

**CITY OF SCOTT, LOUISIANA**

Financial Report

Year Ended June 30, 2025

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## INDEPENDENT AUDITOR'S REPORT

\* A Professional Accounting Corporation

The Honorable Jan-Scott Richard, Mayor,  
and Members of the Board of Aldermen  
City of Scott, Louisiana

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Scott, Louisiana (City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

#### Change in Accounting Principles

As described in Note 24 to the financial statements, in 2025, the City adopted new accounting guidance, GASB Statement No. 100, Accounting Changes and Error Corrections, and GASB Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

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

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

### **Auditor's Responsibilities for the Audit of Financial Statements**

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

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

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

### **Required Supplementary Information**

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

The City 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.

## **Supplementary Information**

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

The prior year comparative information on the comparative statements has been derived from the City of Scott's 2024 financial statements, which were 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 were fairly presented in all material respects in relation to the basic financial statements as a whole.

## **Other Information**

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

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

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2026, on our consideration of the City of Scott, 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 the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
January 30, 2026

**BASIC FINANCIAL STATEMENTS**

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

CITY OF SCOTT, LOUISIANA

Statement of Net Position

June 30, 2025

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ 11,376,296	\$ 1,971,859	\$ 13,348,155
Investments	2,679,713	158,298	2,838,011
Receivables, net	1,114,490	615,851	1,730,341
Due from other governmental units	67,621	85,526	153,147
Prepaid items	115,036	14,587	129,623
Restricted assets:			
Interest-bearing deposits	-	603,761	603,761
Investments	-	158,026	158,026
Capital assets:			
Non-depreciable	6,017,025	3,553,275	9,570,300
Depreciable, net	41,183,471	14,397,880	55,581,351
Total assets	<u>62,553,652</u>	<u>21,559,063</u>	<u>84,112,715</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	1,842,691	53,383	1,896,074
Deferred outflows of resources related to OPEB	516,242	50,611	566,853
Total deferred outflows of resources	<u>2,358,933</u>	<u>103,994</u>	<u>2,462,927</u>
<b>LIABILITIES</b>			
Accounts and other payables	530,031	243,415	773,446
Contracts and retainage payable	54,069	579,666	633,735
Unearned revenue	504,301	74,892	579,193
Customers' deposits payable	-	284,461	284,461
Accrued interest payable	110,152	2,814	112,966
Long-term liabilities:			
Portion due or payable within one year	1,967,468	72,035	2,039,503
Portion due or payable after one year	15,229,959	1,197,086	16,427,045
Other post employment benefits payable	1,451,041	142,259	1,593,300
Net pension liability	5,131,070	179,194	5,310,264
Total liabilities	<u>24,978,091</u>	<u>2,775,822</u>	<u>27,753,913</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions	529,569	8,530	538,099
Deferred inflows of resources related to OPEB	357,580	35,056	392,636
Total deferred inflows of resources	<u>887,149</u>	<u>43,586</u>	<u>930,735</u>
<b>NET POSITION</b>			
Net investment in capital assets	30,014,859	16,102,907	46,117,766
Restricted for sales tax dedications	12,377,508	-	12,377,508
Restricted for debt service	484,812	474,512	959,324
Unrestricted (deficit)	(3,829,834)	2,266,230	(1,563,604)
Total net position	<u>\$ 39,047,345</u>	<u>\$ 18,843,649</u>	<u>\$ 57,890,994</u>

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

CITY OF SCOTT, LOUISIANA  
Statement of Activities  
For the Year Ended June 30, 2025

Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
					Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 1,716,693	\$ 586,168	\$ -	\$ -	\$ (1,130,525)	\$ -	\$ (1,130,525)
Public safety:							
Police	4,347,757	566,437	434,580	-	(3,346,740)	-	(3,346,740)
Fire	1,183,472	-	-	-	(1,183,472)	-	(1,183,472)
Streets	3,597,801	-	7,400	387,143	(3,203,258)	-	(3,203,258)
Culture and tourism	699,179	71,486	-	66,000	(561,693)	-	(561,693)
Interest on long-term debt	623,999	-	-	-	(623,999)	-	(623,999)
Total governmental activities	<u>12,168,901</u>	<u>1,224,091</u>	<u>441,980</u>	<u>453,143</u>	<u>(10,049,687)</u>	<u>-</u>	<u>(10,049,687)</u>
<b>Business-type activities:</b>							
Gas	508,989	595,091	-	-	-	86,102	86,102
Water	1,930,753	2,064,077	34,000	708,809	-	876,133	876,133
Sewer	967,322	997,776	-	378,369	-	408,823	408,823
Garbage	804,010	880,472	-	-	-	76,462	76,462
Total business-type activities	<u>4,211,074</u>	<u>4,537,416</u>	<u>34,000</u>	<u>1,087,178</u>	<u>-</u>	<u>1,447,520</u>	<u>1,447,520</u>
Total	<u>\$ 16,379,975</u>	<u>\$ 5,761,507</u>	<u>\$ 475,980</u>	<u>\$ 1,540,321</u>	<u>(10,049,687)</u>	<u>1,447,520</u>	<u>(8,602,167)</u>
<b>General revenues:</b>							
Taxes -							
Property taxes, levied for general purposes					462,632	-	462,632
Sales and use taxes, levied for general purposes					14,051,238	-	14,051,238
Franchise taxes					709,312	-	709,312
Grants and contributions not restricted to specific programs -							
State sources					10,865	-	10,865
Gain/(loss) on sale of assets					76,227	-	76,227
Non employer pension contribution					174,830	10,434	185,264
Interest and investment earnings					303,603	70,496	374,099
Miscellaneous					151,798	-	151,798
Transfers					<u>1,780,284</u>	<u>(1,780,284)</u>	<u>-</u>
Total general revenues and transfers					<u>17,720,789</u>	<u>(1,699,354)</u>	<u>16,021,435</u>
Change in net position					7,671,102	(251,834)	7,419,268
Net position - June 30, 2024					<u>31,376,243</u>	<u>19,095,483</u>	<u>50,471,726</u>
Net position - June 30, 2025					<u>\$ 39,047,345</u>	<u>\$ 18,843,649</u>	<u>\$ 57,890,994</u>

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

**FUND FINANCIAL STATEMENTS (FFS)**

## **FUND DESCRIPTIONS**

### **General Fund**

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

### **Special Revenue Funds**

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

#### **1968 Sales Tax Fund -**

To account for the receipt and use of the proceeds of a 1% sales and use tax. These taxes are dedicated and used for the purpose of construction, acquiring, extending, improving and/or maintaining sewers and sewerage disposal works, waterworks, drainage facilities, streets and sidewalks, including the purchase of equipment therefore, title to which improvements shall be in the public name, or for any one or more of said purposes. The tax is also subject to funding into bonds of the City in the manner authorized in the Louisiana Revised Statutes.

#### **1984 Sales Tax Fund -**

To account for the receipt and use of the proceeds of a 1% sales and use tax. These taxes are dedicated and used for the purpose of construction, acquiring, extending, improving, operating and/or maintaining public streets and bridges, sewers and sewerage disposal works, recreational facilities and drainage facilities; purchasing and acquiring the necessary land, equipment and furnishings for any of the aforesaid public works, improvements and facilities; providing additional funds to maintain the City's auxiliary police force and volunteer fire department; maintaining the natural gas transmission and distribution system of the City; and funding into bonds for any of these purposes in accordance with the Louisiana Revised Statutes.

#### **Apollo Economic Development District Sales Tax Fund -**

To account for the receipt and use of the proceeds of a 1% sales and use tax levied on the businesses located in the Apollo Economic Development District, State of Louisiana (the "District"). These taxes are dedicated and used for the purpose of financing economic development projects in the District.

#### **2023 Sales Tax Fund -**

To account for the receipt and use of the proceeds of a 1% sales and use tax. These taxes are dedicated and used for the purpose of constructing, improving, maintaining, and operating the City's sewerage system, including the construction of a new treatment plant and the acquisition of equipment therefore, and to help pay for improvement to infrastructure such as roads, drainage, and utility services.

### **Debt Service Fund**

#### **Sales Tax Bonds Fund -**

To accumulate monies for payment of Sales Tax Bonds issued by the City. Debt service is financed from the collection of the City's 1984, 1968, and Apollo Economic Development District sales tax.

### **Enterprise Fund**

#### **Utility Fund -**

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

CITY OF SCOTT, LOUISIANA

Balance Sheet  
Governmental Funds  
June 30, 2025

	General	1968 Sales Tax Special Revenue	1984 Sales Tax Special Revenue	Apollo Economic Development District Sales Tax Special Revenue	2023 Sales Tax Special Revenue	Sales Tax Bonds	Non-major Fund	Total
<b>ASSETS</b>								
Cash and interest-bearing deposits	\$ 1,319,496	\$ 1,495,509	\$ 1,217,514	\$ 2,308,254	\$ 4,393,995	\$ 594,964	\$ 46,564	\$ 11,376,296
Investments	612,082	1,931,080	136,551	-	-	-	-	2,679,713
Receivables:								
Taxes	15,842	315,992	315,992	123,756	315,902	-	23,688	1,111,172
Accrued interest	-	953	953	379	957	-	76	3,318
Due from other governmental units	3,700	63,921	-	-	-	-	-	67,621
Due from other funds	-	-	21,276	21,276	-	-	-	42,552
Prepaid items	111,321	-	3,715	-	-	-	-	115,036
Total assets	<u>\$ 2,062,441</u>	<u>\$ 3,807,455</u>	<u>\$ 1,696,001</u>	<u>\$ 2,453,665</u>	<u>\$ 4,710,854</u>	<u>\$ 594,964</u>	<u>\$ 70,328</u>	<u>\$ 15,395,708</u>
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 200,273	\$ 114,062	\$ 18,298	\$ -	\$ 95,810	\$ -	\$ -	\$ 428,443
Contracts payable	-	54,069	-	-	-	-	-	54,069
Retainage payable	-	-	-	-	-	-	-	-
Accrued liabilities	69,299	3,140	3,328	22,779	2,933	-	109	101,588
Due to other funds	-	-	-	21,276	21,276	-	-	42,552
Unearned revenue	504,301	-	-	-	-	-	-	504,301
Total liabilities	<u>773,873</u>	<u>171,271</u>	<u>21,626</u>	<u>44,055</u>	<u>120,019</u>	<u>-</u>	<u>109</u>	<u>1,130,953</u>
<b>Fund balances -</b>								
Nonspendable (prepaid items)	111,321	-	3,715	-	-	-	-	115,036
Restricted - sales tax dedications	-	3,636,184	1,670,660	2,409,610	4,590,835	-	70,219	12,377,508
Restricted - debt service	-	-	-	-	-	594,964	-	594,964
Unassigned	1,177,247	-	-	-	-	-	-	1,177,247
Total fund balances	<u>1,288,568</u>	<u>3,636,184</u>	<u>1,674,375</u>	<u>2,409,610</u>	<u>4,590,835</u>	<u>594,964</u>	<u>70,219</u>	<u>14,264,755</u>
Total liabilities and fund balances	<u>\$ 2,062,441</u>	<u>\$ 3,807,455</u>	<u>\$ 1,696,001</u>	<u>\$ 2,453,665</u>	<u>\$ 4,710,854</u>	<u>\$ 594,964</u>	<u>\$ 70,328</u>	<u>\$ 15,395,708</u>

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

CITY OF SCOTT, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
June 30, 2025

Total fund balances for governmental funds at June 30, 2025		\$ 14,264,755
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.		
Capital assets, net		47,200,496
Deferred outflows of expenditures are not a use of current resources, and therefore, are not reported in the funds.		
Deferred outflows of resources - pension	\$ 1,842,691	
Deferred outflows of resources - OPEB	<u>516,242</u>	2,358,933
Long-term liabilities at June 30, 2025:		
Bonds payable	(15,830,697)	
Notes payable	(595,758)	
Lease liabilities	(705,113)	
Accrued interest payable	(110,152)	
Compensated absences	(65,859)	
Total OPEB obligation	(1,451,041)	
Net pension liability	<u>(5,131,070)</u>	(23,889,690)
The deferred inflows of contributions are not available resources, and therefore, are not reported in the funds.		
Deferred inflows of resources - pension	(529,569)	
Deferred inflows of resources - OPEB	<u>(357,580)</u>	<u>(887,149)</u>
Total net position of governmental activities at June 30, 2025		<u>\$ 39,047,345</u>

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

CITY OF SCOTT, LOUISIANA  
Statement of Revenues, Expenditures, and Changes in Fund Balances-  
Governmental Funds  
For the Year Ended June 30, 2025

	General	1968 Sales Tax Special Revenue	1984 Sales Tax Special Revenue	Apollo Economic Development District Sales Tax Special Revenue	2023 Sales Tax Special Revenue	Sales Tax Bonds	Non-major Fund	Total
<b>Revenues:</b>								
Taxes	\$ 1,171,944	\$ 4,116,856	\$ 4,116,856	\$ 1,825,172	\$ 3,734,085	\$ -	\$ 258,269	\$ 15,223,182
Licenses and permits	541,927	-	-	44,241	-	-	-	586,168
Intergovernmental	518,845	387,143	-	-	-	-	-	905,988
Fines and forfeits	566,437	-	-	-	-	-	-	566,437
Miscellaneous	179,981	207,325	67,263	51,865	17,771	1,968	714	526,887
Total revenues	<u>2,979,134</u>	<u>4,711,324</u>	<u>4,184,119</u>	<u>1,921,278</u>	<u>3,751,856</u>	<u>1,968</u>	<u>258,983</u>	<u>17,808,662</u>
<b>Expenditures:</b>								
Current -								
General government	1,421,330	59,536	55,491	55,358	20,137	-	1,122	1,612,974
Public safety:								
Police	3,800,097	-	-	-	-	-	-	3,800,097
Fire	-	-	927,055	-	-	-	-	927,055
Streets	1,387,647	561,222	167,657	-	-	-	-	2,116,526
Culture and tourism	646,355	-	-	-	-	-	-	646,355
Capital outlay	621,707	1,264,799	818,135	-	144,343	-	-	2,848,984
Debt service -								
Principal retirement	-	-	565,588	-	-	1,285,000	-	1,850,588
Interest, bond issuance, and agent fees	-	-	43,561	-	-	581,713	-	625,274
Total expenditures	<u>7,877,136</u>	<u>1,885,557</u>	<u>2,577,487</u>	<u>55,358</u>	<u>164,480</u>	<u>1,866,713</u>	<u>1,122</u>	<u>14,427,853</u>
Excess (deficiency) of revenues over expenditures	<u>(4,898,002)</u>	<u>2,825,767</u>	<u>1,606,632</u>	<u>1,865,920</u>	<u>3,587,376</u>	<u>(1,864,745)</u>	<u>257,861</u>	<u>3,380,809</u>
<b>Other financing sources (uses):</b>								
Proceeds from issuance of debt	-	-	755,852	-	-	-	-	755,852
Sale of capital assets	10,257	-	65,970	-	-	-	-	76,227
Transfers in	4,919,733	20,860	80,000	-	-	1,882,304	-	6,902,897
Transfers out	(4,575)	(1,110,777)	(2,440,347)	(745,994)	(474,330)	(48,133)	(298,457)	(5,122,613)
Total other financing sources (uses)	<u>4,925,415</u>	<u>(1,089,917)</u>	<u>(1,538,525)</u>	<u>(745,994)</u>	<u>(474,330)</u>	<u>1,834,171</u>	<u>(298,457)</u>	<u>2,612,363</u>
Net changes in fund balances	27,413	1,735,850	68,107	1,119,926	3,113,046	(30,574)	(40,596)	5,993,172
Fund balances, beginning	<u>1,261,155</u>	<u>1,900,334</u>	<u>1,606,268</u>	<u>1,289,684</u>	<u>1,477,789</u>	<u>625,538</u>	<u>110,815</u>	<u>8,271,583</u>
Fund balances, ending	<u>\$ 1,288,568</u>	<u>\$ 3,636,184</u>	<u>\$ 1,674,375</u>	<u>\$ 2,409,610</u>	<u>\$ 4,590,835</u>	<u>\$ 594,964</u>	<u>\$ 70,219</u>	<u>\$ 14,264,755</u>

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

CITY OF SCOTT, 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, 2025

Total net changes in fund balances at June 30, 2025 per  
statement of revenues, expenditures and changes in fund balances \$ 5,993,172

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	\$ 2,848,984	
Depreciation/amortization expense	<u>(2,146,684)</u>	702,300

Bonds and notes payable proceeds are reported as financing sources  
in the governmental funds and thus contribute to the change in  
fund balance. In the statement of net position, issuing debt increases  
long-term liabilities and does not affect the statement of activities.  
Similarly, repayment of principal is recorded as an expenditure in the  
statement of revenues, expenditures, and changes in fund balances  
whereas the payment reduces the balance of bonds payable  
in the statement of net position.

Proceeds on issuance of long-term debt	(755,852)	
Principal payments	<u>1,850,588</u>	1,094,736

Because some revenues are not considered measurable at year-end,  
they are not considered "available" revenues in the governmental funds.

Non-employer pension contributions		174,830
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Some expenses reported in the statement of activities do not require the  
use of current financial resources and, therefore, are not reported as  
expenditures in the governmental funds.

Interest expense	1,275	
Compensated absences	(713)	
OPEB expense	(94,149)	
Pension expense	<u>(200,349)</u>	<u>(293,936)</u>

Total changes in net position for the year ended June 30, 2025  
per statement of activities \$ 7,671,102

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

CITY OF SCOTT, LOUISIANA

Statement of Net Position  
Proprietary Fund  
June 30, 2025

	Utility Fund
	<u>Fund</u>
<b>ASSETS</b>	
Current assets:	
Cash and interest-bearing deposits	\$ 1,971,859
Investments	158,298
Receivables -	
Accounts, net	337,200
Unbilled utility receivables	278,651
Due from other governmental units	85,526
Prepaid items	14,587
Total current assets	<u>2,846,121</u>
Noncurrent assets:	
Restricted assets -	
Interest-bearing deposits	603,761
Investments	158,026
Capital assets -	
Land and construction in progress	3,553,275
Other capital assets, net	<u>14,397,880</u>
Total noncurrent assets	<u>18,712,942</u>
Total assets	<u>21,559,063</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources related to pensions	53,383
Deferred outflows of resources related to net OPEB obligation	<u>50,611</u>
Total deferred outflows of resources	<u>103,994</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	239,034
Contracts payable	544,226
Retainage payable	35,440
Accrued liabilities	4,381
Unearned revenue	74,892
Payable from restricted assets -	
Customers' deposits payable	284,461
Loan payable	34,035
Water revenue bonds payable	38,000
Accrued interest payable	<u>2,814</u>
Total current liabilities	<u>1,257,283</u>
Noncurrent liabilities:	
Compensated absences payable	539
Loan payable	711,684
Water revenue bonds payable	484,863
OPEB obligation payable	142,259
Net pension liability	<u>179,194</u>
Total noncurrent liabilities	<u>1,518,539</u>
Total liabilities	<u>2,775,822</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to pensions	8,530
Deferred inflows of resources related to net OPEB obligation	<u>35,056</u>
Total deferred inflows of resources	<u>43,586</u>
<b>NET POSITION</b>	
Net investment in capital assets	16,102,907
Restricted for debt service	474,512
Unrestricted	<u>2,266,230</u>
Total net position	<u>\$ 18,843,649</u>

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

CITY OF SCOTT, LOUISIANA

Statement of Revenues, Expenses, and Change in Fund Net Position -  
 Proprietary Fund  
 For the Year Ended June 30, 2025

	<u>Utility Fund</u>
Operating revenues:	
Charges for services -	
Gas charges	\$ 516,343
Water service charges	1,919,142
Sewer service charges	965,791
Garbage service charges	859,756
Penalties, permits and connection fees	<u>276,384</u>
Total operating revenues	<u>4,537,416</u>
Operating expenses:	
Salaries	286,239
Retirement expense	42,392
OPEB expense	9,230
Gas and water purchases	1,467,739
Garbage collection fees	804,010
Supplies and repairs	454,300
Utilities and telephone	122,481
Professional fees	61,359
General insurance	77,973
Group health insurance	55,808
Office expense	57,983
Payroll taxes	21,504
Truck expenses	14,198
Training	4,228
Uniforms	3,093
Miscellaneous	4,530
Depreciation expense	<u>638,845</u>
Total operating expenses	<u>4,125,912</u>
Operating income	<u>411,504</u>

(continued)

CITY OF SCOTT, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position  
 Proprietary Fund (Continued)  
 For the Year Ended June 30, 2025

	<u>Utility Fund</u>
Nonoperating revenues (expenses):	
Nonemployer pension contribution	10,434
Interest income	70,496
State grants	34,000
Bond closing costs	(70,756)
Interest expense	(14,406)
Total nonoperating revenues (expenses)	<u>29,768</u>
Income before transfers and capital contributions	<u>441,272</u>
Transfers:	
Transfers in	1,370,387
Transfers out	<u>(3,150,671)</u>
Total transfers	<u>(1,780,284)</u>
Capital contributions	<u>1,087,178</u>
Change in net position	(251,834)
Net position, beginning	<u>19,095,483</u>
Net position, ending	<u>\$18,843,649</u>

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

CITY OF SCOTT, LOUISIANA

Statement of Cash Flows  
 Proprietary Fund  
 For the Year Ended June 30, 2025

	<u>Utility Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$ 4,595,738
Payments to suppliers	(3,093,725)
Payments to employees	<u>(409,429)</u>
Net cash provided by operating activities	<u>1,092,584</u>
Cash flows from noncapital financing activities:	
Transfers from other funds	1,370,387
Transfers to other funds	<u>(3,150,671)</u>
Net cash used by noncapital financing activities	<u>(1,780,284)</u>
Cash flows from capital and related financing activities:	
Payment on water revenue bonds	(37,000)
Interest expense	(15,807)
Proceeds on debt issuance	745,719
Capital grants received	848,890
Payment of bond issuance costs	(70,756)
Acquisition of property, plant, and equipment	<u>(1,522,488)</u>
Net cash used by capital and related financing activities	<u>(51,442)</u>
Cash flows from investing activities:	
Interest on investments	<u>70,496</u>
Net cash provided by investing activities	<u>70,496</u>
Net decrease in cash and cash equivalents	(668,646)
Cash and cash equivalents, beginning of period	<u>1,313,177</u>
Cash and cash equivalents, end of period	<u>\$ 644,531</u>

(continued)

CITY OF SCOTT, LOUISIANA

Statement of Cash Flows  
 Proprietary Fund (Continued)  
 For the Year Ended June 30, 2025

	<u>Utility Fund</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 411,504
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	638,845
Pension and OPEB benefit	14,271
Bad debt expense	24,722
Changes in current assets and liabilities:	
Decrease in accounts receivable	23,507
Increase in unbilled utility receivables	(9,777)
Decrease in prepaid items	990
Decrease in accounts payable	(32,431)
Increase in accrued liabilities	995
Increase in customer deposits	14,379
Increase in unearned revenue	5,491
Increase in compensated absences payable	88
Net cash provided by operating activities	<u>\$1,092,584</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 -	
Interest-bearing deposits - unrestricted	\$2,973,312
Interest-bearing deposits - restricted	216,658
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(1,876,793)</u>
Total cash and cash equivalents, beginning of period	<u>1,313,177</u>
Cash and cash equivalents, end of period -	
Interest-bearing deposits - unrestricted	1,971,859
Interest-bearing deposits - restricted	603,761
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(1,931,089)</u>
Total cash and cash equivalents, end of period	<u>644,531</u>
Net decrease in cash and cash equivalents	<u>\$ (668,646)</u>

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

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the City of Scott (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. 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 Scott was incorporated under the provisions of the Lawrason Act. The City operates under the Mayor-Board of Aldermen form of government.

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

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

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

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

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

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

The 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 to expenditures for specific purposes.

1984 Sales Tax Fund -

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

Apollo Economic Development District Sales Tax Fund -

The Apollo Economic Development District Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax levied on the businesses located in the Apollo Road Economic Development District and is legally restricted to expenditures for economic development projects in the District.

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### 2023 Sales Tax Fund –

The 2023 Sales Tax Fund is used to account for the proceeds of a one percent sales and use tax that is legally restricted for specific purposes.

#### Debt Service Fund –

#### Sales Tax Bonds Fund –

The Sales Tax Bonds Fund is used to accumulate monies for payment of Sales Tax Bonds, Series 2012, Sales Tax Bonds, Series 2020, Sales Tax Bonds, Series 2020A, and Sales Tax Bonds, Series 2023. Debt service is financed from the collection of the City's 1968 and 1984 1% sales taxes and the Apollo Economic Development District sales tax.

#### Proprietary Fund -

#### Enterprise Fund

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 Scott's enterprise fund is the Utility 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.

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

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

#### 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. “Measurable” means the amount of the transactions can be determined and “available” means the amount is collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. All other receivables are considered available and recognized as revenue of the current year 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 fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Program revenues

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

#### Allocation of indirect expenses

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function.

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

##### Cash, interest-bearing deposits, and investments

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the City. Under state law, the City may invest in United States bonds, treasury notes, or certificates. Investments are stated at amortized cost.

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.

##### Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables."

Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes. 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 \$68,909 at June 30, 2025. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. 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:

Buildings and improvements	5 - 40 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 of 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 and interest-bearing deposits of the proprietary fund that are legally restricted as to their use. The restricted assets are related sales tax bond debt service accounts and utility meter deposits.

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Long-term debt

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

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

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

#### 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. All full-time employees are allowed 48 hours of annual sick leave. All unused sick leave may be carried over, with 30 percent of the accumulated balance payable at termination of employment. At June 30, 2025, the City has \$66,398 of noncurrent accumulated leave benefits required to be reported in accordance with GASB Statement No. 101 "Accounting for Compensated Absences".

#### 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.

#### 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.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

- b. Restricted net position – Net position is considered restricted if the use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the City’s debt. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets. Constraints may be placed on the use, either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

The City typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project. At June 30, 2025, the City reported \$13,336,832 of restricted net position, \$12,377,508 of which was restricted by enabling legislation.

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

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

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the City’s Mayor and Board of Aldermen, which is the highest level of decision-making authority for the City. Commitments may be established, modified or rescinded only through ordinances or resolutions approved by the Board of Alderman.
- 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 Board of Aldermen.
- e. Unassigned – all other spendable amounts.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Proprietary (Utility) 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.

F. Revenue Restrictions

The City has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include the sales taxes. The legal restrictions on use of the sales taxes are detailed in Note 3.

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

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

G. Use of Estimates

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

H. Pensions

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

I. Postemployment Benefits Other than Pensions (OPEB)

The total OPEB liability, deferred outflows of resources, and deferred inflows of resources related to OPEB, and OPEB expense has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. In the governmental fund financial statements contributions are recognized as expenditures when due.

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the fiscal year ended June 30, 2025, taxes were levied by the City in July 2024 and were billed to taxpayers by the Assessor in November 2024. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Tax Assessor of Lafayette Parish and are collected by the Sheriff. City property tax revenues are budgeted in the year billed.

For the year ended June 30, 2025, taxes of 4.320 mills were levied on property with assessed valuations totaling \$107,090,795 and were dedicated to general corporate purposes. Total taxes levied were \$462,632. Taxes receivable at June 30, 2025 was \$15,842, which was current.

(3) Sales and Use Tax

Proceeds of a 1% sales and use tax levied by the City of Scott beginning June 22, 1968 (2025 collections \$4,116,856) are dedicated to the following purposes:

Construction, acquiring, extending, improving and/or maintaining sewers and sewerage disposal works, waterworks, drainage facilities, streets and sidewalks, including the purchase of equipment therefore, title to which improvements shall be in the public name, or for any one or more of said purposes. The tax is also subject to funding into bonds of the City in the manner authorized in the Louisiana Revised Statutes.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

Proceeds of a 1% sales and use tax levied by the City of Scott beginning January 1, 2024 in perpetuity (2025 collections \$3,734,085) are dedicated to the following purposes:

Constructing, improving, maintaining, and operating the City's sewerage system, including the construction of a new treatment plant and the acquisition of equipment therefore, and to help pay for improvements to infrastructure such as roads, drainage, and utility services.

Proceeds of a 1% sales and use tax levied by the City of Scott beginning December 1, 2007 on businesses located in the Apollo Road Economic Development District (2025 collections \$1,825,172) are dedicated for financing economic development projects in the District.

Proceeds of a 1% sales and use tax levied by the City of Scott beginning April 1, 1984 (2025 collections \$4,116,856) are dedicated to the following purposes:

Constructing, acquiring, extending, improving, operating and/or maintaining public streets and bridges, sewers and sewerage disposal works, recreational facilities and drainage facilities; purchasing and acquiring the necessary land, equipment and furnishings for any of the aforesaid public works, improvements and facilities; providing additional funds to maintain the City's auxiliary police force and volunteer fire department; maintaining the natural gas transmission and distribution system of the City; and funding into bonds for any of these purposes in accordance with the Louisiana Revised Statutes.

Proceeds of the hotel motel 5 % sales and use tax levied by the City of Scott beginning January 1, 2024, in perpetuity (2025 collections \$258,269) are dedicated to the following purposes:

Constructing, maintaining, and operating a 4-H facility, a multipurpose community center or a park for the purposes of economic development, recreation and tourism within the city.

(4) Cash, Interest-Bearing Deposits and Investments

A. Cash and Interest-bearing Deposits

Under state law, the City may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The City may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2025, the City had cash and interest-bearing deposits (book balances) totaling \$13,951,916 as follows:

Demand and money market accounts	\$ 8,793,855
Time deposits	<u>5,158,061</u>
Total	<u>\$13,951,916</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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, 2025, are secured as follows:

Bank balances	<u>\$ 13,937,077</u>
Federal deposit insurance	\$ 750,000
Pledged securities	<u>13,187,077</u>
Total	<u>\$ 13,937,077</u>

Deposits in the amount of \$13,187,077 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the City's name. Even though the pledged securities are considered uncollateralized, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the City that the fiscal agent has failed to pay deposited funds upon demand. The City does not have a policy for custodial credit risk.

B. Investments

The City participates in the Louisiana Asset Management Pool (LAMP), a local government investment pool. As of June 30, 2025, investments in LAMP amounted to \$2,996,037.

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

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools.

- a. Credit risk: LAMP is rated AAAM by Standard & Poors.
- b. Custodial credit risk: In accordance with GASB Codification Section I50.128, the investment in LAMP is not exposed to custodial credit risk because LAMP participants' investments in the pool are evidenced by shares

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

of the pool and, therefore, not evidenced by securities that exist in physical or book entry form. The City's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.

- c. Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- d. Inherent rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 60 days, and consists of no securities with a maturity in excess of 397 days. The WAM for LAMP's total investments is 55 days as of June 30, 2025.
- e. Foreign currency risk: Not applicable to 2a7-like securities.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. LAMP, Inc. is subject to regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company. The financial report for LAMP may be accessed on its website ([www.lamppool.com](http://www.lamppool.com)).

(5) Due from Other Governmental Units

Amounts due from other governmental units at June 30, 2025 consisted of the following:

Fund financial statements:

Governmental Funds:

State of Louisiana:

Federal grant funds	\$ 63,921
DOTD - for grass cutting services	<u>3,700</u>

Total governmental funds	<u>\$ 67,621</u>
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Proprietary Funds -

State of Louisiana:

Federal grant funds	<u>\$ 85,526</u>
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Government-wide financial statements:

Total amount reported in -

Governmental Funds, from above	\$ 67,621
Proprietary Funds, from above	<u>85,526</u>

Total amounts due from other governments	<u>\$ 153,147</u>
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CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(6) Receivables

Receivables at June 30, 2025 of \$1,730,341 consist of the following:

	Governmental Activities	Business-type Activities	Total
Accounts, net	\$ -	\$ 337,200	\$ 337,200
Unbilled utility	-	278,651	278,651
Taxes:			
Ad valorem	15,842	-	15,842
Sales tax	1,095,330	-	1,095,330
Interest	3,318	-	3,318
Totals	<u>\$ 1,114,490</u>	<u>\$ 615,851</u>	<u>\$ 1,730,341</u>

(7) Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance 06/30/24	Additions	Deletions	Balance 06/30/25
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 3,368,859	\$ 177,856	\$ -	\$ 3,546,715
Construction in progress	1,381,686	1,391,919	303,295	2,470,310
Other capital assets:				
Buildings and improvements	7,995,629	204,253	-	8,199,882
Infrastructure	6,090,462	296,244	243,593	6,143,113
Equipment, furniture and fixtures	50,627,097	326,155	-	50,953,252
Totals	<u>69,463,733</u>	<u>2,396,427</u>	<u>546,888</u>	<u>71,313,272</u>
Less; accumulated depreciation				
Buildings and improvements	2,931,391	218,689	-	3,150,080
Infrastructure	4,005,603	648,984	-	4,654,587
Equipment, furniture and fixtures	16,028,543	1,210,576	243,593	16,995,526
Total accumulated depreciation	<u>22,965,537</u>	<u>2,078,249</u>	<u>243,593</u>	<u>24,800,193</u>
Total capital assets being depreciated, net	<u>46,498,196</u>	<u>318,178</u>	<u>303,295</u>	<u>46,513,079</u>
Leased assets	-	755,852	-	755,852
Less: accumulated amortization	-	68,435	-	68,435
Leased assets being amortized, net	<u>-</u>	<u>687,417</u>	<u>-</u>	<u>687,417</u>
Governmental activities, capital assets, net	<u>\$ 46,498,196</u>	<u>\$ 1,005,595</u>	<u>\$ 303,295</u>	<u>\$ 47,200,496</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

	Balance 06/30/24	Additions	Deletions	Balance 06/30/25
<b>Business-type activities:</b>				
<b>Capital assets not being depreciated:</b>				
Land - sewer system	\$ 50,420	\$ -	\$ -	\$ 50,420
Construction in progress - water and sewer systems projects	1,730,196	1,772,659	-	3,502,855
<b>Other capital assets:</b>				
Gas system	1,198,861	-	-	1,198,861
Water system	8,306,230	-	-	8,306,230
Sewer system	16,047,419	28,967	-	16,076,386
Machinery and equipment	1,009,583	125,601	-	1,135,184
<b>Totals</b>	<u>28,342,709</u>	<u>1,927,227</u>	<u>-</u>	<u>30,269,936</u>
<b>Less accumulated depreciation</b>				
Gas system	988,027	8,394	-	996,421
Water system	3,923,425	227,193	-	4,150,618
Sewer system	6,199,246	347,855	-	6,547,101
Machinery and equipment	569,238	55,403	-	624,641
<b>Total accumulated depreciation</b>	<u>11,679,936</u>	<u>638,845</u>	<u>-</u>	<u>12,318,781</u>
<b>Business-type activities, capital assets, net</b>	<u>\$ 16,662,773</u>	<u>\$ 1,288,382</u>	<u>\$ -</u>	<u>\$ 17,951,155</u>

Depreciation and amortization expense was charged to governmental activities as follows:

General government	\$ 100,657
Police	323,803
Fire	200,613
Streets	1,468,787
Culture and recreation	52,824
<b>Total depreciation expense</b>	<u>\$ 2,146,684</u>

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

Gas	\$ 8,394
Water	227,193
Sewer	403,258
<b>Total depreciation expense</b>	<u>\$ 638,845</u>

(8) Restricted Assets

Restricted assets in the proprietary fund at June 30, 2025 consisted of debt service, reserve, and depreciation and contingencies funds of \$477,326 and amounts owed to customers for utility deposits in the amount of \$284,461.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(9) Accounts and Other Payables

The accounts and other payables of \$773,446 consisted of the following at June 30, 2025:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ 428,443	\$ 239,034	\$ 667,477
Accrued liabilities	101,588	4,381	105,969
Totals	<u>\$ 530,031</u>	<u>\$ 243,415</u>	<u>\$ 773,446</u>

(10) Unearned Revenue

Unearned revenue at June 30, 2025 consists of the following:

Governmental activities:

Governmental funds -

Unspent grant proceeds received through local sources	\$ 500,000
Amount received from unsettled police narcotics cases as of June 30, 2025	<u>4,301</u>
Total governmental activities	<u>504,301</u>

Business-type activities: Utility Fund -

Amount billed in June 2025 for garbage service revenues for July 2025	<u>74,892</u>
Total unearned revenue	<u>\$ 579,193</u>

(11) Changes in Long-Term Liabilities

Governmental Activities:

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

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

Business-type Activities:

The City has borrowed proceeds from a revenue bond issued by the Louisiana Department of Health to finance costs of constructing and acquiring improvements and replacements to the water system of the City. The City has fully drawn down the bond as of June 30, 2025.

The City has borrowed proceeds from a revenue bond issued by the Louisiana Department of Environmental Quality to finance the costs of constructing and acquiring improvements and replacements to the sewer system of the City. The City is currently in the process of drawing down the bond, which has a remaining balance to be drawn of \$7,254,280.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

Long-term debt payable at June 30, 2025 is comprised of the following:

	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
<b>Direct borrowing general obligation bonds</b>					
Series 2012	2012	2032	2.5%-4.1%	\$ 4,775,000	\$ 530,000
Series 2020	2020	2040	2.77%	8,020,000	430,000
Series 2020A	2020	2040	3.45%	1,605,000	85,000
Series 2023	2023	2033	3.91%	1,430,697	274,000
Total bond indebtedness				15,830,697	1,319,000
<b>Direct borrowing notes payable</b>					
Notes payable to a bank	2022	2027	4.5%	73,207	48,335
Notes payable to a bank	2023	2027	5.00%	71,196	22,551
Notes payable to a bank	2022	2025	2.28%	201,355	201,355
Notes payable to creditor	2021	2025	0.00%	250,000	250,000
Total notes payable				595,758	522,241
<b>Other liabilities</b>					
Leases				705,113	126,227
Compensated absences				65,859	-
Total long-term liabilities - governmental activities				\$ 17,197,427	\$ 1,967,468
	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Interest Rates</u>	<u>Balance Outstanding</u>	<u>Due Within One Year</u>
<b>Business-type activities:</b>					
<b>Direct borrowing revenue bonds</b>					
Series 2016	2016	2036	1.95%	\$ 522,863	\$ 38,000
<b>Direct borrowing loans payable</b>					
DEQ loan, Series 2024	2024	2045	0.95%	745,719	34,035
<b>Other liabilities</b>					
Compensated absences				539	-
Total long-term liabilities - business-type activities				\$ 1,269,121	\$ 72,035

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

The following is a summary of long-term liabilities transactions of the City for the year ended June 30, 2025:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
<b>Direct borrowing general obligation bonds</b>				
Series 2012	\$ 5,290,000	\$ -	\$ 515,000	\$ 4,775,000
Series 2020	8,440,000	-	420,000	8,020,000
Series 2020A	1,690,000	-	85,000	1,605,000
Series 2023	<u>1,695,697</u>	<u>-</u>	<u>265,000</u>	<u>1,430,697</u>
Total bond indebtedness	17,115,697	-	1,285,000	15,830,697
<b>Direct borrowing notes payable</b>				
Notes payable to a bank	119,741	-	46,534	73,207
Notes payable to a bank	92,642	-	21,446	71,196
Notes payable to a bank	398,224	-	196,869	201,355
Notes payable to creditor	<u>500,000</u>	<u>-</u>	<u>250,000</u>	<u>250,000</u>
Total notes payable	1,110,607	-	514,849	595,758
<b>Other liabilities</b>				
Leases	-	755,852	50,739	705,113
Compensated absences	<u>65,146</u>	<u>3,292</u>	<u>2,579</u>	<u>65,859</u>
<b>Total long-term liabilities - governmental activities</b>	<u>\$ 18,291,450</u>	<u>\$ 759,144</u>	<u>\$ 1,853,167</u>	<u>\$ 17,197,427</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Business-type activities:</b>				
<b>Direct borrowing revenue bonds</b>				
Series 2016	\$ 559,863	\$ -	\$ 37,000	\$ 522,863
<b>Direct borrowing notes payable</b>				
DEQ loan, Series 2024	-	745,719	-	745,719
<b>Other liabilities</b>				
Compensated absences	<u>451</u>	<u>187</u>	<u>99</u>	<u>539</u>
<b>Total long-term liabilities - business-type activities</b>	<u>\$ 560,314</u>	<u>\$ 745,906</u>	<u>\$ 37,099</u>	<u>\$ 1,269,121</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

The annual debt service requirements of all bonds and notes payables are as follows:

Year Ending June 30,	Governmental Activities			
	General Obligation Bonds		Notes Payable	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments
2026	\$ 1,319,000	\$ 264,455	\$ 522,241	\$ 10,988
2027	1,369,000	242,740	48,584	3,082
2028	1,413,000	219,497	24,933	1,284
2029	1,454,000	195,607	-	-
2030	1,499,000	170,551	-	-
2031-2035	5,086,697	928,118	-	-
2036-2040	3,690,000	325,382	-	-
Total	<u>\$ 15,830,697</u>	<u>\$ 2,346,350</u>	<u>\$ 595,758</u>	<u>\$ 15,354</u>

Year Ending June 30,	Business-type Activities			
	Water Revenue Bonds		Notes Payable	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments
2026	\$ 38,000	\$ 12,345	\$ 34,035	\$ 7,457
2027	39,000	11,402	34,353	7,117
2028	40,000	10,434	34,679	6,773
2029	41,000	9,442	35,012	6,427
2030	42,000	8,425	35,346	6,076
2031-2035	225,000	26,014	181,824	25,013
2036-2040	97,863	2,421	190,623	15,747
2041-2045	-	-	199,847	6,033
Total	<u>\$ 522,863</u>	<u>\$ 80,483</u>	<u>\$ 745,719</u>	<u>\$ 80,643</u>

(12) Flow of Funds; Restrictions on Use - Sales Tax and Utility Revenues

Sales Tax Revenues:

Apollo Economic Development District Sales Tax Revenues

Under the terms of the bond indenture on outstanding Public Improvement Sales Tax Bonds, Series 2012, as long as any bonds are outstanding, the City is required to budget annually to maintain sufficient excess annual revenues available for repayment of debt service on bonds. Payment of annual debt service on the bonds shall be a priority and the City must ensure that sufficient excess annual revenues remain available to pay such debt service as and when due. As a result, the City is required to maintain a separate account within the debt service fund that is designated as the "Series 2012 Sinking Fund Account". Each month, there will be set aside into the fund an amount constituting 1/12<sup>th</sup> of the next maturing installment of principal and 1/6<sup>th</sup> of the interest due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments.

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

Pursuant to the general bond ordinance, the City covenants to fix, establish, maintain, and collect revenues so long as any principal and interest is unpaid on the bonds, and to provide excess annual revenues in each fiscal year in an amount equal to at least 130% of the highest annual principal and interest requirements on the bonds issued.

#### 1968 Sales Tax Revenues

Under the terms of the bond indenture on outstanding Public Improvement Sales Tax Bonds, Series 2020 and Series 2020A, the City must ensure that the 1968 Sales Tax Fund has sufficient excess annual revenues available to pay such debt service as and when due. As a result, the City is required to maintain a separate account within the debt service fund that is designated as the "Sales Tax Bond Sinking Fund 2020". Each month, there will be set aside into the fund an amount constituting 1/12<sup>th</sup> of the next maturing installment of principal and 1/6<sup>th</sup> of the interest due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments.

Pursuant to the Bond Ordinance, the City's average annual net revenues of the 1968 sales tax for the two preceding fiscal years must be 1.5 times the highest combined principal and interest requirements for any succeeding fiscal year on all bonds outstanding.

#### 1984 Sales Tax Revenues

Under the terms of the bond indenture on outstanding sales tax bonds, Series 2023, the City must ensure that the 1984 sales tax fund has sufficient excess revenues to pay debt service as and when due. As a result, the City is required to maintain a separate account within the debt service fund that is designated as the "1984 Sales Tax Sinking Fund". Each month, there will be set aside into the fund an amount constituting 1/12<sup>th</sup> of the next maturing installment of principal and 1/6<sup>th</sup> of the interest due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments.

#### Utility Revenues:

##### Water Utility Revenues

Under the terms of the general bond ordinance on outstanding Taxable Water Revenue Bonds, Series 2016, as long as any bonds are outstanding, the City is required to budget annually to maintain sufficient excess annual revenues available for repayment of debt service on bonds. Payment of annual debt service on the bonds shall be a priority and the City must ensure that sufficient excess annual revenues remain available to pay such debt service as and when due. As a result, the City is required to maintain a separate account within the Utility Fund that is designated as the "Water Revenue Bond Debt Service Fund". Each month, there will be set aside into the fund an amount constituting 1/12<sup>th</sup> of the next maturing installment of principal and 1/6<sup>th</sup> of the interest (and any administrative fee) due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments. The City is also required to maintain a "Water Revenue Bond Debt Service Reserve Fund" and a "Depreciation and Contingencies Fund" for additional transfers to be made solely for the purpose of paying the principal, interest, and administrative fees on the outstanding bonds payable and to fund extensions, additions, improvements, renewals and replacements necessary to operate the system. The deposits into the Contingencies Fund may cease once the sum of \$50,000 has been accumulated.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

Pursuant to the general bond ordinance, the City covenants to fix, establish, maintain and collect revenues so long as any principal and interest is unpaid on the bonds, and to provide excess annual revenues in each fiscal year in an amount equal to at least 1.20 times the highest combined annual principal and interest requirements on the bonds issued.

Sewer Utility Revenues

Under the terms of the general bond ordinance on outstanding Taxable Sewer Revenue Bonds, Series 2024, as long as any bonds are outstanding, the City is required to budget annually to maintain sufficient excess annual revenues available for repayment of debt service on bonds. Payment of annual debt service on the bonds shall be a priority and the City must ensure that sufficient excess annual revenues remain available to pay such debt service as and when due. As a result, the City is required to maintain a separate account within the Utility Fund that is designated as the “Sewer Revenue Bond Sinking Fund”. Each month, there will be set aside into the fund an amount constituting 1/12<sup>th</sup> of the next maturing installment of principal and 1/6<sup>th</sup> of the interest (and any administrative fee) due on the next interest payment date. Such transfers shall be fully sufficient to assure the prompt payment of the principal and interest installments as they become due and may be used only for such payments. The City is also required to maintain a “Sewer Revenue Bond Debt Service Reserve Fund” in which one half of the maximum principal and interest as of any date of calculation for any succeeding years on the bond must be retained. Additionally, the City is required to maintain “Depreciation and Contingencies Fund” for additional transfers to be made solely for the purpose of paying the principal, interest, and administrative fees on the outstanding bonds payable and to fund extensions, additions, improvements, renewals and replacements necessary to operate the system. The deposits into the Contingencies Fund may cease once the sum of \$80,000 has been accumulated.

Pursuant to the general bond ordinance, the City covenants to fix, establish, maintain and collect revenues so long as any principal and interest is unpaid on the bonds, and to provide excess annual revenues in each fiscal year in an amount equal to at least 1.25 times the highest combined annual principal and interest requirements on the bonds issued.

The City of Scott was in compliance with all significant limitations and restrictions in the various bond indentures and ordinances as of June 30, 2025.

(13) Post Employment Health Care and Life Insurance Benefits

Plan description – The City of Scott (the City) provides certain continuing health care and life insurance benefits for its retired employees. The City’s OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the City. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the City. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB) Codification Section P52 *Postemployment Benefits Other Than Pensions—Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria—Defined Benefit*.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Benefits Provided** – Benefits are provided through comprehensive plans and are made available to employees upon actual retirement. The employees are covered by one of three retirement systems: first, the Municipal Employees’ Retirement System of Louisiana, whose retirement eligibility (D.R.O.P entry) provisions are as follows: 25 years of services at any age; or age 60 and 10 years of service; second, the Firefighters’ Retirement System of Louisiana, and third, the Municipal Police Retirement System of Louisiana. Both the Fire and Police systems have retirement eligibility (D.R.O.P.) provisions as follows: 25 years of service at any age; age 50 and 20 years of service; or age 55 and 12 years of service. For each system, employees hired on and after January 1, 2013, must meet the following retirement (D.R.O.P.) entry requirements: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

Employees covered by benefit terms – At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	11
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>56</u>
Total	<u>67</u>

**Total OPEB Liability**

The City’s total OPEB liability of \$1,593,300 was measured as of June 30, 2025 and was determined by an actuarial valuation as of that date.

**Actuarial Assumptions and other inputs** – The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.0%
Salary increases	3.0%, including inflation
Discount rate	3.93% annually beginning of the year, 5.20% annually end of year
Healthcare cost trend rates	Getzen model, initial trend of 5.5%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2025, the end of the applicable measurement period.

Mortality rates were based on the Pub-2010/2021 Table.

The actuarial assumptions used in the June 30, 2025 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2025.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Changes in the Total OPEB Liability**

OPEB liability at June 30, 2024	\$ 1,748,342
Changes for the year:	
Service Cost	43,434
Interest	69,563
Differences between expected and actual experience	55,107
Changes of assumptions	(268,793)
Benefit payments and net transfers	<u>(54,353)</u>
Net changes	<u>(155,042)</u>
OPEB liability at June 30, 2025	<u>\$ 1,593,300</u>

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.20%) or 1-percentage-point higher (6.20%) than the current discount rate:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB liability	<u>\$ 1,813,912</u>	<u>\$ 1,593,300</u>	<u>\$ 1,412,298</u>

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1% Decrease (4.5%)	Current Trend (5.5%)	1% Increase (6.5%)
Total OPEB liability	<u>\$ 1,404,494</u>	<u>\$ 1,593,300</u>	<u>\$ 1,824,516</u>

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

For the year ended June 30, 2025, the City recognized OPEB expense of \$157,732. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 490,957	\$ 35,205
Changes in assumptions	<u>75,896</u>	<u>357,431</u>
Total	<u>\$ 566,853</u>	<u>\$ 392,636</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Year Ended June 30	
2026	\$ 44,735
2027	18,833
2028	(3,785)
2029	(3,785)
2030	(3,785)
Thereafter	<u>122,004</u>
Total	<u>\$ 174,217</u>

(14) Pension Plans

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

**Plan Descriptions:**

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

State of Louisiana - Municipal Police Employees' Retirement System (MPERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2211 and 11:2220.

State of Louisiana - Firefighters' Retirement System (FRS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:2251-2254 and 11:2256.

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

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

	MERS	MPERS	FRS
Final average salary	Highest 60 months	Highest 36 months or 60 months <sup>2</sup>	Highest 60 months
Years of service required and/or age eligible for benefits	30 years of any age 10 years age 60	25 years of any age 20 years age 55 12 years age 55 20 years any age <sup>1</sup> 30 years any age <sup>3</sup> 25 years age 55 <sup>3</sup> 10 years age 60 <sup>3</sup>	30 years of any age 10 years age 60
Benefit percent per years of service	3.00%	2.50 - 3.33% <sup>4</sup>	3.0 % - 3.33%

<sup>1</sup> With actuarial reduced benefits

<sup>2</sup> Membership commencing January 1, 2013

<sup>3</sup> Under non hazardous duty sub plan commencing January 1, 2013

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

**Contributions**

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee.

Contributions of employees, employers, and non-employer contributing entities effective for the year ended June 30, 2025 for the defined benefit pension plans in which the City is a participating employer were as follows:

Plan	Active Member Contribution Percentage	Employer Contribution Percentage	Nonemployer Contributing Entities	Government Contributions
MERS	5.00%	14.00%	\$ 49,687	\$ 178,570
MPERS	10.00%	35.600%	119,763	600,403
FRS	10.00%	33.25%	15,814	45,709

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Net Pension Liability**

The City's net pension liability at June 30, 2025 is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing plans in which the City is a participating employer. The City's net pension liability for each plan was measured as of the plan's measurement date (June 30, 2024 for all plans) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability for each of the plans in which it participates was based on the City's required contributions in proportion to total required contributions for all employers. As of the most recent measurement date, the City's proportion for each plan and the change in proportion from the prior measurement date were as follows:

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
MERS	\$ 853,307	1.406303%	0.082024%
MPERS	4,171,404	0.460422%	0.065301%
FRS	<u>285,553</u>	0.050715%	0.008280%
Total	<u>\$5,310,264</u>		

Since the measurement date of the net pension liability was June 30, 2024, the net pension liability is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the City's net pension liability is available in the separately issued plan financial reports for those fiscal years.

The financial report for each plan may be accessed on their website as follows:

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

**Cost of Living Adjustments**

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

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

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Actuarial Assumptions**

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

	MERS	MPERS	FRS
Date of experience study on which significant assumptions are based	7/1/2018 - 6/30/2023	7/1/2014 - 6/30/2019	7/1/2014 - 6/30/2019
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Investment rate of return	6.85%, net of investment expense	6.75%, net of investment expense	6.90%, net of investment expense
Expected remaining service	3	4	7
Inflation rate	2.5%	2.5%	2.5%
Projected salary increases	4.6% - 9.5%	4.7% - 12.3%	5.20% - 14.10%
Projected benefit changes including COLAs	None	None	None
Source of mortality	(1), (2), (3)	(4), (5), (6)	(4), (5), (6)

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

**Discount Rate**

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net positions was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability for MERS was 6.85%, which was no change from the prior valuation. The discount rate used to measure the total pension liability for MPERS was 6.75%, which was no change from the prior valuation. The discount rate used to measure the total pension liability for FRS was 6.90% which was no change from the prior year.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

**Long-term Rate of Return**

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

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

Asset Class	MERS		MPERS		FRS	
	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	29%	1.26%	34.0%	1.07%	30%	2.62%
Public Equity	56%	2.44%	52.0%	3.14%	54%	6.82%
Alternative Investments	15%	0.65%	14.0%	1.03%	16%	6.86%
Totals	<u>100%</u>	<u>4.35%</u>	<u>100%</u>	5.24%	<u>100%</u>	16.30%
Inflation		<u>2.50%</u>		<u>2.62%</u>		<u>2.50%</u>
Expected nominal return		<u>6.85%</u>		<u>7.86%</u>		<u>18.80%</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, 2025, the City recognized \$164,065, \$771,949 and \$94,058 in pension expense related to the MERS, MPERS and FRS defined benefit plans, respectively.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			
	MERS	MPERS	FRS	Total
Difference between expected and actual experience	\$ 8,102	\$ 225,851	\$ 21,439	\$ 255,392
Net difference between projected earnings and actual investment earnings	-	115,962	2,888	118,850
Changes of assumptions	30,712	-	12,213	42,925
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	37,545	477,898	138,782	654,225
Contributions subsequent to the measurement date	<u>178,570</u>	<u>600,403</u>	<u>45,709</u>	<u>824,682</u>
Total	<u>\$ 254,929</u>	<u>\$ 1,420,114</u>	<u>\$ 221,031</u>	<u>\$ 1,896,074</u>

	Deferred Inflows of Resources			
	MERS	MPERS	FRS	Total
Difference between expected and actual experience	\$ 6,978	\$ 126,186	\$ 6,791	\$ 139,955
Changes in proportions	31,764	-	-	31,764
Change in assumptions	<u>1,878</u>	<u>356,950</u>	<u>7,552</u>	<u>366,380</u>
Total	<u>\$ 40,620</u>	<u>\$ 483,136</u>	<u>\$ 14,343</u>	<u>\$ 538,099</u>

Deferred outflows of resources of \$824,682 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending June 30, 2025.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Year Ended	MERS	MPERS	FRS	Total
June 30				
2026	\$ 4,652	\$ 43,076	\$ 42,209	\$ 89,937
2027	75,795	368,955	76,779	521,529
2028	(25,453)	(2,359)	20,207	(7,605)
2029	(19,255)	(73,097)	5,077	(87,275)
2030	-	-	8,319	8,319
2031	-	-	8,388	8,388
Total	<u>\$ 35,739</u>	<u>\$ 336,575</u>	<u>\$ 160,979</u>	<u>\$ 533,293</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

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

Plan	Current Discount Rate	Net Pension Liability		
		1% Decrease	Current Discount Rate	1% Increase
MERS	6.85%	\$ 1,324,990	\$ 853,307	\$ 454,658
MPERS	6.75%	6,196,518	4,171,404	2,480,828
FRS	6.90%	474,078	285,553	128,305
Total		<u>\$ 7,995,586</u>	<u>\$ 5,310,264</u>	<u>\$ 3,063,791</u>

**Payables to the Pension Plans**

At June 30, 2025, the City's payables MERS, MPERS and FRS were \$18,812, \$56,922 and \$4,012, respectively, which were the contractually required contributions payable for the month of June 2025.

(15) Leases

The City has entered into lease agreements involving various vehicles with lease terms from July 2024 through May 2030 with incremental borrowing rates between 6.12%-8.27%. The terms and conditions of the leases do not contain variable payments, residual value guarantees, or any other special provisions. The of the City's leased assets are recorded at a cost of \$755,852, less accumulated amortization of \$68,435.

The future lease payments under these agreements are as follows:

Year Ending June 30,	Governmental Activities		
	Principal Payments	Interest Payments	Total
2026	\$ 126,227	\$ 50,552	\$ 176,779
2027	136,517	40,262	176,779
2028	147,652	29,127	176,779
2029	159,703	17,076	176,779
2030	135,014	3,558	138,572
Total	<u>\$ 705,113</u>	<u>\$ 140,575</u>	<u>\$ 845,688</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(16) On-Behalf Payment of Salaries

During the year ended June 30, 2025, the City recognized \$18,555 as a revenue and expenditure for on-behalf salary payments received from the State of Louisiana.

(17) Utility Fund Contracts

A. The City, under contract dated October 1, 1991, is required to purchase its natural gas from Louisiana Municipal Natural Gas Purchasing and Distribution Authority. Termination of the contract requires a six-month notice. The City purchased natural gas during the year ended June 30, 2025 in the amount of \$148,867, of which \$9,610 was owed for purchases for the month of June 2025.

B. The City, under a contract dated June 1, 1997, is required to purchase its water from the City of Lafayette. The City purchased water during the fiscal year ended June 30, 2025 in the amount of \$1,318,872, of which \$134,809 was owed for purchases for the month of June 2025.

(18) Compensation of City Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended June 30, 2025 follows:

Jan-Scott Richard, Mayor	\$ 97,348
Aldermen:	
Mark Moreau	20,003
Doyle Boudreaux	14,288
Lee Domingue	14,288
Terry Montoucet	14,288
Blaine Roy	14,288
Total	<u>\$ 174,503</u>

(19) Risk Management

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

(20) Net Position

Net position is presented as net investment in capital assets, restricted, and unrestricted on the City's government-wide statement of net position. The City's net position is affected by transactions that resulted in the recognition of deferred outflow of resources and deferred inflow of resources, and the difference between the deferred outflow of resources and deferred inflow of resources and the balance of the related asset or liability is significant.

As discussed in Notes 13 and 14, the City's recognition of net pension liability and OPEB obligations in accordance with GASBS Nos. 68 and 75, respectively, significantly affected the City's unrestricted component of net position as of June 30, 2025.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

The schedule of compensation, benefits, and other payments to Jan-Scott Richard, Mayor, for the year ended June 30, 2025 follows:

Salary	\$ 97,348
Benefits - insurance	7,397
Benefits - retirement	15,089
Car allowance	9,600
Auto expense	5,977
Registration fees	1,550
Conference travel	4,095
Phone	900
Other	103
Total	<u>\$ 142,059</u>

(22) Interfund Transactions

A. Interfund loans consisted of the following for the year ended June 30, 2025:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major funds:		
Governmental funds -		
1984 Sales Tax Special Revenue Fund	\$ 21,276	\$ -
Apollo EDD Sales Tax Special Revenue Fund	21,276	21,276
2023 Sales Tax Special Revenue Fund	-	21,276
Total	<u>\$ 42,552</u>	<u>\$ 42,552</u>

B. Interfund transfers consisted of the following for the year ended June 30, 2025:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
Governmental funds -		
General Fund	\$ 4,919,733	\$ 4,575
1968 Sales Tax Special Revenue Fund	20,860	1,110,777
1984 Sales Tax Special Revenue Fund	80,000	2,440,347
Apollo EDD Sales Tax Special Revenue Fund	-	745,994
Sales Tax Bonds Fund	1,882,304	48,133
2023 Sales Tax Special Revenue Fund	-	474,330
Proprietary Fund -		
Enterprise Fund	1,370,387	3,150,671
Non-major funds:		
Hotel/Motel Sales Tax Special Revenue Fund	-	298,457
Total	<u>\$ 8,273,284</u>	<u>\$ 8,273,284</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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.

(23) Litigation and Claims

At June 30, 2025, the City is 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 to the City in excess of insurance coverage.

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The City's management believes that any liability for reimbursement which may arise as the result of these audits would not be material to the financial statements.

(24) Adoption of New Accounting Guidance

As of July 1, 2024, the City adopted the requirements of Governmental Accounting Standards Board (GASB) Statement No. 100, Accounting Changes and Error Corrections. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

During the fiscal year, the City also adopted the requirements of Governmental Accounting Standards Board (GASB) Statement No. 101, Compensated Absences. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. The implementation of this standard had no material effect on the City's financial statements for the year ended June 30, 2025.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

CITY OF SCOTT, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 1,109,625	\$ 1,167,592	\$1,171,944	\$ 4,352
Licenses and permits	669,700	574,942	541,927	(33,015)
Intergovernmental	1,041,779	533,475	518,845	(14,630)
Fines and forfeits	425,000	566,754	566,437	(317)
Miscellaneous	294,400	168,108	179,981	11,873
Total revenues	<u>3,540,504</u>	<u>3,010,871</u>	<u>2,979,134</u>	<u>(31,737)</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government	1,547,539	1,436,895	1,421,330	15,565
Public safety -				
Police	4,002,048	3,851,668	3,800,097	51,571
Streets	1,381,242	1,314,928	1,387,647	(72,719)
Culture and tourism	677,278	633,183	646,355	(13,172)
Capital outlay	2,224,400	513,669	621,707	(108,038)
Total expenditures	<u>9,832,507</u>	<u>7,750,343</u>	<u>7,877,136</u>	<u>(126,793)</u>
Deficiency of revenues over expenditures	<u>(6,292,003)</u>	<u>(4,739,472)</u>	<u>(4,898,002)</u>	<u>(158,530)</u>
<b>Other financing sources:</b>				
Sale of assets	10,000	7,257	10,257	3,000
Transfers in	6,250,080	5,250,000	4,919,733	(330,267)
Transfers out	-	-	(4,575)	(4,575)
Total other financing sources	<u>6,260,080</u>	<u>5,257,257</u>	<u>4,925,415</u>	<u>(331,842)</u>
Net change in fund balance	(31,923)	517,785	27,413	(490,372)
Fund balance, beginning	<u>805,501</u>	<u>1,261,155</u>	<u>1,261,155</u>	<u>-</u>
Fund balance, ending	<u>\$ 773,578</u>	<u>\$ 1,778,940</u>	<u>\$1,288,568</u>	<u>\$ (490,372)</u>

See notes to required supplementary information.

CITY OF SCOTT, LOUISIANA  
1968 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 4,050,000	\$ 4,098,248	\$ 4,116,856	\$ 18,608
Intergovernmental	7,143,032	402,644	387,143	(15,501)
Miscellaneous -				
Donations	-	140,010	76,688	(63,322)
Miscellaneous	<u>137,500</u>	<u>128,679</u>	<u>130,637</u>	<u>1,958</u>
Total revenues	<u>11,330,532</u>	<u>4,769,581</u>	<u>4,711,324</u>	<u>(58,257)</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government	70,000	58,827	59,536	(709)
Streets	593,500	499,971	561,222	(61,251)
Capital outlay	<u>9,086,090</u>	<u>1,818,194</u>	<u>1,264,799</u>	<u>553,395</u>
Total expenditures	<u>9,749,590</u>	<u>2,376,992</u>	<u>1,885,557</u>	<u>491,435</u>
Excess of revenues over expenditures	<u>1,580,942</u>	<u>2,392,589</u>	<u>2,825,767</u>	<u>433,178</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	20,860	20,860
Transfers out	<u>(1,873,830)</u>	<u>(1,873,830)</u>	<u>(1,110,777)</u>	<u>763,053</u>
Total other financing sources (uses)	<u>(1,873,830)</u>	<u>(1,873,830)</u>	<u>(1,089,917)</u>	<u>783,913</u>
Net change in fund balance	(292,888)	518,759	1,735,850	1,217,091
Fund balance, beginning	<u>3,678,511</u>	<u>1,900,334</u>	<u>1,900,334</u>	<u>-</u>
Fund balance, ending	<u>\$ 3,385,623</u>	<u>\$ 2,419,093</u>	<u>\$ 3,636,184</u>	<u>\$ 1,217,091</u>

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA  
1984 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$4,050,000	\$ 4,098,248	\$ 4,116,856	\$ 18,608
Intergovernmental -				
Local grant	21,600	19,569	-	(19,569)
Miscellaneous -				
Other miscellaneous	60,000	65,972	2,212	(63,760)
Interest	44,225	60,404	65,051	4,647
Total revenues	<u>4,175,825</u>	<u>4,244,193</u>	<u>4,184,119</u>	<u>(60,074)</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government	72,500	62,026	55,491	6,535
Public safety -				
Fire	996,027	947,999	927,055	20,944
Streets	163,400	177,130	167,657	9,473
Debt service	683,821	587,055	609,149	(22,094)
Capital outlay	65,575	705,787	818,135	(112,348)
Total expenditures	<u>1,981,323</u>	<u>2,479,997</u>	<u>2,577,487</u>	<u>(97,490)</u>
Excess (deficiency) of revenues over expenditures	<u>2,194,502</u>	<u>1,764,196</u>	<u>1,606,632</u>	<u>(157,564)</u>
<b>Other financing sources/(uses):</b>				
Proceeds from issuance of long-term debt	1,000,080	649,602	755,852	106,250
Sale of assets	-	-	65,970	65,970
Transfers in	-	-	80,000	80,000
Transfers out	(3,221,534)	(3,221,534)	(2,440,347)	781,187
Total other financing sources (uses)	<u>(2,221,454)</u>	<u>(2,571,932)</u>	<u>(1,538,525)</u>	<u>1,033,407</u>
Net change in fund balance	(26,952)	(807,736)	68,107	875,843
Fund balance, beginning	<u>937,260</u>	<u>1,606,268</u>	<u>1,606,268</u>	<u>-</u>
Fund balance, ending	<u>\$ 910,308</u>	<u>\$ 798,532</u>	<u>\$ 1,674,375</u>	<u>\$ 875,843</u>

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA  
Apollo Economic Development District Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 1,470,000	\$ 1,802,625	\$ 1,825,172	\$ 22,547
Licenses and permits	-	-	44,241	44,241
State grants	350,432	-	-	-
Miscellaneous	42,000	43,057	51,865	8,808
Total revenues	<u>1,862,432</u>	<u>1,845,682</u>	<u>1,921,278</u>	<u>75,596</u>
<b>Expenditures:</b>				
<b>Current -</b>				
General government -				
Collection fees	12,000	10,222	11,117	(895)
Building permits	-	73,185	44,241	28,944
Total general government	12,000	83,407	55,358	28,049
Capital outlay	603,040	-	-	-
Total expenditures	<u>615,040</u>	<u>83,407</u>	<u>55,358</u>	<u>28,049</u>
Excess (deficiency) of revenues over expenditures	<u>1,247,392</u>	<u>1,762,275</u>	<u>1,865,920</u>	<u>103,645</u>
<b>Other financing sources:</b>				
Transfers out	(743,059)	(745,994)	(745,994)	-
Total other financing sources	<u>(743,059)</u>	<u>(745,994)</u>	<u>(745,994)</u>	<u>-</u>
Net change in fund balance	504,333	1,016,281	1,119,926	103,645
Fund balance, beginning	<u>794,215</u>	<u>1,289,684</u>	<u>1,289,684</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,298,548</u>	<u>\$ 2,305,965</u>	<u>\$ 2,409,610</u>	<u>\$ 103,645</u>

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA  
2023 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 3,168,588	\$ 3,712,253	\$ 3,734,085	\$ 21,832
Miscellaneous	10,000	16,212	17,771	1,559
<b>Total revenues</b>	<u>3,178,588</u>	<u>3,728,465</u>	<u>3,751,856</u>	<u>23,391</u>
<b>Expenditures:</b>				
<b>Current -</b>				
<b>General government -</b>				
Collection fees	81,200	18,411	20,137	(1,726)
<b>Total general government</b>	<u>81,200</u>	<u>18,411</u>	<u>20,137</u>	<u>(1,726)</u>
<b>Capital outlay -</b>				
<b>Total expenditures</b>	<u>585,000</u>	<u>355,616</u>	<u>144,343</u>	<u>211,273</u>
	<u>666,200</u>	<u>374,027</u>	<u>164,480</u>	<u>209,547</u>
<b>Excess of revenues     over expenditures</b>	<u>2,512,388</u>	<u>3,354,438</u>	<u>3,587,376</u>	<u>(186,156)</u>
<b>Other financing uses:</b>				
Transfers out	<u>(72,200)</u>	<u>(364,887)</u>	<u>(474,330)</u>	<u>109,443</u>
<b>Net changes in fund balance</b>	<u>2,440,188</u>	<u>2,989,551</u>	<u>3,113,046</u>	<u>(76,713)</u>
Fund balance, beginning	<u>1,734,353</u>	<u>1,477,789</u>	<u>1,477,789</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,174,541</u>	<u>\$ 4,467,340</u>	<u>\$ 4,590,835</u>	<u>\$ (76,713)</u>

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA

Schedule of Changes in Total OPEB Liability and Related Ratios  
For the Year Ended June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability:</b>								
Service Cost	\$ 43,434	\$ 31,394	\$ 31,334	\$ 35,796	\$ 33,851	\$ 116,711	\$ 13,592	\$ 12,839
Interest	69,563	66,447	61,159	31,287	28,585	35,276	27,033	26,488
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	55,107	(37,208)	67,604	370,243	71,008	(60,402)	261,792	7,348
Changes of assumptions	(268,793)	(65,535)	(25,774)	(116,527)	28,755	241,715	51,000	-
Benefit payments	<u>(54,353)</u>	<u>(51,519)</u>	<u>(41,541)</u>	<u>(39,375)</u>	<u>(50,170)</u>	<u>(45,311)</u>	<u>(42,949)</u>	<u>(21,956)</u>
Net changes	(155,042)	(56,421)	92,782	281,424	112,029	287,989	310,468	24,719
Total OPEB liability - beginning	<u>1,748,342</u>	<u>1,804,763</u>	<u>1,711,981</u>	<u>1,430,557</u>	<u>1,318,528</u>	<u>1,030,539</u>	<u>720,071</u>	<u>695,352</u>
Total OPEB liability - ending	<u>\$ 1,593,300</u>	<u>\$ 1,748,342</u>	<u>\$ 1,804,763</u>	<u>\$ 1,711,981</u>	<u>\$ 1,430,557</u>	<u>\$ 1,318,528</u>	<u>\$ 1,030,539</u>	<u>\$ 720,071</u>
Covered employee payroll	<u>\$ 3,210,968</u>	<u>\$ 3,117,445</u>	<u>\$ 2,864,520</u>	<u>\$ 2,781,087</u>	<u>\$ 2,468,083</u>	<u>\$ 2,373,157</u>	<u>\$ 2,281,881</u>	<u>\$ 2,432,936</u>
Total OPEB liability as a percentage of covered-employee payroll	49.6%	56.1%	63.0%	61.6%	58.0%	55.6%	45.2%	29.6%

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

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA

Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2025\*

Plan	Year Ended June 30,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
MERS	2025	1.406303%	\$ 853,307	\$1,281,078	66.6%	80.10%
	2024	1.324279%	1,061,887	1,136,622	93.4%	73.25%
	2023	1.332124%	1,169,583	1,070,978	109.2%	69.56%
	2022	1.286280%	745,153	988,523	75.4%	79.14%
	2021	1.215575%	1,101,587	942,043	116.9%	66.26%
	2020	1.755280%	1,028,368	898,647	114.4%	66.14%
	2019	1.232423%	1,042,423	891,955	116.9%	65.60%
	2018	1.179990%	1,020,966	869,409	117.4%	63.49%
	2017	1.191381%	987,546	909,888	108.5%	63.34%
	2016	1.260809%	856,905	874,830	98.0%	68.71%
MPERS	2025	0.460422%	4,171,404	1,623,073	257.0%	75.84%
	2024	0.395121%	4,174,441	1,340,797	311.3%	71.30%
	2023	0.482680%	4,933,867	1,490,104	331.1%	70.80%
	2022	0.450241%	2,400,031	1,373,603	174.7%	70.94%
	2021	0.430681%	3,980,496	1,332,840	298.6%	70.94%
	2020	0.385657%	3,502,411	1,210,075	289.4%	71.01%
	2019	0.393213%	3,324,247	1,160,042	286.6%	71.89%
	2018	0.319637%	2,790,566	944,827	295.4%	70.08%
	2017	0.309268%	2,898,712	864,272	335.4%	66.04%
	2016	0.363479%	2,847,478	916,045	310.8%	70.73%
FRS	2025	0.050715%	285,553	145,732	195.9%	81.68%
	2024	0.042435%	276,965	114,263	242.4%	77.69%
	2023	0.044483%	313,663	114,726	273.4%	74.68%
	2022	0.036586%	129,655	98,015	132.3%	72.61%
	2021	0.016685%	115,653	41,539	278.4%	72.61%

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

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

See notes to the required supplementary information.

CITY OF SCOTT, LOUISIANA

Schedule of Employer Contributions  
For the Year Ended June 30, 2025

Plan	Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Payroll	Contributions as a % of Covered Payroll
MERS	2025	\$ 178,570	\$ 178,570	-	\$1,275,488	14.00%
	2024	198,566	198,566	-	1,281,078	15.50%
	2023	176,176	176,176	-	1,136,622	15.50%
	2022	166,000	166,000	-	1,070,978	15.50%
	2021	153,221	153,221	-	988,523	15.50%
	2020	131,886	131,886	-	942,043	14.00%
	2019	125,811	125,811	-	898,647	14.00%
	2018	118,184	118,184	-	891,955	13.25%
	2017	95,635	95,635	-	869,409	11.00%
	2016	87,512	87,512	-	909,888	9.62%
MPERS	2025	600,403	600,403	-	1,683,532	35.66%
	2024	550,628	550,628	-	1,623,073	33.93%
	2023	418,999	418,999	-	1,340,797	31.25%
	2022	443,306	443,306	-	1,490,104	29.75%
	2021	463,591	463,591	-	1,373,603	33.75%
	2020	433,178	433,178	-	1,332,840	32.50%
	2019	390,249	390,249	-	1,210,075	32.25%
	2018	356,713	356,713	-	1,160,042	30.75%
	2017	300,681	300,681	-	944,827	31.82%
	2016	255,601	255,601	-	864,272	29.57%
FRS	2025	45,709	45,709	-	134,916	33.88%
	2024	48,452	48,452	-	145,732	33.25%
	2023	38,564	38,564	-	114,263	33.75%
	2022	38,720	38,897	(177)	114,726	33.75%
	2021	31,610	31,610	-	98,015	32.25%

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

See notes to the required supplementary information.

## CITY OF SCOTT, 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:

- a) Prior to June 15, the City Clerk submits to the Mayor and Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1.
- b) 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.
- c) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- d) 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.
- e) 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 Board of Aldermen.
- f) All budgetary appropriations lapse at the end of each fiscal year.
- g) Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted and finally amended by the Board of Aldermen.

#### (2) Pension Plans

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

#### (3) Other Postemployment Benefits

- a) Benefit changes – There were no changes in benefit terms.
- b) Changes of assumptions:

Change in the discount rate – The discount rate at June 30, 2025 is 5.20%, a increase of 1.27 % from the prior year rate of 3.93%.

CITY OF SCOTT, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(4) Excess of Expenditures Over Appropriations

For the year ended June 30, 2025, the following funds had actual expenditures over appropriations at the function level, as follows:

<u>Fund and Function</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Excess</u>
<b>General Fund:</b>			
Streets	\$ 1,314,928	\$ 1,387,647	\$ (72,719)
Culture and tourism	633,183	646,355	(13,172)
Capital outlay	513,669	621,707	(108,038)
<b>1968 Sales Tax Fund:</b>			
General government	58,827	59,536	(709)
Streets	499,971	561,222	(61,251)
<b>1984 Sales Tax Fund:</b>			
Debt service	587,055	609,149	(22,094)
Capital outlay	705,787	818,135	(112,348)
<b>2023 Sales Tax Fund:</b>			
General government	18,411	20,137	(1,726)

**SUPPLEMENTARY INFORMATION**

CITY OF SCOTT, LOUISIANA

Statement of Net Position

June 30, 2025

With Comparative Totals as of June 30, 2024

	2025			2024 Totals
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and interest-bearing deposits	\$ 11,376,296	\$ 1,971,859	\$13,348,155	\$ 9,248,234
Investments	2,679,713	158,298	2,838,011	2,698,887
Receivables, net	1,114,490	615,851	1,730,341	1,769,401
Due from other governmental units	67,621	85,526	153,147	76,786
Prepaid items	115,036	14,587	129,623	138,832
Restricted assets:				
Interest-bearing deposits	-	603,761	603,761	216,658
Investments	-	158,026	158,026	159,241
Capital assets:				
Land and construction in progress	6,017,025	3,553,275	9,570,300	6,531,161
Other capital assets, net	41,183,471	14,397,880	55,581,351	56,629,808
Total assets	<u>62,553,652</u>	<u>21,559,063</u>	<u>84,112,715</u>	<u>77,469,008</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources related to pensions	1,842,691	53,383	1,896,074	2,140,985
Deferred outflows of resources related to OPEB	516,242	50,611	566,853	630,504
Total deferred outflows of resources	<u>2,358,933</u>	<u>103,994</u>	<u>2,462,927</u>	<u>2,771,489</u>
<b>LIABILITIES</b>				
Accounts and other payables	530,031	243,415	773,446	743,046
Contracts and retainage payables	54,069	579,666	633,735	971,287
Unearned revenue	504,301	74,892	579,193	793,823
Customers deposits payable	-	284,461	284,461	270,082
Accrued interest payable	110,152	2,814	112,966	119,413
Long-term liabilities:				
Portion due or payable within one year	1,967,468	72,035	2,039,503	1,836,496
Portion due or payable after one year	15,229,959	1,197,086	16,427,045	17,015,268
Other post employment benefits payable	1,451,041	142,259	1,593,300	1,748,342
Net pension liability	5,131,070	179,194	5,310,264	5,513,293
Total liabilities	<u>24,978,091</u>	<u>2,775,822</u>	<u>27,753,913</u>	<u>29,011,050</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources related to pensions	529,569	8,530	538,099	559,855
Deferred inflows of resources related to OPEB	357,580	35,056	392,636	197,866
Total deferred inflows of resources	<u>887,149</u>	<u>43,586</u>	<u>930,735</u>	<u>757,721</u>
<b>NET POSITION</b>				
Net investment in capital assets	30,014,859	16,102,907	46,117,766	42,615,481
Restricted for sales tax dedications	12,377,508	-	12,377,508	6,379,745
Restricted for debt service	484,812	474,512	959,324	574,942
Unrestricted (deficit)	(3,829,834)	2,266,230	(1,563,604)	901,558
Total net position	<u>\$ 39,047,345</u>	<u>\$ 18,843,649</u>	<u>\$57,890,994</u>	<u>\$ 50,471,726</u>

CITY OF SCOTT, LOUISIANA

Balance Sheets  
 General and Major Special Revenue Funds  
 June 30, 2025  
 With Comparative Totals as of June 30, 2024

	General		1968 Sales Tax Special Revenue		1984 Sales Tax Special Revenue		Apollo Economic Development District Sales Tax Special Revenue		2023 Sales Tax Special Revenue	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
<b>ASSETS</b>										
Cash and interest bearing deposits	\$1,319,496	\$1,295,067	\$1,495,509	\$750,339	\$1,217,514	\$1,162,180	\$2,308,254	\$1,188,983	\$4,393,995	\$1,167,313
Investments	612,082	583,907	1,931,080	1,842,191	136,551	130,266	-	-	-	-
Receivables:										
Taxes	15,842	7,270	315,992	329,528	315,992	329,528	123,756	134,470	315,902	311,016
Accrued interest	-	-	953	773	953	773	379	312	957	728
Due from other funds	-	-	-	-	21,276	-	21,276	-	-	-
Other	-	5,550	-	-	-	-	-	-	-	-
Due from other governmental units	3,700	-	63,921	37,862	-	-	-	-	-	-
Prepaid items	111,321	118,110	-	-	3,715	5,145	-	-	-	-
Total assets	<u>\$2,062,441</u>	<u>\$2,009,904</u>	<u>\$3,807,455</u>	<u>\$2,960,693</u>	<u>\$1,696,001</u>	<u>\$1,627,892</u>	<u>\$2,453,665</u>	<u>\$1,323,765</u>	<u>\$4,710,854</u>	<u>\$1,479,057</u>
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Accounts payable	\$200,273	\$171,551	\$114,062	\$165,117	\$18,298	\$19,903	\$-	\$-	\$95,810	\$-
Contracts payable	-	-	54,069	227,065	-	-	-	-	-	-
Retainage payable	-	-	-	666,644	-	-	-	-	-	-
Accrued liabilities	69,299	72,912	3,140	1,533	3,328	1,721	22,779	34,081	2,933	1,268
Due to other funds	-	-	-	-	-	-	21,276	-	21,276	-
Unearned revenue	504,301	504,286	-	-	-	-	-	-	-	-
Total liabilities	<u>773,873</u>	<u>748,749</u>	<u>171,271</u>	<u>1,060,359</u>	<u>21,626</u>	<u>21,624</u>	<u>44,055</u>	<u>34,081</u>	<u>120,019</u>	<u>1,268</u>
Fund balances -										
Nonspendable (prepaid items)	111,321	118,110	-	-	3,715	5,145	-	-	-	-
Restricted - sales tax dedications	-	-	3,636,184	1,900,334	1,670,660	1,601,123	2,409,610	1,289,684	4,590,835	1,477,789
Unassigned	1,177,247	1,143,045	-	-	-	-	-	-	-	-
Total fund balances	<u>1,288,568</u>	<u>1,261,155</u>	<u>3,636,184</u>	<u>1,900,334</u>	<u>1,674,375</u>	<u>1,606,268</u>	<u>2,409,610</u>	<u>1,289,684</u>	<u>4,590,835</u>	<u>1,477,789</u>
Total liabilities and fund balances	<u>\$2,062,441</u>	<u>\$2,009,904</u>	<u>\$3,807,455</u>	<u>\$2,960,693</u>	<u>\$1,696,001</u>	<u>\$1,627,892</u>	<u>\$2,453,665</u>	<u>\$1,323,765</u>	<u>\$4,710,854</u>	<u>\$1,479,057</u>

CITY OF SCOTT, LOUISIANA  
Comparative Statement of Net Position  
Enterprise Fund  
June 30, 2025 and 2024

	Utility Fund	
	2025	2024
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 1,971,859	\$ 2,973,312
Investments	158,298	142,523
Receivables:		
Accounts, net of allowance for doubtful accounts	337,200	360,707
Unbilled utility receivables	278,651	268,874
Due from other governmental units	85,526	33,374
Prepaid items	14,587	15,577
Total current assets	2,846,121	3,794,367
Noncurrent assets:		
Restricted assets -		
Interest-bearing deposits	603,761	216,658
Investments	158,026	159,241
Capital assets -		
Land and construction in progress	3,553,275	1,780,616
Other capital assets, net of accumulated depreciation	14,397,880	14,882,157
Total noncurrent assets	18,712,942	17,038,672
Total assets	21,559,063	20,833,039
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to pensions	53,383	73,468
Deferred outflows of resources related to net OPEB obligation	50,611	56,295
Total deferred outflows of resources	103,994	129,763
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	239,034	271,465
Contracts payable	544,226	-
Retainage payable	35,440	77,578
Accrued liabilities	4,381	3,386
Unearned revenue	74,892	289,537
Payable from restricted assets:		
Customers' deposits payable	284,461	270,082
Loan payable	34,035	-
Water revenue bonds payable	38,000	37,000
Accrued interest payable	2,814	7,986
Total current liabilities	1,257,283	957,034
Noncurrent liabilities:		
Compensated absences payable	539	451
Loan payable	711,684	-
Water revenue bonds payable	484,863	522,863
OPEB obligation payable	142,259	156,102
Net pension liability	179,194	212,377
Total noncurrent liabilities	1,518,539	891,793
Total liabilities	2,775,822	1,848,827
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to pensions	8,530	825
Deferred inflows of resources related to net OPEB obligation	35,056	17,667
Total deferred inflows of resources	43,586	18,492
<b>NET POSITION</b>		
Net investment in capital assets	16,102,907	16,062,332
Restricted for debt service	474,512	60,831
Unrestricted	2,266,230	2,972,320
Total net position	\$ 18,843,649	\$ 19,095,483

CITY OF SCOTT, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Departmental Statement of Revenues and Expenses  
For the Years Ended June 30, 2025 and 2024

	Totals		Gas	
	2025	2024	2025	2024
<b>Operating revenues:</b>				
Customers service charges	\$ 4,261,032	\$ 3,914,325	\$ 516,343	\$ 517,247
Permits, reconnections and penalties	276,384	260,902	78,748	69,375
Total operating revenues	<u>4,537,416</u>	<u>4,175,227</u>	<u>595,091</u>	<u>586,622</u>
<b>Operating expenses:</b>				
Salaries	286,239	281,848	107,193	107,763
Retirement - current	37,351	40,619	13,841	15,094
Retirement expense (benefit) - GASB 68	5,041	(7,417)	1,865	(2,744)
OPEB expense (benefit)	9,230	10,856	3,692	4,342
Gas and water purchases	1,467,739	1,268,145	148,867	124,550
Garbage collection fees	804,010	769,460	-	-
Supplies and repairs	354,678	407,472	107,234	58,723
Supplies - plant	99,622	68,088	-	-
Utilities	38,806	40,401	810	720
Utilities - plant	83,675	56,695	-	-
Professional fees	61,359	52,719	27,675	20,065
Insurance	60,653	45,700	20,595	15,548
Insurance - plant	17,320	15,279	-	-
Group insurance	55,808	62,586	17,587	23,737
Office expense	57,983	28,670	33,257	8,376
Payroll taxes	21,504	21,085	7,901	8,071
Truck expenses	14,198	16,428	3,318	5,834
Training	4,228	90	1,100	20
Uniforms	3,093	2,899	1,130	1,100
Miscellaneous	4,530	-	4,530	-
Depreciation	583,442	594,790	8,394	6,098
Depreciation - plant	55,403	55,403	-	-
Total operating expenses	<u>4,125,912</u>	<u>3,831,816</u>	<u>508,989</u>	<u>397,297</u>
Net operating income (loss)	<u>\$ 411,504</u>	<u>\$ 343,411</u>	<u>\$ 86,102</u>	<u>\$ 189,325</u>

Water		Sewerage		Garbage	
2025	2024	2025	2024	2025	2024
\$ 1,919,142	\$ 1,703,585	\$ 965,791	\$ 880,594	\$ 859,756	\$ 812,899
144,935	119,539	31,985	57,330	20,716	14,658
<u>2,064,077</u>	<u>1,823,124</u>	<u>997,776</u>	<u>937,924</u>	<u>880,472</u>	<u>\$ 827,557</u>
123,374	124,551	55,672	49,534	-	-
16,889	18,331	6,621	7,194	-	-
2,268	(3,338)	908	(1,335)	-	-
3,692	4,342	1,846	2,172	-	-
1,318,872	1,143,595	-	-	-	-
-	-	-	-	804,010	769,460
126,165	256,738	121,279	92,011	-	-
-	-	99,622	68,088	-	-
990	720	37,006	38,961	-	-
-	-	83,675	56,695	-	-
16,842	16,327	16,842	16,327	-	-
21,629	16,214	18,429	13,938	-	-
-	-	17,320	15,279	-	-
27,447	26,938	10,774	11,911	-	-
12,664	10,347	12,062	9,947	-	-
9,318	9,413	4,285	3,601	-	-
5,811	5,207	5,069	5,387	-	-
1,958	-	1,170	70	-	-
1,235	1,124	728	675	-	-
-	-	-	-	-	-
227,193	235,283	347,855	353,409	-	-
-	-	55,403	55,403	-	-
<u>1,916,347</u>	<u>1,865,792</u>	<u>896,566</u>	<u>799,267</u>	<u>804,010</u>	<u>769,460</u>
<u>\$ 147,730</u>	<u>\$ (42,668)</u>	<u>\$ 101,210</u>	<u>\$ 138,657</u>	<u>\$ 76,462</u>	<u>\$ 58,097</u>

CITY OF SCOTT, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity  
June 30, 2025

	First Six Month Period Ended 12/31/2024	Second Six Month Period Ended 6/30/2025
	<u>12/31/2024</u>	<u>6/30/2025</u>
Beginning Balance of Amounts Collected	\$ 15,575	\$ 27,759
Add: Collections -		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	245,401	290,931
Criminal Fines - Contempt	-	-
Criminal Fines - Other	171,622	160,260
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	-	-
Interest Earnings on Collected Balances	-	-
Other	-	-
Subtotal Collections	<u>417,023</u>	<u>451,191</u>
Less: Disbursements to Governments and Nonprofits -		
Lafayette Crime Stoppers	3,384	4,204
Acadiana Criminalistics Lab	70,597	65,890
15th JDC Indigent Defender Fund	59,010	73,325
Louisiana Commission on Law Enforcement - Criminal Fines	3,577	4,481
Louisiana State Treasurer CMIS - Criminal Fines	5,073	6,309
LA Dept of Health & Hospitals THI/SCI - Criminal Fines	4,630	4,535
LA Association of Chiefs of Police	1,698	2,142
Louisiana Supreme Court - Criminal Fines	842	1,063
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Court Costs	214,013	271,086
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	<u>42,015</u>	<u>21,045</u>
Subtotal Disbursements/Retainage	<u>404,839</u>	<u>454,080</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 27,759</u>	<u>\$ 24,870</u>

**OTHER INFORMATION**

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Revenues  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>Taxes:</b>					
Ad valorem	\$ 420,000	\$ 436,137	\$ 462,632	\$ 26,495	\$ 431,230
Franchise -					
Electric	600,000	637,810	637,479	(331)	590,356
Natural gas	37,500	47,758	27,734	(20,024)	32,490
Cable TV	50,125	43,887	44,099	212	46,516
Telephone	2,000	2,000	-	(2,000)	1,450
Total taxes	<u>1,109,625</u>	<u>1,167,592</u>	<u>1,171,944</u>	<u>4,352</u>	<u>1,102,042</u>
<b>Licenses and permits:</b>					
Liquor and beer licenses	17,400	17,580	17,280	(300)	17,820
Occupational licenses	47,300	46,775	46,500	(275)	45,775
Insurance occupational licenses	280,000	222,107	196,283	(25,824)	216,094
Building permits	200,000	165,221	162,629	(2,592)	123,652
Electrical permits	40,000	32,475	32,856	381	19,104
Other permits	85,000	90,784	86,379	(4,405)	98,026
Total licenses and permits	<u>669,700</u>	<u>574,942</u>	<u>541,927</u>	<u>(33,015)</u>	<u>520,471</u>
<b>Intergovernmental:</b>					
Federal	-	-	-	-	14,405
State of Louisiana	243,400	216,941	267,305	50,364	241,507
Local	798,379	316,534	251,540	(64,994)	278,117
Total intergovernmental	<u>1,041,779</u>	<u>533,475</u>	<u>518,845</u>	<u>(14,630)</u>	<u>534,029</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Revenues (Continued)  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Actual	Variance with Final Budget Positive (Negative)	2024 Actual
	Budget				
	Original	Final			
<b>Fines and forfeits:</b>					
Fines and court costs - regular	190,000	251,233	234,405	(16,828)	187,332
Fines and court costs - LACE	<u>235,000</u>	<u>315,521</u>	<u>332,032</u>	<u>16,511</u>	<u>255,649</u>
Total fines and forfeits	<u>425,000</u>	<u>566,754</u>	<u>566,437</u>	<u>(317)</u>	<u>442,981</u>
<b>Miscellaneous:</b>					
Interest	32,000	35,677	35,597	(80)	39,072
Begnaud House inventory sales	12,000	6,766	7,311	545	16,041
Begnaud House event admission	5,000	8,375	7,725	(650)	5,325
Event Center revenues	65,000	53,000	56,450	3,450	56,225
Chamber of Commerce	5,400	14,700	14,700	-	-
Scott park income	144,000	17,000	17,000	-	5,000
Veterans Memorial	26,000	8,700	9,600	900	62,900
Other sources	<u>5,000</u>	<u>23,890</u>	<u>31,598</u>	<u>7,708</u>	<u>42,931</u>
Total miscellaneous	<u>294,400</u>	<u>168,108</u>	<u>179,981</u>	<u>11,873</u>	<u>227,494</u>
<b>Total revenues</b>	<u><b>\$3,540,504</b></u>	<u><b>\$3,010,871</b></u>	<u><b>\$2,979,134</b></u>	<u><b>\$ (31,737)</b></u>	<u><b>\$ 2,827,017</b></u>

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>General government:</b>					
<b>Administration:</b>					
Mayor and council salaries	\$ 171,082	\$ 174,503	\$ 174,503	\$ -	\$ 171,082
Other salaries	201,054	183,857	190,621	(6,764)	190,413
Payroll taxes	28,636	27,508	27,231	277	27,603
Retirement	37,041	37,718	37,043	675	40,206
Telephone and utilities	25,060	19,382	19,523	(141)	27,212
Advertising and publications	30,000	31,693	34,111	(2,418)	29,383
Repairs and maintenance	30,000	42,765	53,165	(10,400)	60,277
Dues and conventions	7,500	11,559	11,604	(45)	9,629
Legal fees	325,000	187,061	184,423	2,638	276,883
Government relations and consulting			277	(277)	781
Accounting and auditing	45,000	50,660	44,230	6,430	42,865
Computer service	18,000	17,327	18,156	(829)	15,931
General insurance	88,303	94,042	95,141	(1,099)	50,678
Group insurance	47,825	46,759	38,263	8,496	42,573
Office expenditures	74,600	95,702	77,596	18,106	66,106
Uniforms	2,800	2,708	1,896	812	1,011
Scott business appreciation	3,700	4,939	4,939	-	3,513
Cultural activities	8,700	7,990	8,039	(49)	8,385
Collection fees	8,000	8,000	10,608	(2,608)	10,364
Election fees	5,000	-	-	-	-
Miscellaneous	7,080	7,346	5,561	1,785	6,205
	<u>1,164,381</u>	<u>1,051,519</u>	<u>1,036,930</u>	<u>14,589</u>	<u>1,081,100</u>
<b>Code Department:</b>					
Salaries	150,151	150,500	150,757	(257)	147,207
Payroll taxes and retirement	32,507	32,234	31,490	744	32,929
Group insurance	15,000	15,919	15,919	-	12,761
Building permits	180,000	183,025	183,543	(518)	142,960
Training	5,500	3,698	2,691	1,007	1,739
	<u>383,158</u>	<u>385,376</u>	<u>384,400</u>	<u>976</u>	<u>337,596</u>
<b>Total general government</b>	<u>1,547,539</u>	<u>1,436,895</u>	<u>1,421,330</u>	<u>15,565</u>	<u>1,418,696</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025		Actual	Variance with Final Budget Positive (Negative)	2024 Actual
	Budget				
	Original	Final			
Public safety:					
Police -					
Salaries	2,024,367	1,921,916	1,916,095	5,821	1,933,749
Salaries - Chief	101,930	110,278	110,278	-	101,930
Payroll taxes	158,102	155,499	159,650	(4,151)	157,523
Retirement	638,770	599,851	600,403	(552)	552,239
Vehicle allowance	9,600	9,600	9,600	-	9,600
Auto fuel and oil	100,000	93,000	83,611	9,389	91,747
Uniforms and supplies	52,000	52,150	53,721	(1,571)	23,973
Training, lodging and travel	16,000	18,253	16,710	1,543	11,686
Dues and subscriptions	28,400	28,400	27,581	819	16,119
General insurance	288,867	265,342	264,597	745	229,479
Group insurance	229,067	218,068	217,354	714	244,212
Hazard material/coroner	5,000	7,000	-	7,000	-
Advertising	3,000	3,000	1,616	1,384	360
Miscellaneous	11,000	5,521	11,677	(6,156)	416
Auto repairs and maintenance	83,000	93,019	81,174	11,845	74,008
Firearms and ammunition	9,000	9,000	8,662	338	8,470
Telephone and utilities	72,200	84,026	67,333	16,693	67,755
Computer services	100,000	108,000	104,921	3,079	91,732
Office repairs and maintenance	51,000	51,000	47,194	3,806	43,253
Office supplies	15,000	13,000	13,437	(437)	14,517
Civil service -					
Contract services	3,745	3,745	3,745	-	3,672
Office supplies/miscellaneous	2,000	2,000	738	1,262	150
Total public safety	<u>4,002,048</u>	<u>3,851,668</u>	<u>3,800,097</u>	<u>51,571</u>	<u>3,676,590</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>Streets:</b>					
Salaries	721,163	688,430	713,593	(25,163)	696,455
Retirement	99,422	89,274	83,972	5,302	95,814
Payroll taxes	61,213	52,488	53,723	(1,235)	52,663
Street lighting	120,000	125,056	141,926	(16,870)	135,395
General insurance	134,294	134,294	158,852	(24,558)	95,042
Group insurance	112,450	91,545	98,780	(7,235)	88,247
Dues and subscriptions	-	-	3,488	(3,488)	3,572
Grass cutting/condemnation	15,000	11,776	-	11,776	-
Utilities	8,500	8,528	9,271	(743)	8,779
Repairs and maintenance	90,000	95,077	116,739	(21,662)	11,623
Uniforms	8,100	7,410	7,260	150	5,814
Miscellaneous	11,100	11,050	43	11,007	-
Total streets	<u>1,381,242</u>	<u>1,314,928</u>	<u>1,387,647</u>	<u>(72,719)</u>	<u>1,193,404</u>
<b>Culture and tourism:</b>					
<b>Begnaud House -</b>					
Salaries	28,127	29,372	29,922	(550)	28,357
Payroll taxes	2,208	2,239	2,253	(14)	2,129
General insurance	7,820	1,513	2,040	(527)	2,707
Cost of sales	6,500	4,727	3,926	801	10,181
Telephone and utilities	7,300	7,610	7,739	(129)	7,857
Advertising and marketing	-	-	-	-	14
Events	4,500	4,931	4,681	250	4,509
Office expenditures	4,680	6,291	6,382	(91)	4,360
Building and grounds maintenance	4,000	4,982	5,328	(346)	56,250
Conferences	150	239	89	150	150
Miscellaneous	100	100	-	100	101
Total Begnaud House	<u>65,385</u>	<u>62,004</u>	<u>62,360</u>	<u>(356)</u>	<u>116,615</u>
<b>Scott Event Center -</b>					
Contract labor	400	180	105	75	172
General insurance	7,737	9,581	9,765	(184)	4,784
Utilities	11,700	11,657	14,240	(2,583)	14,573
Repairs and maintenance	12,900	24,039	28,890	(4,851)	12,848
Total Scott Event Center	<u>32,737</u>	<u>45,457</u>	<u>53,000</u>	<u>(7,543)</u>	<u>32,377</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2024 Actual
	Original	Final			
Scott Park -					
Utilities	55,000	56,110	59,631	(3,521)	54,773
Insurance	87,050	88,930	92,935	(4,005)	66,035
Repairs and supplies	40,000	13,332	25,585	(12,253)	45,764
Contract labor	89,750	56,000	46,000	10,000	-
Improvements note	<u>307,356</u>	<u>311,350</u>	<u>306,844</u>	<u>4,506</u>	<u>316,992</u>
Total Scott Community Center	<u>579,156</u>	<u>525,722</u>	<u>530,995</u>	<u>(5,273)</u>	<u>483,564</u>
Total culture and recreation	<u>677,278</u>	<u>633,183</u>	<u>646,355</u>	<u>(13,172)</u>	<u>632,556</u>
Capital outlay	<u>2,224,400</u>	<u>513,669</u>	<u>621,707</u>	<u>(108,038)</u>	<u>599,523</u>
Total expenditures	<u>\$9,832,507</u>	<u>\$7,750,343</u>	<u>\$7,877,136</u>	<u>\$ (126,793)</u>	<u>\$7,520,769</u>

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
1968 Sales Tax Fund  
Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$ 4,050,000	\$4,098,248	\$4,116,856	\$ 18,608	\$3,842,786
Intergovernmental -					
Federal	7,143,032	402,644	387,143	(15,501)	299,431
Miscellaneous -					
Donations	-	140,010	76,688	(63,322)	223,982
Interest	137,500	128,679	130,637	1,958	133,049
Total revenues	<u>11,330,532</u>	<u>4,769,581</u>	<u>4,711,324</u>	<u>(58,257)</u>	<u>4,499,248</u>
<b>Expenditures:</b>					
General government -					
Collection fees	70,000	26,292	24,516	1,776	36,489
Professional fees	-	32,535	35,020	(2,485)	30,620
Total general government	<u>70,000</u>	<u>58,827</u>	<u>59,536</u>	<u>(709)</u>	<u>67,109</u>
Streets -					
Supplies and repairs	90,000	124,259	132,178	(7,919)	89,208
Herbicide program	47,500	45,087	22,543	22,544	67,631
Engineering fees - annexations, etc	456,000	330,625	406,501	(75,876)	374,284
Total streets	<u>593,500</u>	<u>499,971</u>	<u>561,222</u>	<u>(61,251)</u>	<u>531,123</u>
Capital outlay	<u>9,086,090</u>	<u>1,818,194</u>	<u>1,264,799</u>	<u>553,395</u>	<u>3,381,414</u>
Total expenditures	<u>9,749,590</u>	<u>2,376,992</u>	<u>1,885,557</u>	<u>491,435</u>	<u>3,979,646</u>
Excess of revenues over expenditures	<u>1,580,942</u>	<u>2,392,589</u>	<u>2,825,767</u>	<u>433,178</u>	<u>519,602</u>
<b>Other financing sources/(uses)</b>					
Sale of capital assets	-	-	-	-	36,000
Transfers in	-	-	20,860	20,860	2,900,664
Transfers out	<u>(1,873,830)</u>	<u>(1,873,830)</u>	<u>(1,110,777)</u>	<u>763,053</u>	<u>(4,906,802)</u>
Total other financing sources/(uses)	<u>(1,873,830)</u>	<u>(1,873,830)</u>	<u>(1,089,917)</u>	<u>783,913</u>	<u>(1,970,138)</u>
Net change in fund balance	(292,888)	518,759	1,735,850	1,217,091	(1,450,536)
Fund balance, beginning	<u>3,678,511</u>	<u>1,900,334</u>	<u>1,900,334</u>	<u>-</u>	<u>3,350,870</u>
Fund balance, ending	<u>\$ 3,385,623</u>	<u>\$ 2,419,093</u>	<u>\$ 3,636,184</u>	<u>\$ 1,217,091</u>	<u>\$ 1,900,334</u>

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
1984 Sales Tax Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$ 4,050,000	\$ 4,098,248	\$ 4,116,856	\$ 18,608	\$ 3,842,786
Intergovernmental -					
Local grant	21,600	19,569	-	(19,569)	8,000
Miscellaneous -					
Other	60,000	65,972	2,212	(63,760)	8,220
Interest	44,225	60,404	65,051	4,647	73,570
Total revenues	<u>4,175,825</u>	<u>4,244,193</u>	<u>4,184,119</u>	<u>(60,074)</u>	<u>3,932,576</u>
<b>Expenditures:</b>					
General government -					
Sales tax collection fee	39,000	23,313	24,516	(1,203)	36,489
Professional fees	33,500	38,713	30,975	7,738	29,200
Total general government	<u>72,500</u>	<u>62,026</u>	<u>55,491</u>	<u>6,535</u>	<u>65,689</u>
Public safety - fire					
Contract	75,000	75,000	75,000	-	75,000
Telephone and supplies	3,732	3,338	3,739	(401)	3,017
Uniforms	6,850	6,814	6,043	771	4,457
Professional fees	19,000	19,000	33,730	(14,730)	31,850
Salaries and benefits	705,978	671,227	649,576	21,651	645,168
Payroll taxes	53,376	47,753	27,881	19,872	24,605
Retirement	49,282	48,163	45,709	2,454	48,548
Contract labor	58,237	56,864	56,864	-	57,403
Miscellaneous	-	-	119	(119)	66
Insurance	24,572	19,840	28,394	(8,554)	16,182
Total public safety	<u>996,027</u>	<u>947,999</u>	<u>927,055</u>	<u>20,944</u>	<u>906,296</u>
Streets -					
Vehicle and equipment repairs and maintenance	90,000	103,730	138,546	(34,816)	114,894
Equipment	73,400	73,400	29,111	44,289	21,328
Total streets	<u>163,400</u>	<u>177,130</u>	<u>167,657</u>	<u>9,473</u>	<u>136,222</u>
Debt service	<u>683,821</u>	<u>587,055</u>	<u>609,149</u>	<u>(22,094)</u>	<u>533,438</u>
Capital outlay	<u>65,575</u>	<u>705,787</u>	<u>818,135</u>	<u>(112,348)</u>	<u>610,314</u>
Total expenditures	<u>1,981,323</u>	<u>2,479,997</u>	<u>2,577,487</u>	<u>(97,490)</u>	<u>2,251,959</u>
Excess (deficiency) of revenues over expenditures	<u>2,194,502</u>	<u>1,764,196</u>	<u>1,606,632</u>	<u>(157,564)</u>	<u>1,680,617</u> (continued)

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
1984 Sales Tax Fund

Detailed Budgetary Comparison Schedule (Continued)  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
Other financing sources (uses):					
Proceeds from issuance of debt	1,000,080	649,602	755,852	106,250	418,263
Sale of assets	-	-	65,970	65,970	-
Transfers in	-	-	80,000	80,000	1,077,020
Transfers out	(3,221,534)	(3,221,534)	(2,440,347)	781,187	(2,472,686)
Total other financing sources (uses)	(2,221,454)	(2,571,932)	(1,538,525)	1,033,407	(977,403)
Net change in fund balance	(26,952)	(807,736)	68,107	875,843	703,214
Fund balance, beginning	937,260	1,606,268	1,606,268	-	903,054
Fund balance, ending	<u>\$ 910,308</u>	<u>\$ 798,532</u>	<u>\$ 1,674,375</u>	<u>\$ 875,843</u>	<u>\$ 1,606,268</u>

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
Apollo Economic Development District Sales Tax Special Revenue Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$1,470,000	\$1,802,625	\$1,825,172	\$ 22,547	\$1,470,163
Licenses and permits	-	-	44,241	44,241	276,167
State grant	350,432	-	-	-	-
Miscellaneous	42,000	43,057	51,865	8,808	49,774
Total revenues	<u>1,862,432</u>	<u>1,845,682</u>	<u>1,921,278</u>	<u>75,596</u>	<u>1,796,104</u>
<b>Expenditures:</b>					
General government -					
Collection fees	12,000	10,222	11,117	(895)	8,889
Building permits	-	73,185	44,241	28,944	276,167
Total general government	12,000	83,407	55,358	28,049	285,056
Capital outlay	603,040	-	-	-	159,452
Total expenditures	<u>615,040</u>	<u>83,407</u>	<u>55,358</u>	<u>28,049</u>	<u>444,508</u>
Excess of revenues over expenditures	<u>1,247,392</u>	<u>1,762,275</u>	<u>1,865,920</u>	<u>103,645</u>	<u>1,351,596</u>
<b>Other financing uses:</b>					
Transfers out	(743,059)	(745,994)	(745,994)	-	(3,718,914)
Total other financing uses	<u>(743,059)</u>	<u>(745,994)</u>	<u>(745,994)</u>	<u>-</u>	<u>(3,718,914)</u>
Net change in fund balance	504,333	1,016,281	1,119,926	103,645	(2,367,318)
Fund balance, beginning	<u>794,215</u>	<u>1,289,684</u>	<u>1,289,684</u>	<u>-</u>	<u>3,657,002</u>
Fund balance, ending	<u>\$1,298,548</u>	<u>\$2,305,965</u>	<u>\$2,409,610</u>	<u>\$ 103,645</u>	<u>\$1,289,684</u>

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
2023 Sales Tax Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2025  
With Comparative Actual Amounts for the Year Ended June 30, 2024

	2025			Variance with Final Budget Positive (Negative)	2024 Actual
	Budget		Actual		
	Original	Final			
<b>Revenues:</b>					
Taxes	\$ 3,168,588	\$ 3,712,253	\$3,734,085	\$ 21,832	\$ 1,479,236
Miscellaneous	10,000	16,212	17,771	1,559	4,755
Total revenues	<u>3,178,588</u>	<u>3,728,465</u>	<u>3,751,856</u>	<u>23,391</u>	<u>1,483,991</u>
<b>Expenditures:</b>					
General government -					
Collection fees	81,200	18,411	20,137	(1,726)	6,202
Total general government	<u>81,200</u>	<u>18,411</u>	<u>20,137</u>	<u>(1,726)</u>	<u>6,202</u>
Capital outlay -	585,000	355,616	144,343	211,273	-
Total expenditures	<u>666,200</u>	<u>374,027</u>	<u>164,480</u>	<u>209,547</u>	<u>6,202</u>
Excess of revenues over expenditures	<u>2,512,388</u>	<u>3,354,438</u>	<u>3,587,376</u>	<u>(186,156)</u>	<u>1,477,789</u>
<b>Other financing uses:</b>					
Transfers out	<u>(72,200)</u>	<u>(364,887)</u>	<u>(474,330)</u>	<u>109,443</u>	<u>-</u>
Net changes in fund balance	<u>2,440,188</u>	<u>2,989,551</u>	<u>3,113,046</u>	<u>(76,713)</u>	<u>1,477,789</u>
Fund balance, beginning	<u>1,734,353</u>	<u>1,477,789</u>	<u>1,477,789</u>	<u>-</u>	<u>-</u>
Fund balance, ending	<u>\$ 4,174,541</u>	<u>\$ 4,467,340</u>	<u>\$4,590,835</u>	<u>\$ (76,713)</u>	<u>\$ 1,477,789</u>

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

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

The Honorable Jan-Scott Richard, Mayor  
and Members of the Board of Aldermen  
City of Scott, 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, each major fund, and the aggregate remaining fund information of the City of Scott, Louisiana (the City) as of and for the year ended June 30, 2025, and the related notes to the financial statements which collectively comprise the City's basic financial statements and have issued our report thereon dated January 30, 2026.

### Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be material weaknesses.

## **Report on Compliance and Other Matters**

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

### **The City of Scott, Louisiana's Response to Findings**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. 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  
January 30, 2026

# KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable Jan-Scott Richard, Mayor  
and Members of the Board of Aldermen  
City of Scott, Louisiana

### Report on Compliance for the Major Federal Program

#### Opinion on the Major Federal Program

We have audited the City of Scott's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended June 30, 2025. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

#### Basis for Opinion on the Major Federal Program

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

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

## **Responsibilities of Management for Compliance**

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

## **Auditor's Responsibilities for the Audit of Compliance**

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

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

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

## **Report on Internal Control over Compliance**

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
January 30, 2026

CITY OF SCOTT, LOUISIANA

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2025

Federal Grantor / Pass-Through Grantor / Program Name	Pass-through Identifying Number	Assistance Listing	<u>Expenditures</u>
<b>Direct Programs:</b>			
U.S Department of the Treasury - COVID-19 Coronavirus State and Local Fiscal Recovery Funds	*	N/A	21.027 <u>\$ 219,956</u>
<b>Indirect Programs:</b>			
U.S Department of the Treasury - Passed through Louisiana Division of Administration COVID-19 Coronavirus State and Local Fiscal Recovery Funds	*	LAWSP10174	21.027 <u>583,078</u>
U.S. Department of Transportation Passed through Louisiana Department of Transportation and Development Highway Planning and Construction - Transportation Improvement Program	N/A	20.205	<u>401,905</u>
Total indirect programs			<u>984,983</u>
<b>TOTAL FEDERAL EXPENDITURES</b>			<u><u>\$ 1,204,939</u></u>

\* Indicates major program

CITY OF SCOTT, LOUISIANA

Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the City of Scott (City) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements for the year ended June 30, 2025. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate

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

CITY OF SCOTT, LOUISIANA

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2025

Part I. Summary of Auditor's Results

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the City were prepared in accordance with GAAP.
2. One deficiency in internal control was disclosed during the audit of the financial statements. This deficiency was considered to be a material weakness.
3. No instances of noncompliance material to the financial statements of the City, which would be required to be reported in accordance with *Governmental Auditing Standards*, were disclosed during the audit.
4. No material weaknesses in internal control over major federal award programs were reported during the audit.
5. The auditor's report on compliance for the Coronavirus State and Local Fiscal Recovery Funds (21.027) expresses an unmodified opinion.
6. The audit findings that are required to be reported in accordance with 2 CFR section 200.516 (a) are reported in this schedule.
7. The following program is considered to be the only major program: Coronavirus State and Local Fiscal Recovery Funds (21.027).
8. The dollar threshold used to distinguish between Type A and Type B programs was \$750,000.
9. The auditee did not qualify as a low-risk auditee.

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

Internal Control Findings -

**2025-001      Inadequate Controls Over Financial Statement Preparation**

Fiscal year finding initially occurred: 2022

Criteria

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

Condition

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

CITY OF SCOTT, LOUISIANA

Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2025

Cause

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

Effect

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

Recommendation

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

Management's Corrective Action Plan

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

Compliance Findings -

There are no findings to be reported under this section.

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

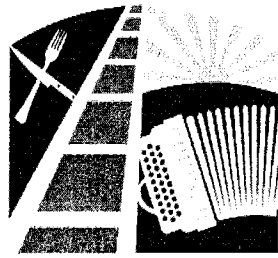
Internal Control Findings -

There are no findings to be reported under this section.

Compliance Findings -

There are no findings to be reported under this section.

MAYOR  
JAN-SCOTT RICHARD  
CITY MANAGER  
BRENDA T. DUGAS  
CITY CLERK  
SHELLEY M. GAUTREAU



**SCOTT**  
LOUISIANA  
EST. 1907

COUNCIL  
MARK MOREAU  
*Councilman At Large*  
DOYLE J. BOUDREAU  
TERRY MONToucET  
LEE DOMINGUE  
BLAINE ROY

BOUDIN CAPITAL OF THE WORLD

**Corrective Action Plan  
January 30, 2026**

U.S. Department of the Treasury

The City of Scott respectfully submits the following corrective action plan for the year ended 6/30/25.

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

**Audit Period:** 7/1/24-6/30/25

The findings from the 6/30/25 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the number assigned in the schedule.

**FINDINGS – FINANCIAL STATEMENT AUDIT:**

**Internal Control:**

**Material Weakness -**

**2025-001: Inadequate Controls Over Financial Statement Preparation**

**Recommendation:** The City should be able to record financial transactions and prepare financial statements in accordance with GAAP. The City should outsource this task to ensure the financial statements and transactions are in accordance with GAAP.

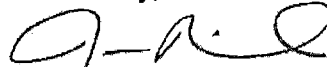
**Corrective Action Plan:** The City has evaluated the cost vs benefit of establishing internal controls over the preparation of the financial statements in accordance with GAAP and determined that it is in the best interest of the City to outsource this task to the independent auditors, and to carefully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

**FINDINGS – FEDERAL AWARD PROGRAMS AUDIT:**

There were no findings reported for federal award programs at June 30, 2025.

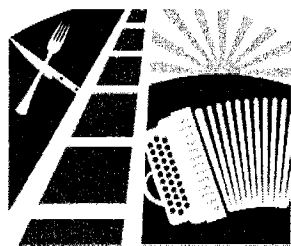
Should any federal or state pass-through grant agencies have questions regarding this plan, please call Mayor Jan Richard at 337-233-1130.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jan Richard', written in a cursive style.

Jan Richard  
Mayor

MAYOR  
JAN-SCOTT RICHARD  
CITY MANAGER  
BRENDA T. DUGAS  
CITY CLERK  
SHELLEY M. GAUTREAU



**SCOTT**  
LOUISIANA  
EST. 1907  
BOUDIN CAPITAL OF THE WORLD

COUNCIL  
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BLAINE ROY

City of Scott  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2025

**FINDINGS – FINANCIAL STATEMENT AUDIT:**

**2024-001 Inadequate Controls Over Financial Statement Preparation**

Fiscal year finding initially occurred: 2022

Condition

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

Recommendation

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

Current Status

Unresolved. See finding 2025-001.

**FINDINGS – FEDERAL AWARD PROGRAMS AUDIT:**

**DEPARTMENT OF THE TREASURY:**

A. Internal Control Findings –

**2024-002 Unallowable Use of Funds**

Fiscal year finding initially occurred: 2024

Condition

The City received reimbursement through the State of Louisiana's Water Sector Program for expenditures that were already claimed through Coronavirus State and Local Fiscal Recovery Funds.

Recommendation

The City should review policies and procedures to ensure that the City does not continue to request reimbursement amounts that were received from other sources.

Current Status

Resolved.

**2024-003 Procurement**

Fiscal year finding initially occurred: 2024

Condition

The City expended \$261,009 of Coronavirus State and Local Fiscal Recovery Funds on a contract that exceeded the required threshold but was not formally bid.

Recommendation

The City should review policies and procedures to ensure that all contracts that have federal expenditures are properly bid in accordance with 2 CFR 200.320.

Current Status

Resolved.

**2024-004 Controls Over Reporting**

Fiscal year finding initially occurred: 2024

Condition

The report included inaccurate information regarding the amount spent.

Recommendation

The City should review their established policies and procedures and make any necessary changes to ensure an effective control environment.

Current Status

Resolved.

**2024-005 Reimbursement Requests**

Fiscal year finding initially occurred: 2024

Condition

The City requested reimbursement for amounts for which it had not paid the funds as of the date of request.

Recommendation

The City should carefully review grant reimbursement requests to ensure that all amounts requested have been paid prior to requesting reimbursement.

Current Status

Resolved.

B. Compliance Findings –

**2024-006 Unallowable Use of Funds**

See Internal Control Finding 2024-002.

Current Status

Resolved.

**2024-007 Procurement**

See Internal Control Finding 2024-003.

Current Status

Resolved.

**2024-008 Controls Over Reporting**

See Internal Control Finding 2024-004.

Current Status

Resolved.

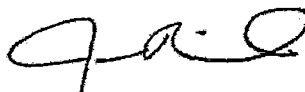
**2024-009 Reimbursement Requests**

See Internal Control Finding 2024-005.

Current Status

Resolved.

Sincerely,



Jan Richard,  
Mayor

**CITY OF SCOTT**

Scott, Louisiana

**Agreed-Upon Procedures Report**

Year Ended June 30, 2025

# KOLDER, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Brad E. Kolder, CPA, JD\*  
Robert S. Carter, CPA\*  
Arthur R. Mixon, CPA\*  
Stephen J. Anderson, CPA\*  
Matthew E. Margaglio, CPA\*  
Casey L. Ardoin, CPA, CFE\*  
Wanda F. Arcement, CPA  
Bryan K. Joubert, CPA  
Nicholas Fowlkes, CPA  
Deidre L. Stock, CPA

*Of Counsel*  
C. Burton Kolder, CPA\*

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

\* A Professional Accounting Corporation

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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Jan-Scott Richard, Mayor  
Members of the Board of Alderman  
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The City of Scott's (The City) management is responsible for those C/C areas identified in the SAUPs.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

### ***Written Policies and Procedures***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

1. Obtain and inspect the City's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the City's operations:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving.

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

***Board or Finance Committee***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - b) Observe that the minutes reference or include monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
  - c) Obtain the prior year audit report and observe the unassigned fund balance in the General Fund. If the General Fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period reference or include a formal plan to eliminate the negative unassigned fund balance in the General Fund.

- d) Observe whether the board/finance committee received written updates of the progress of resolving audit findings, according to management's corrective action plan at each meeting until the findings are considered fully resolved.

### ***Bank Reconciliations***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

3. Obtain a listing of the City's bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the City's main operating account. Select the City's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected accounts, and observe that:
  - a) Bank reconciliations included written evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - b) Bank reconciliations include written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

### ***Collections (excluding electronic fund transfers)***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:
  - a) Observe that receipts are sequentially pre-numbered.
  - b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - c) Trace the deposit slip total to the actual deposit per the bank statement.
  - d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - e) Trace the actual deposit per the bank statement to the general ledger.

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

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing was complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the 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 or making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
  - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
10. For each location selected under #8 above, obtain the City's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe whether the disbursement by paper or electronic means matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - b) Observe that the disbursement documentation includes evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

11. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3 above, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was:
  - a) Approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy.
  - b) Approved by the required number of authorized signers per the entity's policy.

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

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

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

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***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

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

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

### ***Contracts***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

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

### ***Payroll and Personnel***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

17. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
18. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #17 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
  - b) Observe that supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the City's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
19. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the City's policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee/officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

20. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

#### ***Ethics***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

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

#### ***Debt Service***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

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

#### ***Fraud Notice***

***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

25. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing was complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the City reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the City is domiciled as required by R.S. 24:523.
26. Observe that the City has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

### ***Information Technology Disaster Recovery/Business Continuity***

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***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

27. Perform the following procedures:

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

28. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #19 above and:

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

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

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

### ***Prevention of Sexual Harassment***

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***This procedure was not subject to testing in Year 2, as no exceptions were identified during the Year 1 testing and the Year 1 audit was submitted timely.***

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

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

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

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;

- c) Number of complaints which resulted in a finding that sexual harassment occurred;
- d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e) Amount of time it took to resolve each complaint.

**Exceptions:**

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

**Credit Cards**

1. One of the monthly credit card statements selected for testing did not have evidence of approval by someone other than the authorized card holder.

**Management's Response:**

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Management concurs with the exception noted and is working to address the deficiency identified.

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

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

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

***Kolder, Slaven & Company, LLC***  
Certified Public Accountants

Lafayette, Louisiana  
January 30, 2026