<u>2.75%</u>
Expected nominal return		<u>8.19%</u>

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2018, the City recognized \$453,799 in pension expense related to its participation in MPERS.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to MPERS from the following sources:

	<u>Governmental Activities</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 9,733	\$ 11,425
Changes of assumptions	105,770	-
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	407,554	-
Net differences between projected and actual earnings on plan investments	65,072	-
Contributions subsequent to the measurement date	<u>294,937</u>	<u>-</u>
Total	<u>\$ 883,066</u>	<u>\$ 11,425</u>

Deferred outflows of resources of \$294,937 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30</u>	
2019	\$ 300,322
2020	253,501
2021	57,763
2022	<u>(34,882)</u>
	<u>\$ 576,704</u>

Discount Rate:

The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure MPERS's net pension liability was 7.325% for the year ended June 30, 2017, which is a decrease of .175 from the prior year.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

The following presents MPERS's net pension liability of the participating employers calculated using the discount rate of 7.325%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current rate.

	1% Decrease 6.325%	Current Discount Rate 7.325%	1% Increase 8.325%
Net Pension Liability	\$ 2,053,699	\$ 1,486,468	\$ 1,010,602

Payables to the Pension Plan

At June 30, 2018, the City's payables were \$24,841 for the month of June 2018, which was the contractually required contribution.

(14) Retirement and Deferred Compensation

A. Social Security System

All City of Youngsville employees, with the exception of those participating in the Municipal Police Employees' Retirement System, participate in the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65% contributed by the City, 7.65% by the employee). The City's contribution during the years ended June 30, 2018, 2017, and 2016 amounted to \$214,488, \$191,350, and \$179,292, respectively.

B. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The single employer plan, the City of Youngsville 457(B) Plan, administered by the Mass Mutual Financial Group, is available to all City employees, and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City contributes 5% of wages to each participating employee account. For the year ended June 30, 2018, the City and employees contributed \$97,297 and \$34,323 respectively. The City's contributions are not mandatory.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in a trust, custodial account or annuity contract described in IRC 457(g) for the exclusive benefit of the participants and their beneficiaries. The fair market value of the deferred compensation plan assets at June 30, 2018 was \$599,063.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(15) Segment Information for the Enterprise Funds

The City of Youngsville maintains one enterprise fund with three departments which provide water, sewerage and sanitation services. Segment information for the year ended June 30, 2018, was as follows:

	<u>Water Department</u>	<u>Sewerage Department</u>	<u>Sanitation Department</u>	<u>Total Utility Fund</u>	<u>Sports Complex Fund</u>
Operating revenues	\$ 2,356,031	\$ 1,065,105	\$ 1,100,108	\$ 4,521,244	\$ 871,601
Operating expenses:					
Depreciation	403,098	406,117	-	809,215	878,110
Other	<u>2,145,073</u>	<u>857,104</u>	<u>1,098,614</u>	<u>4,100,791</u>	<u>2,019,018</u>
Total expenses	<u>2,548,171</u>	<u>1,263,221</u>	<u>1,098,614</u>	<u>4,910,006</u>	<u>2,897,128</u>
Operating income (loss)	<u>\$ (192,140)</u>	<u>\$ (198,116)</u>	<u>\$ 1,494</u>	<u>\$ (388,762)</u>	<u>\$ (2,025,527)</u>

(16) Compensation of City Officials

A detail of compensation paid to the Mayor and City Council for the year ended June 30, 2018 follows:

Ken Ritter, Mayor	\$ 68,052
City Council:	
Jamison Abshire	11,042
Matthew Romero	11,042
Kenneth Stansbury	11,042
Dianne McClelland	12,198
Lauren Michel	<u>11,042</u>
	<u>\$ 124,418</u>

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

The schedule of compensation, benefits, and other payments to Ken Ritter, Mayor, for the year ended June 30, 2018 follows:

Salary	\$ 68,052
Benefits - insurance	6,164
Benefits - retirement	3,403
Car allowance	12,000
Reimbursements	15

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

(18) Risk Management

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

(19) Pending Litigation

At June 30, 2018, the City was involved in several lawsuits claiming damages. In the opinion of the City's legal counsel, the only exposure to the City would be any costs in defense of the lawsuits with no liability in excess of insurance coverage.

(20) On-Behalf Payments of Salaries

During the year ended June 30, 2018, the State of Louisiana paid the City's policemen \$125,308 of supplemental pay, which is included in the accompanying financial statements as intergovernmental revenues and public safety – police expenses/expenditures in the government-wide and 1981 Sales Tax Special Revenue Fund financial statements.

(21) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2018:

	<u>Receivable</u>	<u>Payable</u>
Major governmental funds:		
General Fund	\$ 2,145,363	\$ 96,306
1968 Sales Tax Special Revenue Fund	362,233	1,668,588
1981 Sales Tax Special Revenue Fund	94,617	190,651
1999 Sales Tax Special Revenue Fund	838,493	107,338
Recreational Facility Sales Tax Special Revenue	300,000	154,431
General Obligation Bonds Fund	26,173	55,584
Street Improvements and Construction Fund	154,144	405,817
Total governmental funds	<u>3,921,023</u>	<u>2,678,715</u>
Proprietary Funds:		
Enterprise Fund	173,488	1,026,800
Sports Complex Fund	208	389,204
Total proprietary funds	<u>173,696</u>	<u>1,416,004</u>
Total	<u>\$ 4,094,719</u>	<u>\$ 4,094,719</u>

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to Basic Financial Statements (Continued)

B. Transfers

Transfers consisted of the following at June 30, 2018:

	Transfers In	Transfers Out
Major governmental funds:		
General Fund	\$ 1,000,000	\$ 662,717
1968 Sales Tax Special Revenue Fund	-	2,620,279
1981 Sales Tax Special Revenue Fund	674,470	-
1999 Sales Tax Special Revenue Fund	-	804,099
Recreational Facility Sales Tax Special Revenue	-	1,953,588
General Obligation Bonds Fund	3,220,685	286,160
Street Improvements and Construction Fund	88,825	275,464
Recreation Facility Construction Fund	-	163,052
Total governmental funds	4,983,980	6,765,359
Proprietary Funds:		
Enterprise Fund	843,559	42,180
Sports Complex Fund	980,000	-
Total proprietary funds	1,823,559	42,180
Total	\$ 6,807,539	\$ 6,807,539

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

(22) Tax Abatement

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

(23) Subsequent Events

On December 20, 2018, the City issued \$7,000,000 of Sales Tax Bonds, Series 2018 at an interest rate of 3.00% to 4.00% maturing on December 1, 2028 for the purposes of constructing, improving equipping and furnishing a municipal complex, including additions to existing facilities and properties of the City and making other capital improvements within the City. The bonds will be payable from 50 percent of the proceeds of the one percent 1981 sales taxes, which were permanently rededicated in 2014, and are transferred to the General Fund.

**REQUIRED
SUPPLEMENTARY INFORMATION**

8

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Taxes	\$ 2,909,017	\$ 3,172,984	\$ 3,188,074	\$ 15,090
Licenses and permits	1,002,000	960,572	1,049,096	88,524
Intergovernmental	105,000	25,952	130,275	104,323
Fines and forfeits	235,000	90,220	85,885	(4,335)
Miscellaneous	19,300	8,669	26,138	17,469
Total revenues	<u>4,270,317</u>	<u>4,258,397</u>	<u>4,479,468</u>	<u>221,071</u>
Expenditures:				
Current -				
General government	1,702,451	1,564,330	1,749,468	(185,138)
Public safety:				
Fire	1,289,664	1,013,609	988,413	25,196
Streets	1,487,301	1,047,785	1,138,151	(90,366)
Capital outlay	1,575,000	1,274,702	1,271,952	2,750
Debt service	20,459	22,323	18,369	3,954
Total expenditures	<u>6,074,875</u>	<u>4,922,749</u>	<u>5,166,353</u>	<u>(243,604)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,804,558)</u>	<u>(664,352)</u>	<u>(686,885)</u>	<u>(22,533)</u>
Other financing sources (uses):				
Transfer from 1968 Sales Tax Fund	959,000	1,000,000	1,000,000	-
Transfer to 1981 Sales Tax Fund	(886,710)	(674,470)	(674,470)	-
Transfer to Capital Projects Fund	(250,982)	(21,459)	(21,459)	-
Transfer from (to) Debt Service Fund	(242,815)	33,212	33,212	-
Total other financing sources (uses)	<u>(421,507)</u>	<u>337,283</u>	<u>337,283</u>	<u>-</u>
Net change in fund balance	(2,226,065)	(327,069)	(349,602)	(22,533)
Fund balance, beginning	<u>3,232,972</u>	<u>3,232,972</u>	<u>3,232,972</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,006,907</u>	<u>\$ 2,905,903</u>	<u>\$ 2,883,370</u>	<u>\$ (22,533)</u>

CITY OF YOUNGSVILLE, LOUISIANA
1968 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$2,216,775	\$2,635,147	\$2,671,100	\$ 35,953
Miscellaneous - interest	750	-	1,850	1,850
Total revenues	<u>2,217,525</u>	<u>2,635,147</u>	<u>2,672,950</u>	<u>37,803</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	25,000	22,726	22,651	75
Professional fees	7,000	8,000	7,085	915
Total general government	32,000	30,726	29,736	990
Debt service:				
Principal	-	36,738	36,738	-
Total expenditures	<u>32,000</u>	<u>67,464</u>	<u>66,474</u>	<u>990</u>
Excess of revenues over expenditures	<u>2,185,525</u>	<u>2,567,683</u>	<u>2,606,476</u>	<u>38,793</u>
Other financing uses:				
Transfer to Debt Service Fund	(1,296,195)	(1,579,693)	(1,570,279)	9,414
Transfer to General Fund	(959,000)	(1,000,000)	(1,000,000)	-
Transfer to Utility Fund	-	-	(50,000)	(50,000)
Total other financing uses	<u>(2,255,195)</u>	<u>(2,579,693)</u>	<u>(2,620,279)</u>	<u>(40,586)</u>
Net change in fund balance	(69,670)	(12,010)	(13,803)	(1,793)
Fund balance, beginning	<u>96,764</u>	<u>96,764</u>	<u>96,764</u>	<u>-</u>
Fund balance, ending	<u>\$ 27,094</u>	<u>\$ 84,754</u>	<u>\$ 82,961</u>	<u>\$ (1,793)</u>

CITY OF YOUNGSVILLE, LOUISIANA
1981 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,108,388	\$ 1,317,573	\$ 1,335,550	\$ 17,977
Intergovernmental -				
State of Louisiana:				
Police supplemental pay	196,000	125,539	125,308	(231)
Local:				
Lafayette Parish School Board	-	76,000	76,000	-
LACE fines and forfeitures	375,000	412,609	541,737	129,128
Miscellaneous	6,000	23,833	26,248	2,415
Total revenues	<u>1,685,388</u>	<u>1,955,554</u>	<u>2,104,843</u>	<u>149,289</u>
Expenditures:				
Current -				
General government	12,500	11,363	18,455	(7,092)
Public safety:				
Police	2,568,675	2,564,454	2,663,878	(99,424)
Capital outlay	-	269,685	282,781	(13,096)
Debt service	11,015	29,386	29,386	-
Total expenditures	<u>2,592,190</u>	<u>2,874,888</u>	<u>2,994,500</u>	<u>(119,612)</u>
Deficiency of revenues over expenditures	<u>(906,802)</u>	<u>(919,334)</u>	<u>(889,657)</u>	<u>29,677</u>
Other financing sources:				
Proceeds from capital lease	-	172,235	172,235	-
Transfer from General Fund	-	674,470	674,470	-
Total other financing sources	<u>-</u>	<u>846,705</u>	<u>846,705</u>	<u>-</u>
Net change in fund balance	(906,802)	(72,629)	(42,952)	29,677
Fund balance, beginning	<u>144,013</u>	<u>144,013</u>	<u>144,013</u>	<u>-</u>
Fund balance, ending	<u>\$ (762,789)</u>	<u>\$ 71,384</u>	<u>\$ 101,061</u>	<u>\$ 29,677</u>

CITY OF YOUNGSVILLE, LOUISIANA
1999 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,108,385	\$ 1,317,573	\$ 1,335,550	\$ 17,977
Miscellaneous - interest	<u>2,200</u>	<u>-</u>	<u>925</u>	<u>925</u>
Total revenues	<u>1,110,585</u>	<u>1,317,573</u>	<u>1,336,475</u>	<u>18,902</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	12,500	11,363	11,325	38
Professional fees	<u>4,000</u>	<u>5,000</u>	<u>4,090</u>	<u>910</u>
	16,500	16,363	15,415	948
Debt service -				
Principal	<u>-</u>	<u>18,369</u>	<u>18,369</u>	<u>-</u>
Total expenditures	<u>16,500</u>	<u>34,732</u>	<u>33,784</u>	<u>948</u>
Excess of revenues over expenditures	<u>1,094,085</u>	<u>1,282,841</u>	<u>1,302,691</u>	<u>19,850</u>
Other financing uses:				
Transfer to Debt Service Fund	(90,030)	(263,488)	(263,488)	-
Transfer to Utility Fund	<u>(1,379,500)</u>	<u>(700,000)</u>	<u>(540,611)</u>	<u>159,389</u>
Total other financing uses	<u>(1,469,530)</u>	<u>(963,488)</u>	<u>(804,099)</u>	<u>159,389</u>
Net change in fund balance	(375,445)	319,353	498,592	179,239
Fund balance, beginning	<u>1,973,280</u>	<u>1,973,280</u>	<u>1,973,280</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,597,835</u>	<u>\$ 2,292,633</u>	<u>\$ 2,471,872</u>	<u>\$ 179,239</u>

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

Budgetary Comparison Schedule
For the Year Ended June 30, 2018

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,246,580	\$ 2,626,177	\$ 2,662,125	\$ 35,948
Miscellaneous - interest	1,600	1,509	8,266	6,757
Total revenues	<u>2,248,180</u>	<u>2,627,686</u>	<u>2,670,391</u>	<u>42,705</u>
Expenditures:				
Current -				
General government:				
Sales tax collection fees	25,000	25,295	22,616	2,679
Debt service -				
Principal	<u>-</u>	<u>1,683</u>	<u>1,683</u>	<u>-</u>
Total expenditures	<u>25,000</u>	<u>26,978</u>	<u>24,299</u>	<u>2,679</u>
Excess of revenues over expenditures	<u>2,223,180</u>	<u>2,600,708</u>	<u>2,646,092</u>	<u>45,384</u>
Other financing sources (uses):				
Transfer from Capital Projects	-	137,866	137,866	-
Transfer to Sports Complex Fund	(938,225)	(929,800)	(980,000)	(50,200)
Transfer to Debt Service Fund	<u>(1,291,865)</u>	<u>(1,111,454)</u>	<u>(1,111,454)</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,230,090)</u>	<u>(1,903,388)</u>	<u>(1,953,588)</u>	<u>(50,200)</u>
Net change in fund balance	(6,910)	697,320	692,504	(4,816)
Fund balance, beginning	<u>412,548</u>	<u>412,548</u>	<u>412,548</u>	<u>-</u>
Fund balance, ending	<u>\$ 405,638</u>	<u>\$ 1,109,868</u>	<u>\$ 1,105,052</u>	<u>\$ (4,816)</u>

CITY OF YOUNGSVILLE, LOUISIANA

Municipal Police Employees' Retirement System
 Schedule of Employer's Share of Net Pension Liability
 For the Year Ended June 30, 2018*

<u>Year Ended June 30,</u>	<u>Employer Proportion of the Net Pension Liability (Asset)</u>	<u>Employer Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Employer's Covered Employee Payroll</u>	<u>Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
2018	0.170263%	\$ 1,486,468	\$ 506,611	293.4%	70.08%
2017	0.167798%	1,572,740	470,515	334.3%	66.04%
2016	0.081512%	638,651	216,095	295.5%	70.73%
2015	0.044360%	277,519	114,975	241.4%	75.10%

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

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

CITY OF YOUNGSVILLE, LOUISIANA

Municipal Police Employees' Retirement System
 Schedule of Employer Contributions
 For the Year Ended June 30, 2018

<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>
2018	\$ 223,834	\$ 223,834	\$ -	\$ 727,925	30.75%
2017	160,849	160,849	-	506,611	31.75%
2016	138,802	138,802	-	470,515	29.50%
2015	68,070	68,070	-	216,095	31.50%

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

CITY OF YOUNGSVILLE, LOUISIANA

Notes to the Required Supplementary Information

(1) Budget and Budgetary Accounting

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

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

(2) Pension Plan

Changes of Assumptions -- Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. There were no changes of benefit terms for the year ended June 30, 2018.

CITY OF YOUNGSVILLE, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(3) Excess of Expenditures Over Appropriations

For the year ended June 30, 2018, the following funds had actual expenditures over appropriations, at the functional level, as follows:

Fund and Function	Budget	Actual	Excess
General Fund:			
Administrative	\$ 1,168,244	\$ 1,322,863	(154,619)
Code enforcement	336,221	366,647	(30,426)
Magistrate court	59,865	59,958	(93)
Streets and drainage	1,047,785	1,138,151	(90,366)
1981 Sales Tax Special Revenue Fund:			
General government	11,363	18,455	(7,092)
Public Safety	2,564,454	2,663,878	(99,424)
Capital Outlay	269,685	282,781	(13,096)

OTHER SUPPLEMENTARY INFORMATION

CITY OF YOUNGSVILLE, LOUISIANA

Statement of Net Position

June 30, 2018

With Comparative Totals for June 30, 2017

	2018			2017 Total
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Current assets:				
Cash and interest-bearing deposits	\$ 4,736,185	\$ 1,337,585	\$ 6,073,770	\$ 4,440,090
Receivables, net	882,142	601,378	1,483,520	1,422,316
Internal balances	1,242,308	(1,242,308)	-	-
Due from other governmental units	-	-	-	491,176
Inventory	5,790	-	5,790	5,790
Prepaid items	110,217	138,129	248,346	254,257
Total current assets	<u>6,976,642</u>	<u>834,784</u>	<u>7,811,426</u>	<u>6,613,629</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	5,889,900	838,251	6,728,151	5,370,028
Investments	349,708	-	349,708	345,711
Capital assets:				
Land and construction in progress	2,050,690	4,416,493	6,467,183	5,877,934
Capital assets, net	40,448,288	42,138,320	82,586,608	82,851,996
Total noncurrent assets	<u>48,738,586</u>	<u>47,393,064</u>	<u>96,131,650</u>	<u>94,445,669</u>
Total assets	<u>55,715,228</u>	<u>48,227,848</u>	<u>103,943,076</u>	<u>101,059,298</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred loss on bond refunding	249,745	-	249,745	258,088
Deferred outflows related to pensions	811,963	-	811,963	1,109,384
Total deferred outflows	<u>1,061,708</u>	<u>-</u>	<u>1,061,708</u>	<u>1,367,472</u>
LIABILITIES				
Current liabilities:				
Accounts, salaries and other payables	700,800	337,757	1,038,557	1,078,601
Customers' deposits	-	356,755	356,755	375,785
Unearned revenue	-	-	-	24,112
Capital lease payable	47,172	-	47,172	9,532
Note payable	93,528	-	93,528	93,529
Bonds payable	2,092,000	225,000	2,317,000	2,123,000
Contracts payable	-	-	-	-
Accrued interest	239,406	4,698	244,104	246,517
Total current liabilities	<u>3,172,906</u>	<u>924,210</u>	<u>4,097,116</u>	<u>3,951,076</u>
Noncurrent liabilities:				
Net pension liability	1,486,468	-	1,486,468	1,572,740
Capital lease payable	141,550	-	141,550	16,487
Note payable	592,352	-	592,352	685,879
Bonds payable	31,090,687	2,757,000	33,847,687	33,199,600
Total noncurrent liabilities	<u>33,311,057</u>	<u>2,757,000</u>	<u>36,068,057</u>	<u>35,474,706</u>
Total liabilities	<u>36,483,963</u>	<u>3,681,210</u>	<u>40,165,173</u>	<u>39,425,782</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	11,425	-	11,425	25,113
NET POSITION				
Net investment in capital assets	12,774,664	43,738,927	56,513,591	54,688,299
Restricted for sales tax dedications	3,702,467	-	3,702,467	2,562,960
Restricted for debt service	2,573,441	215,218	2,788,659	3,016,563
Unrestricted	1,230,976	592,493	1,823,469	2,708,053
Total net position	<u>\$ 20,281,548</u>	<u>\$44,546,638</u>	<u>\$64,828,186</u>	<u>\$ 62,975,875</u>

CITY OF YOUNGSVILLE, LOUISIANA

Balance Sheet
 General and Special Revenue Funds
 June 30, 2018
 With Comparative Totals for June 30, 2017

	General		1968 Sales Tax Revenue		1981 Sales Tax Revenue		1999 Sales Tax Revenue		Recreational Facility Sales Tax Revenue	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
ASSETS										
Cash and interest-bearing deposits	\$ 1,183,402	\$ 2,003,525	\$ 768,506	\$ 438,192	\$ 335,197	\$ 352,139	\$ 1,741,162	\$ 1,192,593	\$ 707,918	\$ 59,424
Receivables:										
Taxes	-	947	621,585	511,559	-	-	-	-	251,565	207,555
Accrued interest	-	-	-	-	-	-	-	-	-	-
Due from other governmental units	-	399,163	-	-	-	-	-	-	-	-
Due from other funds	2,145,363	1,302,435	362,233	355,584	94,617	197,528	838,493	784,297	300,000	300,000
Other	8,992	5,697	-	-	-	-	-	-	-	-
Inventory	5,790	-	-	-	-	-	-	-	-	-
Prepaid items	51,738	53,951	-	-	58,479	63,645	-	-	-	-
Total assets	<u>\$3,395,285</u>	<u>\$3,765,718</u>	<u>\$1,752,324</u>	<u>\$1,305,335</u>	<u>\$488,293</u>	<u>\$613,312</u>	<u>\$2,579,655</u>	<u>\$1,976,890</u>	<u>\$1,259,483</u>	<u>\$566,979</u>
LIABILITIES AND FUND BALANCES										
Liabilities -										
Accounts payable	\$ 229,690	\$ 447,145	\$ 775	\$ 1,200	\$ 82,737	\$ 43,309	\$ 445	\$ -	\$ -	\$ -
Retainage payable	31,198	-	-	-	-	-	-	-	-	-
Accrued liabilities	154,721	85,001	-	-	113,844	56,048	-	-	-	-
Due to other funds	96,306	600	1,668,588	1,207,371	190,651	369,942	107,338	3,610	154,431	154,431
Total liabilities	<u>511,915</u>	<u>532,746</u>	<u>1,669,363</u>	<u>1,208,571</u>	<u>387,232</u>	<u>469,299</u>	<u>107,783</u>	<u>3,610</u>	<u>154,431</u>	<u>154,431</u>
Fund balances -										
Nonspendable (prepaid items)	51,738	53,951	-	-	58,479	63,645	-	-	-	-
Restricted for sales tax dedications	-	-	82,961	96,764	42,582	80,368	2,471,872	1,973,280	1,105,052	412,548
Unassigned	<u>2,831,632</u>	<u>3,179,021</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>2,883,370</u>	<u>3,232,972</u>	<u>82,961</u>	<u>96,764</u>	<u>101,061</u>	<u>144,013</u>	<u>2,471,872</u>	<u>1,973,280</u>	<u>1,105,052</u>	<u>412,548</u>
Total liabilities and fund balances	<u>\$3,395,285</u>	<u>\$3,765,718</u>	<u>\$1,752,324</u>	<u>\$1,305,335</u>	<u>\$488,293</u>	<u>\$613,312</u>	<u>\$2,579,655</u>	<u>\$1,976,890</u>	<u>\$1,259,483</u>	<u>\$566,979</u>

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended June 30, 2018
With Comparative Amounts for the Year Ended June 30, 2017

	Budget		Actual	Variance with Final Budget	2017
	Original	Final		Positive (Negative)	Actual
Revenues:					
Taxes	\$ 2,909,017	\$ 3,172,984	\$ 3,188,074	\$ 15,090	\$ 2,884,775
Licenses and permits	1,002,000	960,572	1,049,096	88,524	1,092,140
Intergovernmental	105,000	25,952	130,275	104,323	671,240
Fines and forfeits	235,000	90,220	85,885	(4,335)	113,130
Miscellaneous	19,300	8,669	26,138	17,469	41,150
Total revenues	<u>4,270,317</u>	<u>4,258,397</u>	<u>4,479,468</u>	<u>221,071</u>	<u>4,802,435</u>
Expenditures:					
Current -					
General government	1,702,451	1,564,330	1,749,468	(185,138)	1,607,570
Public safety:					
Fire	1,289,664	1,013,609	988,413	25,196	429,296
Streets	1,487,301	1,047,785	1,138,151	(90,366)	1,378,941
Capital outlay	1,575,000	1,274,702	1,271,952	2,750	679,675
Debt service	20,459	22,323	18,369	3,954	44,276
Total expenditures	<u>6,074,875</u>	<u>4,922,749</u>	<u>5,166,353</u>	<u>(243,604)</u>	<u>4,139,758</u>
Excess (deficiency) of revenues over expenditures	<u>(1,804,558)</u>	<u>(664,352)</u>	<u>(686,885)</u>	<u>(22,533)</u>	<u>662,677</u>
Other financing sources (uses):					
Transfer from 1968 Sales Tax Fund	959,000	1,000,000	1,000,000	-	744,786
Transfer to 1981 Sales Tax Fund	(886,710)	(674,470)	(674,470)	-	(760,000)
Transfer to Capital Projects Fund	(250,982)	(21,459)	(21,459)	-	(95,953)
Transfer from (to) Debt Service Fund	(242,815)	33,212	33,212	-	(241,863)
Total other financing sources (uses)	<u>(421,507)</u>	<u>337,283</u>	<u>337,283</u>	<u>-</u>	<u>(353,030)</u>
Net change in fund balance	(2,226,065)	(327,069)	(349,602)	(22,533)	309,647
Fund balance, beginning	<u>3,232,972</u>	<u>3,232,972</u>	<u>3,232,972</u>	<u>-</u>	<u>2,923,325</u>
Fund balance, ending	<u>\$ 1,006,907</u>	<u>\$ 2,905,903</u>	<u>\$ 2,883,370</u>	<u>\$ (22,533)</u>	<u>\$ 3,232,972</u>

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended June 30, 2018
With Comparative Amounts for the Year Ended June 30, 2017

	2018		Actual	Variance with Final Budget Positive (Negative)	2017 Actual
	Budget				
	Original	Final			
Taxes:					
Ad valorem taxes	\$ 1,204,630	\$ 1,248,209	\$ 1,202,791	\$ (45,418)	\$ 1,173,117
Rededication from 1981 Sales Tax	1,108,387	1,298,328	1,335,550	37,222	1,113,740
Hotel motel sales tax	4,000	5,505	4,443	(1,062)	5,162
Franchise - electric	475,000	475,147	530,018	54,871	476,122
Franchise - gas	45,000	75,783	52,452	(23,331)	44,108
Franchise - cable	72,000	70,012	62,820	(7,192)	72,526
Total taxes	<u>2,909,017</u>	<u>3,172,984</u>	<u>3,188,074</u>	<u>15,090</u>	<u>2,884,775</u>
Licenses and permits:					
Occupational licenses	17,000	22,768	16,500	(6,268)	15,910
Insurance occupational licenses	285,000	200,206	283,567	83,361	283,226
Codes and permits	700,000	737,598	749,029	11,431	793,004
Total licenses and permits	<u>1,002,000</u>	<u>960,572</u>	<u>1,049,096</u>	<u>88,524</u>	<u>1,092,140</u>
Intergovernmental:					
Federal Grant -					
FEMA	90,000	-	103,849	103,849	538,692
Department of Transportation	-	-	-	-	117,543
State of Louisiana -					
Beer taxes	15,000	15,599	16,073	474	15,005
State grants	-	10,353	10,353	-	-
Total intergovernmental	<u>105,000</u>	<u>25,952</u>	<u>130,275</u>	<u>104,323</u>	<u>671,240</u>
Fines and forfeits:					
Fines and court costs	235,000	90,220	85,885	(4,335)	113,130
Miscellaneous:					
Interest	-	4,800	925	(3,875)	1,426
Other sources	19,300	3,869	25,213	21,344	39,724
Total miscellaneous	<u>19,300</u>	<u>8,669</u>	<u>26,138</u>	<u>17,469</u>	<u>41,150</u>
Total revenues	<u>\$ 4,270,317</u>	<u>\$ 4,258,397</u>	<u>\$ 4,479,468</u>	<u>\$ 221,071</u>	<u>\$ 4,802,435</u>

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2018
With Comparative Amounts for the Year Ended June 30, 2017

	2018			Variance with Final Budget Positive (Negative)	2017 Actual
	Budget		Actual		
	Original	Final			
General government:					
Administrative -					
Compensation - mayor and council	\$ 124,420	\$ 124,420	\$ 124,420	\$ -	\$ 125,476
Other salaries	215,875	205,847	205,217	630	227,617
Payroll taxes and retirement	43,175	44,170	44,600	(430)	44,229
Group insurance	37,000	26,764	26,027	737	30,521
Utilities and telephone	28,500	28,512	29,350	(838)	30,961
Mayor's expense	12,000	12,000	12,000	-	11,220
Auto allowance	4,200	11,415	8,047	3,368	4,439
Advertising	28,000	28,197	31,823	(3,626)	29,704
Repairs and maintenance	31,480	51,519	60,187	(8,668)	30,857
Dues and publications	8,500	13,785	14,796	(1,011)	8,316
Professional fees	145,000	119,063	148,781	(29,718)	136,487
General insurance	65,000	60,445	58,293	2,152	64,037
Office supplies	35,000	32,797	33,736	(939)	28,383
Computer expense	12,500	20,675	121,134	(100,459)	84,405
Convention expense	3,400	5,369	3,609	1,760	5,188
Community relations	40,000	31,766	29,523	2,243	45,126
Uniform expense	2,000	1,973	2,289	(316)	1,744
Engineering	225,000	175,785	187,453	(11,668)	232,274
Contract services	135,000	128,680	125,910	2,770	12,536
Annexation	35,000	10,003	10,003	-	26,971
Mardi Gras expense	15,000	16,285	16,285	-	11,863
Collection expense	12,500	11,363	11,325	38	11,220
Miscellaneous	16,200	7,411	18,055	(10,644)	17,677
Total administrative	<u>1,274,750</u>	<u>1,168,244</u>	<u>1,322,863</u>	<u>(154,619)</u>	<u>1,221,251</u>
Code enforcement -					
Salaries and related expenses	21,501	28,916	40,250	(11,334)	22,413
Auto expense	1,000	480	80	400	650
Convention expense	-	-	-	-	824
Telephone	600	300	-	300	100
Inspection fees	325,000	306,525	326,317	(19,792)	300,147
Total code enforcement	<u>348,101</u>	<u>336,221</u>	<u>366,647</u>	<u>(30,426)</u>	<u>324,134</u>
Magistrate court -					
Professional fees and other salaries	28,500	28,464	29,175	(711)	26,416
Payroll taxes and retirement	900	1,172	1,112	60	529
Court costs	50,200	30,229	29,671	558	33,794
Dues and subscriptions	-	-	-	-	1,446
Total magistrate court	<u>79,600</u>	<u>59,865</u>	<u>59,958</u>	<u>(93)</u>	<u>62,185</u>
Total general government	<u>1,702,451</u>	<u>1,564,330</u>	<u>1,749,468</u>	<u>(185,138)</u>	<u>1,607,570</u>

(continued)

CITY OF YOUNGSVILLE, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended June 30, 2018
With Comparative Amounts for the Year Ended June 30, 2017

	2018		Actual	Variance with Final Budget Positive (Negative)	2017 Actual
	Budget				
	Original	Final			
Public safety:					
Fire -					
Appropriation to volunteer fire department for operations	1,289,664	1,013,609	988,413	25,196	429,296
Streets and drainage:					
Salaries	282,991	273,464	267,045	6,419	240,351
Payroll taxes and retirement	37,515	29,960	30,150	(190)	29,852
Group insurance	49,645	38,874	39,665	(791)	37,558
General insurance	25,000	24,865	22,420	2,445	26,399
Contract labor	70,900	76,070	127,830	(51,760)	83,207
Telephone and utilities	25,000	7,311	18,607	(11,296)	6,437
Supplies, materials and repairs	276,000	286,151	296,879	(10,728)	218,974
Office supplies	2,000	6,793	14,013	(7,220)	4,278
Auto and truck expense	50,000	77,792	85,817	(8,025)	45,333
Street lighting	115,000	115,706	121,101	(5,395)	109,812
Engineering fees	50,000	97,286	102,915	(5,629)	187,009
Professional fees	-	6,504	8,650	(2,146)	18,130
Uniforms	2,500	2,491	2,321	170	1,467
Disaster cleanup	500,000	3,900	-	3,900	369,430
Miscellaneous	750	618	738	(120)	704
Total streets and drainage	<u>1,487,301</u>	<u>1,047,785</u>	<u>1,138,151</u>	<u>(90,366)</u>	<u>1,378,941</u>
Capital outlay:					
General government -					
Land	295,000	276,026	276,026	-	5,000
Buildings and improvements	-	29,096	29,096	-	-
City hall equipment	32,000	22,402	22,402	-	27,662
Highways and streets -					
Equipment	298,000	243,362	243,362	-	13,003
Vehicles	-	26,187	26,187	-	89,679
Street improvements and drainage	950,000	677,629	674,879	2,750	544,331
Total capital outlay	<u>1,575,000</u>	<u>1,274,702</u>	<u>1,271,952</u>	<u>2,750</u>	<u>679,675</u>
Debt service:					
Principal	19,670	22,323	18,369	3,954	44,073
Interest and fiscal charges	789	-	-	-	203
Total debt service	<u>20,459</u>	<u>22,323</u>	<u>18,369</u>	<u>3,954</u>	<u>44,276</u>
Total expenditures	<u>\$ 6,074,875</u>	<u>\$ 4,922,749</u>	<u>\$ 5,166,353</u>	<u>\$ (243,604)</u>	<u>\$ 4,139,758</u>

CITY OF YOUNGSVILLE, LOUISIANA
1981 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended June 30, 2018
With Comparative Amounts for the Year Ended June 30, 2017

	2018			Variance with Final Budget Positive (Negative)	2017 Actual
	Budget		Actual		
	Original	Final			
General government -					
Sales tax collection fees	\$ 12,500	\$ 11,363	\$ 11,325	\$ 38	\$ 11,220
Professional fees	-	-	7,130	(7,130)	6,390
Total general government	<u>12,500</u>	<u>11,363</u>	<u>18,455</u>	<u>(7,092)</u>	<u>17,610</u>
Public safety -					
Police -					
Salaries	1,319,160	1,259,475	1,261,172	(1,697)	1,086,048
On-behalf payments - salaries	120,000	125,539	125,077	462	123,480
Civil service salaries	4,750	3,769	4,550	(781)	4,582
Payroll taxes and retirement	335,900	417,079	423,326	(6,247)	279,607
Group insurance	161,215	170,398	176,018	(5,620)	158,805
Repairs and maintenance	20,000	2,122	5,467	(3,345)	15,227
Office supplies and expense	15,500	26,056	25,850	206	22,485
Dues and subscriptions	3,500	1,399	1,689	(290)	2,996
Telephone and utilities	38,000	39,371	45,948	(6,577)	41,447
Insurance	85,000	85,829	83,535	2,294	93,187
Auto expense	154,500	161,061	169,200	(8,139)	165,543
Uniforms and supplies	25,000	20,724	24,820	(4,096)	29,554
Contract labor	103,000	11,938	10,193	1,745	130,109
Court expense	138,750	140,240	184,277	(44,037)	221,426
Training	15,000	11,572	12,154	(582)	16,700
Professional fees	15,000	75,991	101,924	(25,933)	43,554
Radio rent	8,500	320	423	(103)	10,319
Miscellaneous	5,900	11,571	8,255	3,316	4,446
Total public safety	<u>2,568,675</u>	<u>2,564,454</u>	<u>2,663,878</u>	<u>(99,424)</u>	<u>2,449,515</u>
Capital outlay -					
Police autos	-	94,750	102,746	(7,996)	90,689
Police equipment	-	174,935	180,035	(5,100)	16,410
Total capital outlay	<u>-</u>	<u>269,685</u>	<u>282,781</u>	<u>(13,096)</u>	<u>107,099</u>
Debt service -					
Principal	11,015	27,901	27,901	-	22,323
Interest expense	-	1,485	1,485	-	637
Total debt service	<u>11,015</u>	<u>29,386</u>	<u>29,386</u>	<u>-</u>	<u>22,960</u>
Total expenditures	<u>\$ 2,592,190</u>	<u>\$ 2,873,403</u>	<u>\$ 2,994,500</u>	<u>\$ (119,612)</u>	<u>\$ 2,597,184</u>

CITY OF YOUNGSVILLE, LOUISIANA
Debt Service Fund
General Obligation Bonds

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 2018
With Comparative Amounts for the Year Ended June 30, 2017

	2018		Variance with Final Budget Positive (Negative)	2017 Actual
	Budget	Actual		
Revenues (interest)	\$ 14,924	\$ 19,745	\$ 4,821	\$ 4,843
Expenditures:				
Debt service -				
Retirement of principal	1,780,000	1,780,000	-	1,813,000
Interest and fiscal charges	918,440	914,422	4,018	1,024,373
Transfer to escrow agent	1,099,076	1,099,076	-	46,752
Bond issuance costs	87,480	74,500	12,980	56,134
Total expenditures	<u>3,884,996</u>	<u>3,867,998</u>	<u>16,998</u>	<u>2,940,259</u>
Deficiency of revenues over expenditures	<u>(3,870,072)</u>	<u>(3,848,253)</u>	<u>21,819</u>	<u>(2,935,416)</u>
Other financing sources (uses):				
Bond proceeds	8,215,000	8,215,000	-	3,565,000
Transfer to escrow agent	(7,552,520)	(7,550,910)	1,610	(3,500,380)
Transfer to General	(33,212)	(33,212)	-	-
Transfer to Utility	(252,948)	(252,948)	-	-
Transfers from 1968 Sales Tax Fund	1,579,693	1,570,279	(9,414)	1,331,188
Transfers from 1999 Sales Tax Fund	263,488	263,488	-	90,668
Transfers from Recreational Sales Tax Fund	1,111,454	1,111,454	-	1,291,995
Transfer from Capital Projects	275,464	275,464	-	-
Transfer from General Fund	-	-	-	241,863
Total other financing sources (uses)	<u>3,606,419</u>	<u>3,598,615</u>	<u>(7,804)</u>	<u>3,020,334</u>
Net change in fund balance	(263,653)	(249,638)	14,015	84,918
Fund balance, beginning	<u>3,062,485</u>	<u>3,062,485</u>	-	<u>2,977,567</u>
Fund balance, ending	<u>\$ 2,798,832</u>	<u>\$ 2,812,847</u>	<u>\$ 14,015</u>	<u>\$ 3,062,485</u>

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

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018
 With Comparative Amounts for the Year Ended June 30, 2017

	2018		Variance with Final Budget Positive (Negative)	2017 Actual
	Budget	Actual		
Revenues:				
Miscellaneous -				
Interest	\$ 4,516	\$ 7,429	\$ 2,913	\$ 3,994
Expenditures:				
Current -				
General government:				
Professional fees	19,039	18,117	922	59,016
Capital outlay - streets -	633,416	634,620	(1,204)	945,460
Debt service - bond issuance costs	58,000	55,610	2,390	-
Total expenditures	710,455	708,347	2,108	1,004,476
Deficiency of revenues over expenditures	(705,939)	(700,918)	5,021	(1,000,482)
Other financing sources (uses):				
Bond proceeds	3,500,000	3,500,000	-	-
Transfer to Debt Service Fund	(275,464)	(275,464)	-	-
Transfer from Utility Fund	42,180	42,180	-	-
Transfer from General Fund	21,459	21,459	-	95,953
Transfer from Recreational Facility Construction Fund	25,186	25,186	-	-
Total other financing sources (uses)	3,313,361	3,313,361	-	95,953
Net change in fund balance	2,607,422	2,612,443	5,021	(904,529)
Fund balance, beginning	445,844	445,844	-	1,350,373
Fund balance, ending	\$ 3,053,266	\$ 3,058,287	\$ 5,021	\$ 445,844

CITY OF YOUNGSVILLE, LOUISIANA
 Capital Projects Fund
 Recreational Facility Construction Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
 Budget (GAAP Basis) and Actual
 For the Year Ended June 30, 2018
 With Comparative Amounts for the Year Ended June 30, 2017

	2018		Variance with Final Budget Positive (Negative)	2017 Actual
	Budget	Actual		
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Other financing uses:				
Transfer to Recreational Facilities Sales Tax Fund	(137,866)	(137,866)	-	-
Transfer to Street Improvement Capital Project Fund	(25,186)	(25,186)	-	-
Transfer to Sports Complex Fund	-	-	-	(178,015)
Total other financing uses	(163,052)	(163,052)	-	(178,015)
Net change in fund balance	(163,052)	(163,052)	-	(178,015)
Fund balance, beginning	163,052	163,052	-	341,067
Fund balance, ending	\$ -	\$ -	\$ -	\$163,052

CITY OF YOUNGSVILLE, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
June 30, 2018 and 2017

Records maintained by the City indicated the following number of customers were being served during the months of June 30, 2018 and 2017:

<u>Department</u>	<u>2018</u>	<u>2017</u>
Water (metered)	5,412	5,091
Sewerage	4,329	4,056
Garbage	5,217	4,826

CITY OF YOUNGSVILLE, LOUISIANA

Schedule of Insurance in Force
(Unaudited)
June 30, 2018

Description of Coverage	Policy Expiration Date	Coverage Amounts
Workmens' compensation: Employer's liability	01/01/19	\$ 1,000,000
Surety bonds: Position Bond	06/27/19	617,662
Automobile liability	05/01/19	1,000,000
Buildings, contents and machinery: Property coverage / wind and hail damage	05/19/19	500,250
Law enforcement officer's liability	05/01/19	500,000
General liability	05/01/19	1,000,000
Equipment	05/01/19	939,379
Sports complex:		
Property coverage	05/12/19	14,842,443
General liability (occurrence / aggregate)	05/12/19	1,000,000
Liquor Liability	05/12/19	1,000,000
Excess liability	05/12/19	1,000,000
Special Risk - Recreational Program	03/28/19	100,000
Automobile liability		
Hired Auto Liability	05/12/19	1,000,000
Non-Owed Auto Liability	05/12/19	1,000,000
Workmens' compensation: Employer's liability	01/01/19	1,000,000

CITY OF YOUNGSVILLE, LOUISIANA

Combined Schedule of Interest-Bearing Deposits
June 30, 2018

	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
General Fund:				
Whitney Bank -				
Interest-bearing deposits	N/A	N/A	variable	<u>294,898</u>
Sales Tax Funds:				
Iberia Bank -				
Interest-bearing deposits	N/A	N/A	variable	570,051
Whitney Bank -				
Interest-bearing deposits				<u>1,628,867</u>
Total Sales Tax Funds				<u>2,198,918</u>
Street Improvements and Construction Capital Projects Fund:				
Farmer's State Bank -				
Certificate of deposit	365 days	03/27/19	0.41%	1,501,550
Certificate of deposit	180 days	09/23/18	0.27%	<u>1,000,703</u>
Total Street Improvements and Construction Capital Projects Fund				<u>2,502,253</u>
Debt Service Fund:				
Iberia Bank -				
Interest-bearing deposits	N/A	N/A	variable	<u>1,285,510</u>
Utility Fund:				
Whitney Bank -				
Interest-bearing deposits	N/A	N/A	variable	157,782
Certificate of deposit	365 days	05/10/19	1.65%	17,078
Certificate of deposit	180 days	11/16/18	1.45%	20,224
Certificate of deposit	365 days	07/06/19	0.80%	27,348
Certificate of deposit	365 days	05/10/19	1.65%	8,864
Certificate of deposit	60 days	08/12/18	0.54%	7,076
Certificate of deposit	365 days	07/06/19	0.80%	9,160
Certificate of deposit	365 days	04/07/19	0.80%	34,425
Community First Bank -				
Certificate of deposit	365 days	11/24/18	0.15%	10,906
Farmers State Bank -				
Certificate of deposit	365 days	01/21/19	0.26%	10,952
Certificate of deposit	365 days	01/21/19	0.26%	10,870
Certificate of deposit	365 days	01/21/19	0.26%	10,785
Certificate of deposit	365 days	10/20/19	0.42%	<u>121,436</u>
Total Utility Fund				<u>446,906</u>
Total all funds				<u>\$ 6,728,485</u>

CITY OF YOUNGSVILLE, LOUISIANA
Enterprise Fund
Utility Fund

Statement of Net Position
June 30, 2018

With Comparative Amounts for the Year Ended June 30, 2017

	2018	2017
ASSETS		
Current assets:		
Cash	\$ 1,269,993	\$ 1,229,150
Receivables:		
Accounts receivable (net)	520,317	498,891
Accrued interest receivable	1,060	349
Due from other funds	173,488	-
Due from other governmental units	-	92,013
Other receivables	711	711
Prepaid items	49,640	47,905
Total current assets	2,015,209	1,869,019
Noncurrent assets:		
Restricted assets -		
Cash	391,344	392,193
Interest-bearing deposits, at cost	446,907	502,973
Capital assets:		
Land and construction in progress	945,493	953,300
Other capital assets, net of accumulated depreciation	22,106,043	21,550,098
Total noncurrent assets	23,889,787	23,398,564
Total assets	25,904,996	25,267,583
LIABILITIES		
Current liabilities:		
Accounts payable	59,484	154,232
Customers' deposits	356,755	375,785
Contracts payable	69,423	78,652
Retainage payable	26,043	132,191
Other liabilities	32,740	17,923
Due to other funds	1,026,800	617,720
Payable from restricted assets -		
Revenue bonds	225,000	288,000
Accrued interest	4,698	7,262
Total current liabilities	1,800,943	1,671,765
Noncurrent liabilities:		
Revenue bonds payable	2,757,000	3,272,000
Total liabilities	4,557,943	4,943,765
NET POSITION		
Net investment in capital assets	20,235,650	19,143,354
Restricted for debt service	215,218	193,333
Unrestricted	896,185	987,131
Total net position	\$ 21,347,053	\$ 20,323,818

CITY OF YOUNGSVILLE, LOUISIANA

Enterprise Fund

Utility Fund

Departmental Statement of Revenues and Expenses

For the Year Ended June 30, 2018

With Comparative Amounts for the Year Ended June 30, 2017

	Totals	
	2018	2017
Operating revenues:		
Customer service charges	\$ 3,901,015	\$ 3,702,642
Miscellaneous	620,229	545,978
Total operating revenues	<u>4,521,244</u>	<u>4,248,620</u>
Operating expenses:		
Salaries	427,612	419,812
Payroll taxes and retirement	51,899	39,570
Group insurance	61,990	37,197
Sewer tests	25,898	20,743
Water purchases	950,033	752,138
Maintenance and repairs	544,461	366,229
Contract labor/ maintenance fees	160,116	125,097
Utilities and telephone	136,652	122,459
Professional fees	142,546	46,979
Engineering fees	185,248	160,380
General insurance	76,230	70,531
Office expense	57,303	21,940
Supplies and parts	230,305	74,899
Garbage collection fees	981,607	855,532
Depreciation	809,215	718,770
Miscellaneous	68,891	66,348
Total operating expenses	<u>4,910,006</u>	<u>3,898,624</u>
Operating income (loss)	<u>(388,762)</u>	<u>349,996</u>
Nonoperating revenues (expenses):		
Ad valorem taxes	422,324	412,118
Interest income	1,812	941
Interest expense	(35,458)	(48,405)
Total nonoperating revenues (expenses)	<u>388,678</u>	<u>364,654</u>
Income (loss) before contributions and transfers	<u>(84)</u>	<u>714,650</u>
Capital contributions	<u>221,940</u>	<u>518,303</u>
Transfers in (out):		
Transfers in	843,559	1,448,644
Transfers out	(42,180)	-
Total transfers in (out)	<u>801,379</u>	<u>1,448,644</u>
Change in net position	1,023,235	2,681,597
Net position, beginning	<u>20,323,818</u>	<u>17,642,221</u>
Net position, ending	<u>\$ 21,347,053</u>	<u>\$ 20,323,818</u>

Water		Sewerage		Sanitation	
2018	2017	2018	2017	2018	2017
\$ 1,922,145	\$ 1,806,466	\$ 904,448	\$ 863,326	\$ 1,074,422	\$ 1,032,850
433,886	382,823	160,657	144,086	25,686	19,069
<u>2,356,031</u>	<u>2,189,289</u>	<u>1,065,105</u>	<u>1,007,412</u>	<u>1,100,108</u>	<u>1,051,919</u>
238,685	275,589	129,292	64,566	59,635	79,657
28,619	26,376	16,386	8,069	6,894	5,125
29,982	18,797	19,772	10,222	12,236	8,178
-	-	25,898	20,743	-	-
950,033	752,138	-	-	-	-
358,257	300,850	186,204	65,379	-	-
27,478	24,377	132,638	100,720	-	-
18,784	22,556	117,868	99,903	-	-
62,763	25,620	58,742	19,953	21,041	1,406
77,978	79,596	107,270	80,784	-	-
49,325	44,082	26,905	26,449	-	-
49,161	21,447	8,142	493	-	-
194,910	53,033	19,183	15,056	16,212	6,810
-	-	-	-	981,607	855,532
403,098	330,695	406,117	388,075	-	-
59,098	60,085	8,804	3,521	989	2,742
<u>2,548,171</u>	<u>2,035,241</u>	<u>1,263,221</u>	<u>903,933</u>	<u>1,098,614</u>	<u>959,450</u>
<u>\$ (192,140)</u>	<u>\$ 154,048</u>	<u>\$ (198,116)</u>	<u>\$ 103,479</u>	<u>\$ 1,494</u>	<u>\$ 92,469</u>

CITY OF YOUNGSVILLE, LOUISIANA
Enterprise Fund
Sports Complex Fund

Statement of Net Position
June 30, 2018

With Comparative Amounts for the Year Ended June 30, 2017

	2018	2017
ASSETS		
Current assets:		
Cash	\$ 67,592	\$ 17,073
Receivables:		
Accounts receivable (net)	79,290	196,607
Due from other funds	208	2,608
Inventory	-	5,790
Prepaid items	88,489	88,756
Total current assets	235,579	310,834
Noncurrent assets:		
Capital assets:		
Land and construction in progress	3,471,000	3,471,000
Other capital assets, net of accumulated depreciation	20,032,277	20,845,370
Total noncurrent assets	23,503,277	24,316,370
Total assets	23,738,856	24,627,204
LIABILITIES		
Current liabilities:		
Accounts payable	115,988	42,322
Other liabilities	34,079	19,024
Due to other funds	389,204	293,146
Unearned revenue	-	24,112
Total current liabilities	539,271	378,604
NET POSITION		
Net investment in capital assets	23,503,277	24,316,370
Unrestricted (deficit)	(303,692)	(67,770)
Total net position	\$ 23,199,585	\$ 24,248,600

CITY OF YOUNGSVILLE, LOUISIANA

Enterprise Fund
Sports Complex Fund

Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2018
With Comparative Amounts for the Year Ended June 30, 2017

	Totals	
	2018	2017
Operating revenues:		
Charges for services -		
Sponsorship fees	\$ 315,081	\$ 305,432
Tournament and league income	322,409	322,006
Concession sales	70,344	77,593
Gate fees	85,979	80,323
Tennis fees	1,932	12,226
Miscellaneous	75,856	69,943
Total operating revenues	<u>871,601</u>	<u>867,523</u>
Operating expenses:		
Salaries	399,158	409,752
Payroll and retirement	55,702	53,914
Group insurance	68,250	58,748
Advertising	26,993	20,041
Auto expense	15,787	25,828
Awards	12,317	8,238
Contract labor	305,171	267,250
Depreciation expense	878,110	837,241
Engineering	-	823
Equipment expense	10,967	6,529
General insurance	123,543	117,246
Professional fees	43,014	19,688
Office supplies and expense	62,207	49,213
Repairs and maintenance	157,864	158,043
Security expense	61,365	34,226
Sponsorship fees	70,506	61,823
Supplies	125,706	121,706
Telephone and utilities	166,548	153,597
Training	449	-
Tournament fees	216,751	203,091
Uniforms	3,197	4,201
Miscellaneous	93,523	33,883
Total operating expenses	<u>2,897,128</u>	<u>2,645,081</u>
Operating loss	<u>(2,025,527)</u>	<u>(1,777,558)</u>
Nonoperating income (expenses):		
Insurance proceeds	-	17,493
Loss on disposal of assets	(3,488)	-
Total nonoperating income (expenses)	<u>(3,488)</u>	<u>17,493</u>
Loss before capital contributions and transfers	(2,029,015)	(1,760,065)
Capital contributions	-	22,931
Transfers in	980,000	994,652
Change in net position	(1,049,015)	(742,482)
Net position, beginning	<u>24,248,600</u>	<u>24,991,082</u>
Net position, ending	<u>\$ 23,199,585</u>	<u>\$ 24,248,600</u>

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

KOLDER, SLAVEN & COMPANY, LLC

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the City of Youngsville, Louisiana (the City) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 14, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan, we identified a certain deficiency in internal control that we consider to be material weaknesses. We consider the deficiency described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2018-001(IC) and 2018-002(IC) to be material weaknesses.

Compliance and Other Matters

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

The City of Youngsville, Louisiana's Response to Findings

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

Purpose of this Report

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 14, 2018

CITY OF YOUNGSVILLE, LOUISIANA

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
For the Year Ended June 30, 2018

Ref. No.	Fiscal Year Finding Initially Occurred	Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
CURRENT YEAR (6/30/18) --						
<u>Internal Control:</u>						
2018-001(IC)	Unknown	Due to the small number of employees, the City of Youngsville did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Ben Burley, City Accountant	N/A
2018-002(IC)	6/30/2017	The City does not have adequate controls over recordation of transactions and monthly reconciliations of account balances. Material adjustments were required in order to adjust balances to correct amounts. The City should implement policies and procedures to reconcile account balances on a timely basis.	Partial	Due to complications with the conversion of accounting software during the fiscal year, the City was unable to reconcile accounts in a timely manner. Management will implement policies and procedures to establish controls over recordation of transactions and monthly reconciliations of account balances.	Ben Burley, City Accountant	Immediately
2018-003(ML)	06/30/18	The City's water and sewer departments experienced operating losses of \$192,140 and \$198,116, respectively. Consideration should be given to increasing rates and/or decreasing expenses in these departments in order to generate a profit.	Yes	Management will evaluate the current water and sewer charges, and will closely monitor the operating expenses in these departments and make necessary changes.	Ben Burley, City Accountant	Immediately

(continued)

CITY OF YOUNGSVILLE, LOUISIANA
 Summary Schedule of Current and Prior Year Audit Findings
 and Management's Corrective Action Plan (Continued)
 For the Year Ended June 30, 2018

Ref. No.	Fiscal Year Finding Initially Occurred	Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
<u>PRIOR YEAR (6/30/17) --</u>						
<u>Internal Control:</u>						
2017-001(IC)	Unknown	Due to the small number of employees, the City of Youngsville did not have adequate segregation of functions within the accounting system.	N/A	No response is considered necessary.	Ashley Sexton, City Treasurer	N/A
2017-002(IC)	6/30/2017	The City does not have adequate controls over recordation of transactions and monthly reconciliations of account balances. Material adjustments were required in order to adjust balances to correct amounts. The City should implement policies and procedures to reconcile account balances on a timely basis.	Partial	Due to complications with the conversion of accounting software during the fiscal year, the City was unable to reconcile accounts in a timely manner. Management will implement policies and procedures to establish controls over recordation of transactions and monthly reconciliations of account balances.	Ashley Sexton, City Treasurer	Immediately

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MANAGEMENT LETTER

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

During our audit of the basic financial statements of the City of Youngsville for the year ended June 30, 2018, we noted the following area in which the efficiency and effectiveness of the operations of the City could be improved

The City's water and sewer departments experienced operating losses of \$192,140 and \$198,116, respectively. Consideration should be given to increasing rates and/or decreasing expenses in these departments in order to generate a profit.

We would like to express our appreciation to you and your staff, particularly your office staff, for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need assistance please feel free to contact us.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 14, 2018

CITY OF YOUNGSVILLE

Youngsville, Louisiana

Agreed-Upon Procedures Report

Year Ended June 30, 2018

KOLDER, SLAVEN & COMPANY, LLC

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures enumerated below, which were agreed to by the City of Youngsville (City) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2017 through June 30, 2018. The entity's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures and associated findings are as follows:

Written Policies and Procedures

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

- g) ***Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases)
- h) ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers
- i) ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees, including elected officials, annually attest through signature verification that they have read the entity's ethics policy
- j) ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements

Board or Finance Committee

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

Bank Reconciliations

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

Collections

4. We obtained a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. We randomly selected 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, we obtained a listing of collection locations and management's representation that the listing is complete. We randomly selected one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtained and inspected written policies and procedures relating to employee job duties (if no written policies or procedures, inquired of employees about their job duties) at each collection location, and observed that job duties are properly segregated at each collection location such that:
 - a) Employees that are responsible for cash collections do not share cash drawers/registers.
 - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
 - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
 - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. We inquired of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. We randomly selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (selected the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly selected a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtained supporting documentation for each of the 10 deposits and:
 - a) We observed that receipts are sequentially pre-numbered.
 - b) We traced sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - c) We traced the deposit slip total to the actual deposit per the bank statement.
 - d) We observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
 - e) We traced the actual deposit per the bank statement to the general ledger.

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

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

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

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

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

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

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

14. We obtained from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. We randomly selected 5 reimbursements, obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, we agreed the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, we observed that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) We observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, we observed that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
 - d) We observed that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Contracts

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

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
 - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
 - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
 - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Payroll and Personnel

16. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees/officials, obtained related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
17. We randomly selected one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, we obtained attendance records and leave documentation for the pay period, and:
- a) Observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

- b) Observed that supervisors approved the attendance and leave of the selected employees/officials.
 - c) Observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
18. We obtained a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. We randomly selected two employees/officials, obtained related documentation of the hours and pay rates used in management's termination payment calculations, agreed the hours to the employee/officials' cumulative leave records, and agreed the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.
19. We obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Ethics

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

Debt Service

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

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.

Other

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

Exceptions:

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

Written Policies and Procedures:

1. The entity does not have written policies and procedures regarding budgeting, purchasing, disbursements, receipts/collections, payroll/personnel, contracting, credit cards, travel, expense reimbursement, ethics or debt service.

Management's response: The entity has verbal policies and procedures and will create their written policies and procedures to include the necessary information.

Bank Reconciliations:

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

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

3. There was no evidence on the bank reconciliations that management is researching reconciling items that have been outstanding for more than 12 months from the statement closing date.

Management's response: The entity will implement a policy to research all reconciling items that have been outstanding for more than 12 months from the statement closing date and to provide evidence on the bank reconciliation that the procedure has been done.

Cash Collections:

4. Of the 10 deposits tested, 3 were not deposited timely.

Management's response: Management will implement a policy to deposit funds on a daily basis.

Credit Cards:

5. Of the five credit card statements tested, two incurred a finance charge and one incurred a late fee charge.

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

6. Of the 11 transactions tested, one was a meal purchase that does not list the individuals participating in the meal.

Management's response: The entity will ascertain that all meal purchases will have all required documentation supporting the individuals participating in the business purpose of the expenditure.

Travel and Expense Reimbursement:

7. Of the five transactions tested, one reimbursement was approved by the person receiving the payment.

Management's response: The entity will ascertain that all travel and expense reimbursements will be approved by someone other than the person receiving the reimbursement.

Ethics:

8. All five employees selected did not sign that they have read the entity's ethics policy during the fiscal year.

Management's response: Upon the completion of a written policy regarding ethics, management will ensure all employees verify annually they have read and agreed to the entity's ethics policy.

Other:

9. The fight fraud sign is not posted on the entities premise nor on their website.

Management's response: Management will post all necessary documentation on their premise and website.

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

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

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
December 14, 2018