

**CITY OF SCOTT, LOUISIANA**

**Financial Report**

**Year Ended June 30, 2021**

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## INDEPENDENT AUDITOR'S REPORT

Victor R. Slaven, CPA\* - retired 2020

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Scott, Louisiana (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

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

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Scott, Louisiana, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules and the schedules of changes in net OPEB liability and related ratios, employer OPEB contributions, employer's share of net pension liability and employer contributions on pages 49 through 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Scott, Louisiana's basic financial statements. The other supplementary information on pages 60 through 87 is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The comparative statements and the Justice System Funding Schedule are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 and the Justice System Funding Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The prior year comparative information on the comparative statements has been derived from the City of Scott's 2020 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements from which they have been derived.

The various schedules, except the Justice System Funding Schedule, included in other supplementary information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2021, 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 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  
September 30, 2021

## **BASIC FINANCIAL STATEMENTS**

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



## CITY OF SCOTT, LOUISIANA

Statement of Net Position  
June 30, 2021

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and interest-bearing deposits	\$ 7,663,159	\$ 3,226,598	\$ 10,889,757
Investments	2,327,584	109,606	2,437,190
Receivables, net	604,556	426,089	1,030,645
Internal balances	(760,359)	760,359	-
Due from other governmental units	468,829	-	468,829
Prepaid items	100,370	18,202	118,572
Total current assets	<u>10,404,139</u>	<u>4,540,854</u>	<u>14,944,993</u>
Noncurrent assets:			
Restricted assets:			
Interest-bearing deposits	10,259,116	119,158	10,378,274
Investments	-	165,151	165,151
Capital assets:			
Land and construction in progress	2,582,079	643,391	3,225,470
Other capital assets, net	24,028,528	13,785,199	37,813,727
Total noncurrent assets	<u>36,869,723</u>	<u>14,712,899</u>	<u>51,582,622</u>
Total assets	<u>47,273,862</u>	<u>19,253,753</u>	<u>66,527,615</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	1,831,782	89,437	1,921,219
Deferred outflows of resources related to net OPEB obligation	474,950	54,802	529,752
Total deferred outflows of resources	<u>2,306,732</u>	<u>144,239</u>	<u>2,450,971</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and other payables	1,006,683	216,568	1,223,251
Unearned revenue	58,890	80,865	139,755
Customers' deposits payable	-	214,439	214,439
Bonds payable	930,000	34,000	964,000
Accrued interest payable	123,084	2,715	125,799
Total current liabilities	<u>2,118,657</u>	<u>548,587</u>	<u>2,667,244</u>
Noncurrent liabilities:			
Compensated absences payable	53,621	422	54,043
Bonds payable	17,365,000	630,863	17,995,863
Net OPEB obligation payable	1,282,568	147,989	1,430,557
Net pension liability	4,900,308	297,428	5,197,736
Total noncurrent liabilities	<u>23,601,497</u>	<u>1,076,702</u>	<u>24,678,199</u>
Total liabilities	<u>25,720,154</u>	<u>1,625,289</u>	<u>27,345,443</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions	315,625	8,653	324,278
Deferred inflows of resources related to net OPEB obligation	38,681	4,463	43,144
Total deferred inflows of resources	<u>354,306</u>	<u>13,116</u>	<u>367,422</u>
<b>NET POSITION</b>			
Net investment in capital assets	17,881,278	13,797,727	31,679,005
Restricted for sales tax dedications	6,923,612	-	6,923,612
Restricted for debt service	442,943	33,155	476,098
Unrestricted (deficit)	(1,741,699)	3,928,705	2,187,006
Total net position	<u>\$ 23,506,134</u>	<u>\$ 17,759,587</u>	<u>\$ 41,265,721</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, 2021

Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Position		
					Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 1,355,788	\$ 366,180	\$ -	\$ -	\$ (989,608)	\$ -	\$ (989,608)
Public safety:							
Police	3,784,668	351,904	480,670	-	(2,952,094)	-	(2,952,094)
Fire	754,797	-	114,813	-	(639,984)	-	(639,984)
Streets	3,678,966	-	682,586	-	(2,996,380)	-	(2,996,380)
Culture and tourism	99,753	25,930	-	680,282	606,459	-	606,459
Interest on long-term debt	584,829	-	-	-	(584,829)	-	(584,829)
Total governmental activities	<u>10,258,801</u>	<u>744,014</u>	<u>1,278,069</u>	<u>680,282</u>	<u>(7,556,436)</u>	<u>-</u>	<u>(7,556,436)</u>
Business-type activities:							
Gas	434,441	462,817	-	-	-	28,376	28,376
Water	1,524,597	1,549,340	-	-	-	24,743	24,743
Sewer	610,403	885,928	-	-	-	275,525	275,525
Garbage	936,383	962,569	-	-	-	26,186	26,186
Total business-type activities	<u>3,505,824</u>	<u>3,860,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>354,830</u>	<u>354,830</u>
Total	<u>\$ 13,764,625</u>	<u>\$ 4,604,668</u>	<u>\$ 1,278,069</u>	<u>\$ 680,282</u>	<u>(7,556,436)</u>	<u>354,830</u>	<u>(7,201,606)</u>
General revenues:							
Taxes -							
Property taxes, levied for general purposes					310,088	-	310,088
Sales and use taxes, levied for general purposes					6,957,180	-	6,957,180
Franchise taxes					526,813	-	526,813
Grants and contributions not restricted to specific programs -							
State sources					13,534	-	13,534
Non employer pension contribution					123,228	9,127	132,355
Interest and investment earnings					224,590	7,055	231,645
Miscellaneous					125,621	-	125,621
Transfers					(207,077)	207,077	-
Total general revenues and transfers					<u>8,073,977</u>	<u>223,259</u>	<u>8,297,236</u>
Change in net position					517,541	578,089	1,095,630
Net position - June 30, 2020					<u>22,988,593</u>	<u>17,181,498</u>	<u>40,170,091</u>
Net position - June 30, 2021					<u>\$ 23,506,134</u>	<u>\$ 17,759,587</u>	<u>\$ 41,265,721</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 Road 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 Road 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.

### **Capital Projects Funds**

#### **Street Construction Fund -**

To account for improvements to the City's infrastructure using proceeds from various grants, bond proceeds and City funds.

#### **LCDBG Fund -**

The LCDBG Fund is used to account for the construction of projects provided by the Louisiana Community Development Block Grant and Utility Fund revenues (transfers).

### **Debt Service Fund**

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

To accumulate monies for payment of \$10,000,000 of Sales Tax Bonds, Series 2012. Debt service is financed from the collection of the City's 1984 1% sales tax and the 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, 2021

		1968 Sales Sales Tax	1984 Sales Sales Tax	Apollo Economic Development District Sales Tax	Street Construction	Sales Tax Bonds	Total
	General	Special Revenue	Special Revenue	Special Revenue			
<b>ASSETS</b>							
Cash	\$ 801,248	\$ 43,279	\$ 335,744	\$ 44,600	\$ -	\$ -	\$ 1,224,871
Interest-bearing deposits	1,308,771	1,120,060	2,407,886	1,601,571	9,822,724	436,392	16,697,404
Investments	531,651	1,677,325	118,608	-	-	-	2,327,584
Receivables:							
Taxes	1,217	257,410	257,410	88,505	-	-	604,542
Accrued interest	-	6	6	2	-	-	14
Due from other funds	808,156	-	700,095	2,204,955	1,325,005	333,346	5,371,557
Due from other governmental units	8,668	419,577	40,584	-	-	-	468,829
Prepaid items	100,370	-	-	-	-	-	100,370
Total assets	<u>\$3,560,081</u>	<u>\$3,517,657</u>	<u>\$3,860,333</u>	<u>\$3,939,633</u>	<u>\$11,147,729</u>	<u>\$769,738</u>	<u>\$26,795,171</u>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 190,052	\$ 107,268	\$ 23,413	\$ -	\$ -	\$ -	\$ 320,733
Contracts payable	-	58,586	-	-	415,370	-	473,956
Retainage payable	-	-	-	-	20,645	-	20,645
Accrued liabilities	139,167	3,503	3,691	44,988	-	-	191,349
Due to other funds	637,447	1,490,449	2,278,837	375,429	1,146,043	203,711	6,131,916
Unearned revenue	51,043	-	7,847	-	-	-	58,890
Total liabilities	<u>1,017,709</u>	<u>1,659,806</u>	<u>2,313,788</u>	<u>420,417</u>	<u>1,582,058</u>	<u>203,711</u>	<u>7,197,489</u>
<b>Fund balances -</b>							
Nonspendable (prepaid items)	100,370	-	-	-	-	-	100,370
Restricted - sales tax dedications	-	1,857,851	1,546,545	3,519,216	-	-	6,923,612
Restricted - capital expenditures	-	-	-	-	9,565,671	-	9,565,671
Restricted - debt service	-	-	-	-	-	566,027	566,027
Unassigned	2,442,002	-	-	-	-	-	2,442,002
Total fund balances	<u>2,542,372</u>	<u>1,857,851</u>	<u>1,546,545</u>	<u>3,519,216</u>	<u>9,565,671</u>	<u>566,027</u>	<u>19,597,682</u>
Total liabilities and fund balances	<u>\$3,560,081</u>	<u>\$3,517,657</u>	<u>\$3,860,333</u>	<u>\$3,939,633</u>	<u>\$11,147,729</u>	<u>\$769,738</u>	<u>\$26,795,171</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, 2021

Total fund balances for governmental funds at June 30, 2021		\$ 19,597,682
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$ 1,532,674	
Construction in progress	1,049,405	
Buildings and improvements, net of \$2,314,174 accumulated depreciation	4,466,282	
Infrastructure, net of \$13,690,627 accumulated depreciation	18,546,555	
Equipment, furniture, and fixtures net of \$2,776,948 accumulated depreciation	<u>1,015,691</u>	26,610,607
The deferred outflows of expenditures for the municipal and police employees retirement systems and net OPEB obligation are not a use of current resources, and therefore, are not reported in the funds		2,306,732
Long-term liabilities at June 30, 2021:		
Bonds payable	(18,295,000)	
Accrued interest payable	(123,084)	
Compensated absences	(53,621)	
Net OPEB obligation	(1,282,568)	
Net pension liability	<u>(4,900,308)</u>	(24,654,581)
The deferred inflows of contributions for the municipal and police employees retirement systems and net OPEB obligation are not available resources, and therefore, are not reported in the funds		<u>(354,306)</u>
Total net position of governmental activities at June 30, 2021		<u>\$ 23,506,134</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, 2021

	General	1968 Sales Sales Tax Special Revenue	1984 Sales Sales Tax Special Revenue	Apollo Economic Development District Sales Tax Special Revenue	Street Construction	Sales Tax Bonds	Total
<b>Revenues:</b>							
Taxes	\$ 836,901	\$2,949,053	\$2,949,053	\$1,059,074	\$ -	\$ -	\$ 7,794,081
Licenses and permits	366,180	-	-	-	-	-	366,180
Intergovernmental	1,183,796	673,276	114,813	-	-	-	1,971,885
Fines and forfeits	351,904	-	-	-	-	-	351,904
Miscellaneous	159,071	24,783	31,783	8,811	143,706	7,987	376,141
Total revenues	<u>2,897,852</u>	<u>3,647,112</u>	<u>3,095,649</u>	<u>1,067,885</u>	<u>143,706</u>	<u>7,987</u>	<u>10,860,191</u>
<b>Expenditures:</b>							
Current -							
General government	1,143,301	53,012	41,471	7,160	-	-	1,244,944
Public safety:							
Police	3,079,322	-	-	-	-	-	3,079,322
Fire	-	-	757,448	-	-	-	757,448
Streets	977,751	1,235,929	105,699	-	-	-	2,319,379
Culture and tourism	31,644	-	-	-	-	-	31,644
Capital outlay	324,086	883,410	147,608	616,187	780,300	-	2,751,591
Debt service -							
Principal retirement	-	-	-	-	-	905,000	905,000
Interest, bond issuance and agent fees	-	-	-	-	-	576,917	576,917
Total expenditures	<u>5,556,104</u>	<u>2,172,351</u>	<u>1,052,226</u>	<u>623,347</u>	<u>780,300</u>	<u>1,481,917</u>	<u>11,666,245</u>
Excess (deficiency) of revenues over expenditures	<u>(2,658,252)</u>	<u>1,474,761</u>	<u>2,043,423</u>	<u>444,538</u>	<u>(636,594)</u>	<u>(1,473,930)</u>	<u>(806,054)</u>
<b>Other financing sources (uses):</b>							
Transfers in	3,810,000	-	-	600,000	15	1,486,290	5,896,305
Transfers out	-	(2,924,791)	(2,435,431)	(743,160)	-	-	(6,103,382)
Total other financing sources (uses)	<u>3,810,000</u>	<u>(2,924,791)</u>	<u>(2,435,431)</u>	<u>(143,160)</u>	<u>15</u>	<u>1,486,290</u>	<u>(207,077)</u>
Net changes in fund balances	1,151,748	(1,450,030)	(392,008)	301,378	(636,579)	12,360	(1,013,131)
Fund balances, beginning	<u>1,390,624</u>	<u>3,307,881</u>	<u>1,938,553</u>	<u>3,217,838</u>	<u>10,202,250</u>	<u>553,667</u>	<u>20,610,813</u>
Fund balances, ending	<u>\$2,542,372</u>	<u>\$1,857,851</u>	<u>\$1,546,545</u>	<u>\$3,519,216</u>	<u>\$ 9,565,671</u>	<u>\$ 566,027</u>	<u>\$19,597,682</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, 2021

Total net changes in fund balances at June 30, 2021 per statement of revenues, expenditures and changes in fund balances	\$(1,013,131)
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The change in net position reported for governmental activities in the  
statement of activities is different because:

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

Capital outlay which is considered expenditures on statement of revenues, expenditures and changes in fund balances	\$2,251,067	
Depreciation expense for the year ended June 30, 2021	(1,208,052)	
Loss on disposal of assets	(57)	1,042,958

Proceeds from bonds are 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, bond principal retirement 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.

Principal payments	905,000
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Because some revenues are not considered measurable at year-end,  
they are not considered "available" revenues in the governmental funds.

Non-employer pension contributions	123,228
------------------------------------	---------

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	(7,912)	
Compensated absences	(1,761)	
OPEB expense	(61,385)	
Pension expense	(469,456)	(540,514)

Total changes in net position at June 30, 2021 per statement of activities	\$ 517,541
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The accompanying notes are an integral part of the basic financial statements.



## CITY OF SCOTT, LOUISIANA

Statement of Net Position  
Proprietary Fund  
June 30, 2021

	Enterprise Fund
<b>ASSETS</b>	
Current assets:	
Cash and interest-bearing deposits	\$ 3,226,598
Investments	109,606
Receivables -	
Accounts	300,415
Unbilled utility receivables	122,127
Accrued interest receivable	3,547
Due from other funds	1,963,276
Prepaid items	18,202
Total current assets	<u>5,743,771</u>
Noncurrent assets:	
Restricted assets -	
Interest-bearing deposits	119,158
Investments	165,151
Capital assets -	
Land and construction in progress	643,391
Other capital assets, net of accumulated depreciation	13,785,199
Total noncurrent assets	<u>14,712,899</u>
Total assets	<u>20,456,670</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows of resources related to pensions	89,437
Deferred outflows of resources related to net OPEB obligation	54,802
Total deferred outflows of resources	<u>144,239</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	126,728
Accrued liabilities	89,840
Unearned revenue	80,865
Due to other funds	1,202,917
Payable from restricted assets -	
Customers' deposits payable	214,439
Water revenue bonds payable	34,000
Accrued interest payable	2,715
Total current liabilities	<u>1,751,504</u>
Noncurrent liabilities:	
Compensated absences payable	422
Water revenue bonds payable	630,863
Net OPEB obligation payable	147,989
Net pension liability	297,428
Total noncurrent liabilities	<u>1,076,702</u>
Total liabilities	<u>2,828,206</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to pensions	8,653
Deferred inflows of resources related to net OPEB obligation	4,463
Total deferred inflows of resources	<u>13,116</u>
<b>NET POSITION</b>	
Net investment in capital assets	13,797,727
Restricted for debt service	33,155
Unrestricted	3,928,705
Total net position	<u>\$ 17,759,587</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, 2021

	<u>Enterprise Fund</u>
Operating revenues:	
Charges for services -	
Gas charges	\$ 415,623
Water service charges	1,412,483
Sewer service charges	723,438
Garbage service charges	952,237
Penalties, permits and connection fees	356,873
Total operating revenues	<u>3,860,654</u>
Operating expenses:	
Salaries	293,250
Retirement	31,655
OPEB benefit	7,083
Disposal charges	3,444
Gas and water purchases	1,028,339
Garbage collection fees	936,383
Supplies and repairs	263,837
Utilities and telephone	78,566
Professional fees	50,476
General insurance	70,341
Group health insurance	66,749
Office expense	22,158
Payroll taxes	22,288
Truck expenses	15,162
Training	14,429
Uniforms	3,900
Bad debts	34,988
Depreciation expense	546,209
Total operating expenses	<u>3,489,257</u>
Operating income	<u>371,397</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, 2021

	<u>Enterprise Fund</u>
Nonoperating revenues (expenses):	
Nonemployer pension contribution	9,127
Interest income	7,055
Interest expense	<u>(16,567)</u>
Total nonoperating revenues (expenses)	<u>(385)</u>
 Income before transfers	 <u>371,012</u>
Transfers:	
Transfers in	2,957,077
Transfers out	<u>(2,750,000)</u>
Total transfers	<u>207,077</u>
 Change in net position	 578,089
Net position, beginning	<u>17,181,498</u>
Net position, ending	<u>\$17,759,587</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, 2021

	<u>Enterprise Fund</u>
Cash flows from operating activities:	
Receipts from customers	\$3,832,335
Payments to suppliers	(2,499,267)
Payments to employees	<u>(431,762)</u>
Net cash provided by operating activities	<u>901,306</u>
Cash flows from noncapital financing activities:	
Cash received from other funds	596,054
Net change in meter deposits	21,611
Transfers from other funds	2,957,077
Transfers to other funds	<u>(2,750,000)</u>
Net cash provided by noncapital financing activities	<u>824,742</u>
Cash flows from capital and related financing activities:	
Payment on water revenue bonds	(34,000)
Interest on water revenue bonds	(16,706)
Acquisition of property, plant and equipment	<u>(469,143)</u>
Net cash used by capital and related financing activities	<u>(519,849)</u>
Cash flows from investing activities:	
Proceeds of investments and interest-bearing deposits with maturity in excess of ninety days	2,076,362
Purchase of investments and interest-bearing deposits with maturity in excess of ninety days	(2,082,657)
Interest on investments	<u>7,055</u>
Net cash provided by investing activities	<u>760</u>
Net increase in cash and cash equivalents	1,206,959
Cash and cash equivalents, beginning of period	<u>330,897</u>
Cash and cash equivalents, end of period	<u>\$1,537,856</u>

(continued)

# CITY OF SCOTT, LOUISIANA

## Statement of Cash Flows Proprietary Fund (Continued) For the Year Ended June 30, 2021

	<u>Enterprise Fund</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 371,397
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	546,209
Pension and OPEB benefit	(3,654)
Provision for uncollectible accounts	34,988
Changes in current assets and liabilities:	
Increase in accounts receivable	(68,436)
Decrease in unbilled utility receivables	9,892
Increase in prepaid items	(682)
Increase in accounts payable	5,173
Increase in accrued liabilities	1,849
Increase in unearned revenue	4,763
Decrease in compensated absences payable	(193)
Net cash provided by operating activities	<u>\$ 901,306</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:	
Cash and cash equivalents, beginning of period -	
Interest-bearing deposits - unrestricted	2,029,926
Interest-bearing deposits - restricted	102,852
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(1,801,881)</u>
Total cash and cash equivalents, beginning of period	<u>330,897</u>
Cash and cash equivalents, end of period -	
Interest-bearing deposits - unrestricted	3,226,598
Interest-bearing deposits - restricted	119,158
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(1,807,900)</u>
Total cash and cash equivalents, end of period	<u>1,537,856</u>
Net increase in cash and cash equivalents	<u>\$1,206,959</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.

Based on the foregoing criteria, a certain governmental organization is not part of the City and is thus excluded from the accompanying financial statements. This organization is the City of Scott Volunteer Fire Department. Although the City does provide facilities and some of its financing, no control is exercised over its operations.

##### B. Basis of Presentation

###### Government-Wide Financial Statements (GWFS)

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

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

## CITY OF 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)

#### Capital Projects Funds –

##### Street Construction Fund –

The Street Construction Fund is used to account for improvements to the City's infrastructure using proceeds from various grants, bond proceeds and City funds.

##### LCDBG Fund -

The LCDBG Fund is used to account for the construction of projects provided by the Louisiana Community Development Block Grant and Utility Fund revenues (transfers).

##### Debt Service Fund –

##### Sales Tax Bonds Fund –

The Sales Tax Bonds Fund is used to accumulate monies for payment of \$10,000,000 of Sales Tax Bonds, Series 2012, \$10,000,000 of Sales Tax Bonds, Series 2020 and \$2,000,000 of Taxable Sales Tax Bonds, Series 2020A. 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.



## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Measurement Focus

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

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

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

#### Basis of Accounting

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

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

The proprietary 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)

#### 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.

##### 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 \$104,637 at June 30, 2021. 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 \$1,000 or more for capitalizing capital assets.

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

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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 governmental and proprietary fund that are legally restricted as to their use. The restricted assets are related to bond proceeds for capital expenditures, sales tax bond debt service accounts, and utility meter deposits.

#### 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 the revenue bonds payable and utility meter deposits payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of 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, 2021, the City has \$54,043 of noncurrent accumulated leave benefits required to be reported in accordance with GASB Statement No. 16 "Accounting for Compensated Absences".

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### 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. At June 30, 2021, the City's deferred inflows and outflows of resources are attributable to its pension plans and other postemployment benefit plan.

#### Equity Classifications

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

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

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

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

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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

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

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.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

F. Revenue Restrictions

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

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Sales tax	See Note 3
Gas, water and sewer revenue	Utility operations

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

G. Capitalization of Interest Expense

It is the policy of the City of Scott to capitalize material amounts of interest resulting from borrowings in the course of the construction of capital assets in the Proprietary Fund. At June 30, 2021, there was no interest expense paid for assets under construction and, therefore, no capitalized interest expense was recorded on the books.

H. Use of Estimates

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

(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, 2021, taxes were levied by the City in July 2020 and were billed to taxpayers by the Assessor in November 2020. 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, 2021, taxes of 4.12 mills were levied on property with assessed valuations totaling \$77,576,224 and were dedicated to general corporate purposes. Total taxes levied were \$319,614. Taxes receivable at June 30, 2021 was \$1,217, 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 (2021 collections \$2,949,053) 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 April 1, 1984 (2021 collections \$2,949,053) 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 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 (2021 collections \$1,059,073) are dedicated for financing economic development projects in the District.

#### (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, 2021, the City had cash and interest-bearing deposits (book balances) totaling \$21,268,031 as follows:

Demand deposits	\$ 3,329,484
Money market accounts	13,201,031
Time deposits	<u>4,737,516</u>
Total	<u>\$21,268,031</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the City's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the City or the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at June 30, 2021, are secured as follows:

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

Bank balances	<u>\$ 20,597,015</u>
Federal deposit insurance	\$ 750,000
Pledged securities	<u>19,847,015</u>
Total	<u>\$ 20,597,015</u>

Deposits in the amount of \$19,847,015 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, 2021, investments in LAMP amounted to \$2,602,341.

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 150.128, the investment in LAMP is not exposed to custodial credit risk because LAMP participants' investments in the pool are evidenced by shares 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 60 days as of June 30, 2021.
- e. Foreign currency risk: Not applicable to 2a7-like securities.



# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

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) Receivables

Receivables at June 30, 2021 of \$1,030,645 consist of the following:

	General	1968 Sales Tax	1984 Sales Tax	Apollo EDD Sales Tax	Utility	Total
Accounts	\$ -	\$ -	\$ -	\$ -	\$ 300,415	\$ 300,415
Unbilled utility	-	-	-	-	122,127	122,127
Taxes:						
Ad valorem	1,217	-	-	-	-	1,217
Sales tax	-	257,410	257,410	88,505	-	603,325
Interest	-	6	6	2	3,547	3,561
Totals	<u>\$ 1,217</u>	<u>\$ 257,416</u>	<u>\$ 257,416</u>	<u>\$ 88,507</u>	<u>\$ 426,089</u>	<u>\$ 1,030,645</u>

### (6) Due from Other Governmental Units

Amounts due from other governmental units at June 30, 2021 consisted of the following:

#### General Fund:

Amount due from the State of Louisiana Department of Transportation for grass cutting grant for the fiscal year ended June 30, 2021. \$ 4,730

Amount Due from the Department of Homeland Security (FEMA) for hurricane related expenses 3,938

#### 1968 Sales Tax Fund:

Amount Due from the Department of Homeland Security (FEMA) for hurricane related expenses 419,577

#### 1984 Sales Tax Fund:

Amount due from the Scott Volunteer Fire Department for reimbursement of salaries and benefits incurred for fire protection services. 40,584

Total \$ 468,829

### (7) Restricted Assets

Restricted assets in the governmental funds at June 30, 2021 consisted of bond proceeds restricted for capital expenditures in the amount of \$9,822,724 and \$436,392 restricted for debt service payments. Restricted assets in the proprietary fund at June 30, 2021 consisted of water revenue bond debt service, reserve, and depreciation and contingencies funds of \$69,870 and amounts owed to customers for utility deposits in the amount of \$214,439.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance 06/30/20	Additions	Deletions	Balance 06/30/21
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,532,674	\$ -	\$ -	\$ 1,532,674
Construction in progress	10,002,320	1,833,790	10,786,705	1,049,405
Other capital assets:				
Buildings and improvements	6,748,834	34,450	2,828	6,780,456
Infrastructure	21,450,477	10,786,705	-	32,237,182
Equipment, furniture and fixtures	3,538,953	382,827	129,141	3,792,639
Totals	<u>43,273,258</u>	<u>13,037,772</u>	<u>10,918,674</u>	<u>45,392,356</u>
Less accumulated depreciation				
Buildings and improvements	2,133,866	183,136	2,828	2,314,174
Infrastructure	12,976,902	713,725	-	13,690,627
Equipment, furniture and fixtures	2,594,841	311,191	129,084	2,776,948
Total accumulated depreciation	<u>17,705,609</u>	<u>1,208,052</u>	<u>131,912</u>	<u>18,781,749</u>
Governmental activities, capital assets, net	<u>\$ 25,567,649</u>	<u>\$ 11,829,720</u>	<u>\$ 10,786,762</u>	<u>\$ 26,610,607</u>
Business-type activities:				
Capital assets not being depreciated:				
Land - sewer system	\$ 50,420	\$ -	\$ -	\$ 50,420
Construction in progress - water and sewer systems projects	2,202,634	445,857	2,055,520	592,971
Other capital assets:				
Gas system	1,070,698	-	-	1,070,698
Water system	8,281,357	1,985	-	8,283,342
Sewer system	11,533,070	2,055,520	24,778	13,563,812
Machinery and equipment	741,690	21,301	7,547	755,444
Totals	<u>23,879,869</u>	<u>2,524,663</u>	<u>2,087,845</u>	<u>24,316,687</u>
Less accumulated depreciation				
Gas system	937,250	19,739	-	956,989
Water system	2,997,654	219,034	-	3,216,688
Sewer system	4,986,546	251,817	-	5,238,363
Machinery and equipment	452,763	55,619	32,325	476,057
Total accumulated depreciation	<u>9,374,213</u>	<u>546,209</u>	<u>32,325</u>	<u>9,888,097</u>
Business-type activities, capital assets, net	<u>\$ 14,505,656</u>	<u>\$ 1,978,454</u>	<u>\$ 2,055,520</u>	<u>\$ 14,428,590</u>

# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	\$ 69,942
Police	241,295
Fire	3,458
Streets	854,280
Culture and recreation	39,077
Total depreciation expense	<u>\$ 1,208,052</u>

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

Gas	\$ 19,739
Water	219,034
Sewer	307,436
Total depreciation expense	<u>\$ 546,209</u>

(9) Accounts and Other Payables

The accounts and other payables of \$1,223,251 consisted of the following at June 30, 2021:

	Governmental Activities	Business-type Activities	Total
Accounts	\$ 320,733	\$ 126,728	\$ 447,461
Contracts	473,956	-	473,956
Retainage	20,645	-	20,645
Accrued liabilities	191,349	89,840	281,189
Totals	<u>\$ 1,006,683</u>	<u>\$ 216,568</u>	<u>\$ 1,223,251</u>

(10) Unearned Revenue

Unearned revenue at June 30, 2021 consists of the following:

Governmental activities:

General Fund -

Amount received from Entergy, for weatherization of citizens' homes, which has not yet been spent as of June 30, 2021	\$ 2,839
Amount received from unsettled police narcotics cases as of June 30, 2021	48,204
Total General Fund	51,043

1984 Sales Tax Fund -

Insurance proceeds received for the damage to an excavator, which will be recognized when it is sold	7,847
Total governmental activities	58,890

Business-type activities: Utility Fund -

Amount billed in June 2021 for garbage service revenues for July 2021	80,865
Total unearned revenue	<u>\$ 139,755</u>

# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### (11) Changes in Long-Term Liabilities

The following is a summary of long-term debt transactions of the City for the year ended June 30, 2021:

	<u>Long-Term Debt</u>		<u>Other Liabilities</u>
	<u>General</u>	<u>Water</u>	
	<u>Obligation</u>	<u>Revenue</u>	<u>Compensated</u>
	<u>Bonds</u>	<u>Bonds</u>	<u>Absences</u>
Long-term debt as of July 1, 2020	\$19,200,000	\$ 698,863	\$ 52,475
Additions	-	-	2,305
Retirements	(905,000)	(34,000)	(737)
Long-term debt as of June 30, 2021	<u>\$18,295,000</u>	<u>\$ 664,863</u>	<u>\$ 54,043</u>

Long-term debt payable at June 30, 2021 is comprised of the following:

#### Governmental activities:

##### General obligation bonds -

		<u>Current</u>
\$10,000,000 Public Improvement Sales Tax Bonds, Series 2012, due in annual installments of \$365,000 to \$665,000 through December 1, 2032; interest at 2.5 to 4.0 percent; payable from Apollo Economic Development District sales tax revenues	\$ 6,745,000	\$ 470,000
\$10,000,000 Public Improvement Sales Tax Bonds, Series 2020, due in annual installments of \$375,000 to \$650,000 through December 1, 2032; interest at 2.77 percent; payable from 1968 sales tax revenues	9,625,000	385,000
\$2,000,000 Public Improvement Sales Tax Bonds, Series 2020A, due in annual installments of \$75,000 to \$130,000 through December 1, 2032; interest at 2.5 to 4.0 percent; payable from 1968 sales tax revenues	1,925,000	75,000
	<u>\$18,295,000</u>	<u>\$ 930,000</u>

#### Business-type activities:

##### Water revenue bonds -

\$782,863 Taxable Water Revenue Bonds, Series 2016, due in annual installments of \$20,000 to \$49,863 through November 1, 2036; interest at 1.95 percent; payable from water utility revenues	<u>\$ 664,863</u>	<u>\$ 34,000</u>
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# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

The debt is due as follows:

Year Ending June 30,	Governmental Activities		Business-type Activities	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments
2022	\$ 930,000	\$ 557,400	\$ 34,000	\$ 15,873
2023	960,000	529,824	35,000	15,027
2024	985,000	501,347	36,000	14,157
2025	1,020,000	471,822	37,000	13,263
2026	1,045,000	440,595	38,000	12,345
2027 - 2031	5,765,000	1,679,060	205,000	47,086
2032 - 2036	4,595,000	773,611	230,000	20,441
2037 - 2041	2,995,000	218,986	49,863	611
Total	<u>\$18,295,000</u>	<u>\$5,172,645</u>	<u>\$664,863</u>	<u>\$138,803</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.

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.

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

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.

#### 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.

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.

The City of Scott was in compliance with all significant limitations and restrictions in the various bond indentures and ordinances as of June 30, 2021.

#### (13) Post Retirement 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*.

Benefits Provided – Medical benefits are provided through a comprehensive medical plan and are made available to employees upon actual retirement. The employees are covered by several retirement systems with similar eligibility provisions. Based on historical experience as described by administrative staff, most employees enter a three year D.R.O.P. at age 60.

# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

Employees covered by benefit terms – At June 30, 2021, 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	49
Total	<u>60</u>

### Total OPEB Liability

The City's total OPEB liability of \$1,430,557 was measured as of June 30, 2021 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs – The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	2.16%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Flat 5.5% annually

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of June 30, 2021, the end of the applicable measurement period.

Mortality rates were based on the RP-2000 Table without projection with 50%/50% unisex blend.

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of ongoing evaluations of the assumptions from July 1, 2009 to June 30, 2021.

### Changes in the Total OPEB Liability

OPEB liability at June 30, 2020	\$1,318,528
Changes for the year:	
Service Cost	33,851
Interest	28,585
Differences between expected and actual experience	71,008
Changes of assumptions	28,755
Benefit payments and net transfers	<u>(50,170)</u>
Net changes	<u>112,029</u>
OPEB liability at June 30, 2021	<u>\$1,430,557</u>
Covered employee payroll	<u>\$2,468,083</u>
Net OPEB liability has a percentage of covered employee payroll	58.0%

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Total OPEB liability	<u>\$ 1,728,904</u>	<u>\$ 1,430,557</u>	<u>\$ 1,200,271</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>\$ 1,229,239</u>	<u>\$ 1,430,557</u>	<u>\$ 1,693,744</u>

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$68,468. At June 30, 2021, 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	<u>\$ 529,752</u>	<u>\$ 43,144</u>

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

Year Ended June 30	
2022	\$ 56,202
2023	56,202
2024	56,202
2025	56,202
2026	56,202
Thereafter	<u>205,598</u>
Total	<u>\$ 486,608</u>



# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### (14) Pension Plans

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

#### **Plan Descriptions:**

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

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%.

# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### Contributions

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

Contributions of employees, employers, and non-employer contributing entities effective for the year ended June 30, 2021 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	10.00%	16.00%	\$ 33,804	\$ 153,221
MPERS	10.00%	33.75%	93,876	463,591
FRS	10.00%	32.25%	4,675	31,610

### Net Pension Liability

The City's net pension liability at June 30, 2021 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, 2020 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:

Plan	Proportionate Share of Net Pension Liability	Proportionate Share (%) of Net Pension Liability	Increase/(Decrease) from Prior Measurement Date
MERS	\$ 1,101,587	1.215575%	-0.539705%
MPERS	3,980,496	0.430681%	0.045024%
FRS	115,653	0.016685%	N/A
Total	<u>\$ 5,197,736</u>		

Since the measurement date of the net pension liability was June 30, 2020, 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.

# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

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

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

### Actuarial Assumptions

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

	MERS	MPERS	FRS
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	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	6.95, net of investment expense	6.95%, net of investment expense	7.00%, net of investment expense
Expected remaining service	3	4	7
Inflation rate	2.5%	2.5%	2.5%
Projected salary increases	4.9% - 7.4%	4.7% - 12.3%	4.50% - 14.75%
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.

### 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.

# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

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

### 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 6.95%, a decrease of 0.05% from the prior valuation. The discount rate used to measure the total pension liability for MPERS was 6.95%, a decrease of .175% from the prior valuation. The discount rate used to measure the total pension liability for FRS was 7%.

### 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	38%	1.67%	33.5%	0.54%	35%	1.05%
Public Equity	53%	2.33%	48.5%	3.08%	52%	3.41%
Alternative	9%	0.40%	18.0%	1.02%	11%	0.61%
Real Estate	-	-	-	-	2%	0.11%
Totals	<u>100%</u>	<u>4.40%</u>	<u>100%</u>	<u>4.64%</u>	<u>100%</u>	<u>5.18%</u>
Inflation		<u>2.60%</u>		<u>2.55%</u>		<u>2.00%</u>
Expected nominal return		<u>7.00%</u>		<u>7.19%</u>		<u>7.18%</u>

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

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

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2021, the City recognized \$204,919, \$880,262 and \$21,960 in pension expense related to the MERS, MPERS and FRS defined benefit plans, respectively.

At June 30, 2021, 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	\$ -	\$ -	\$ -	\$ -
Changes of assumptions	34,139	94,586	11,180	139,905
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	20,508	420,664	81,851	523,023
Net differences between projected and actual earnings on plan investments	119,593	477,540	12,736	609,869
Contributions subsequent to the measurement date	<u>153,221</u>	<u>463,591</u>	<u>31,610</u>	<u>648,422</u>
Total	<u>\$327,461</u>	<u>\$1,456,381</u>	<u>\$137,377</u>	<u>\$1,921,219</u>

	Deferred Inflows of Resources			
	MERS	MPERS	FRS	Total
Difference between expected and actual experience	\$ 18,535	\$156,789	\$ 7,399	\$ 182,723
Change in assumptions	-	98,233	-	98,233
Change in proportion and differences between the employer's contributions and the employer's proportionate share of contributions	<u>13,513</u>	<u>29,809</u>	<u>-</u>	<u>43,322</u>
Total	<u>\$ 32,048</u>	<u>\$284,831</u>	<u>\$ 7,399</u>	<u>\$ 324,278</u>

# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

Deferred outflows of resources of \$648,422 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, 2022. 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 June 30	MERS	MPERS	FRS	Total
2022	\$ 52,336	\$236,014	\$ 15,849	\$ 304,199
2023	45,093	199,152	18,933	263,178
2024	27,247	182,105	18,635	227,987
2025	17,516	90,688	16,737	124,941
2026	-	-	14,286	14,286
2027	-	-	13,928	13,928
Total	<u>\$ 142,192</u>	<u>\$ 707,959</u>	<u>\$ 98,368</u>	<u>\$ 948,519</u>

### 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	6.95%	\$ 1,466,416	\$ 1,101,587	\$ 792,889
MPERS	6.95%	5,592,173	3,980,496	2,633,201
FRS	7.00%	167,059	115,653	72,744
Total		<u>\$ 7,225,648</u>	<u>\$ 5,197,736</u>	<u>\$ 3,498,834</u>

### Payables to the Pension Plans

At June 30, 2021, the City's payables MERS, MPERS and FRS were \$23,445, \$54,612 and \$4,474, respectively, which were the contractually required contributions payable for the month of June 2021.

### (15) Social Security System

Employees of the City of Scott who are not eligible to participate in any other retirement system are members of the Social Security System. The City and its employees contribute a percentage of each employee's salary to the System (7.65 percent contributed by the City; 7.65 percent contributed by the employee). The City's contributions during the year ending June 30, 2021 amounted to \$260,304.

# CITY OF SCOTT, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### (16) On-Behalf Payment of Salaries

The State of Louisiana paid the City's policemen and firemen \$168,022 of supplemental pay during the year ended June 30, 2021. Such payments are recorded as intergovernmental revenues and public safety and general government expenditures in the government-wide and General Fund financial statements.

### (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, 2021 in the amount of \$102,827, of which \$8,954 was owed for purchases for the month of June 2021.
- B. The City, under a contract dated June 1, 1997, and expiring May 31, 2022, is required to purchase its water from the City of Lafayette. The City purchased water during the fiscal year ended June 30, 2021 in the amount of \$925,512, of which \$79,494 was owed for purchases for the month of June 2021.

### (18) Departmental Information for the Enterprise Fund

The City of Scott maintains one enterprise fund with three departments which provide gas, water, and sewerage services. Departmental information for the year ended June 30, 2021 is as follows:

	Gas Department	Water Department	Sewerage Department	Garbage Department	Total Enterprise Fund
Operating revenues	\$ 462,817	\$ 1,549,340	\$ 885,928	\$ 962,569	\$3,860,654
Operating expenses:					
Depreciation	19,739	219,034	307,436	-	546,209
Other	414,702	1,288,996	302,967	936,383	2,943,048
Total operating expenses	434,441	1,508,030	610,403	936,383	3,489,257
Operating income	\$ 28,376	\$ 41,310	\$ 275,525	\$ 26,186	\$ 371,397

### (19) Litigation and Claims

At June 30, 2021, 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.

CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(20) Compensation of City Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended June 30, 2021 follows:

Jan-Scott Richard, Mayor	\$ 83,394
Aldermen:	
Troy Bergeron	17,136
Doyle Boudreaux	12,240
Danny Hollier	12,240
Terry Montoucet	12,240
Kenneth Suire	12,240
Total	<u>\$ 149,490</u>

(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, 2021 follows:

Salary	\$ 83,394
Benefits - insurance	7,714
Benefits - retirement	12,926
Car allowance	7,200
Auto expense	523
Conference travel	3,288
Total	<u>\$ 115,045</u>

(22) 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.

Prior to March 1, 2019, the risk of loss for group health insurance was handled by purchasing commercial insurance coverage. Effective March 1, 2019, the City established a limited risk management program for group hospitalization, which is administered by a third-party administrator. The City deposits monthly insurance premiums into the City of Scott Employee Benefit Plan Trust. If at any time the Trust does not have sufficient funds to pay claims, the City's excess loss policy funds the difference. Due to immateriality, the balance in the trust fund was not recorded at June 30, 2021.



CITY OF SCOTT, LOUISIANA

Notes to Basic Financial Statements (Continued)

(23) Interfund Transactions

A. Receivables and Payables

Interfund receivables and payables consisted of the following at June 30, 2021:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major funds:		
Governmental funds -		
General Fund	\$ 808,156	\$ 637,447
1968 Sales Tax Special Revenue Fund	-	1,490,449
1984 Sales Tax Special Revenue Fund	700,095	2,278,837
Apollo EDD Sales Tax Special Revenue Fund	2,204,955	375,429
Street Construction Fund	1,325,005	1,146,043
Sales Tax Bonds Fund	333,346	203,711
Proprietary Fund -		
Enterprise Fund	<u>1,963,276</u>	<u>1,202,917</u>
Total	<u>\$ 7,334,833</u>	<u>\$ 7,334,833</u>

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

B. Transfers

Interfund transfers consisted of the following at June 30, 2021:

	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
Governmental funds -		
General Fund	\$ 3,810,000	\$ -
1968 Sales Tax Special Revenue Fund	-	2,924,791
1984 Sales Tax Special Revenue Fund	-	2,435,431
Apollo EDD Sales Tax Special Revenue Fund	600,000	743,160
Street Construction Fund	15	-
Sales Tax Bonds Fund	1,486,290	-
Proprietary Fund -		
Enterprise Fund	<u>2,957,077</u>	<u>2,750,000</u>
Total	<u>\$ 8,853,382</u>	<u>\$ 8,853,382</u>

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

## CITY OF SCOTT, LOUISIANA

### Notes to Basic Financial Statements (Continued)

(24) Tax Abatement

Louisiana's State Constitution Chapter VII Section 21 authorizes the State Board of Commerce and Industry to create a ten (10) year ad valorem tax abatement program for new manufacturing establishments in the State. Under the terms of this program, qualified businesses may apply for an exemption of local ad valorem taxes on capital improvements and equipment related to manufacturing for the first ten years of its operation; after which the property will be added to the local tax roll and taxed at the value and millage in force at that time. The future value to this exempt property could be subject to significant fluctuations from today's value; however, the City could receive a substantial increase in ad valorem tax revenues once the exemption on this property expires. Because these taxes are not assessed, no adjustments have been made to the City's financial statements to record the exempt amounts. The City's ad valorem taxes for the year ended June 30, 2021 were reduced by \$2,920.

(25) New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following statements which were not required to be implemented by the Government during the current fiscal year.

GASB Statement No. 87, "Leases." The requirements of this Statement are effective for fiscal years beginning after June 30, 2022.

GASB Statement No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period." The requirements for this Statement are effective for fiscal years beginning after December 31, 2021.

(26) Subsequent Event

During the fiscal year ended June 30, 2022, pending bond commission approval, the City will purchase property and a building located at 320 Rue Bon Secours for a new public safety building. The assets will be purchased for \$1,105,000 with anticipated financing for five years.

(27) Uncertainties Arising During and After Financial Statement Date

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

**REQUIRED  
SUPPLEMENTARY INFORMATION**

CITY OF SCOTT, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 861,200	\$ 879,991	\$ 836,901	\$ (43,090)
Licenses and permits	368,600	414,391	366,180	(48,211)
Intergovernmental	495,868	1,200,729	1,183,796	(16,933)
Fines and forfeits	350,065	387,975	351,904	(36,071)
Miscellaneous	152,900	131,639	159,071	27,432
Total revenues	<u>2,228,633</u>	<u>3,014,725</u>	<u>2,897,852</u>	<u>(116,873)</u>
<b>Expenditures:</b>				
General government	1,019,786	1,057,752	1,143,301	(85,549)
Public safety -				
Police	3,277,678	3,145,654	3,079,322	66,332
Streets	874,469	912,462	977,751	(65,289)
Culture and tourism	59,940	29,343	31,644	(2,301)
Capital outlay	279,114	284,777	324,086	(39,309)
Total expenditures	<u>5,510,987</u>	<u>5,429,988</u>	<u>5,556,104</u>	<u>(126,116)</u>
Deficiency of revenues over expenditures	(3,282,354)	(2,415,263)	(2,658,252)	(242,989)
<b>Other financing sources:</b>				
Transfers in	<u>3,280,000</u>	<u>3,560,000</u>	<u>3,810,000</u>	<u>250,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(2,354)	1,144,737	1,151,748	7,011
Fund balance, beginning	<u>1,390,624</u>	<u>1,390,624</u>	<u>1,390,624</u>	<u>-</u>
Fund balance, ending	<u>\$ 1,388,270</u>	<u>\$ 2,535,361</u>	<u>\$2,542,372</u>	<u>\$ 7,011</u>

CITY OF SCOTT, LOUISIANA  
1968 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,550,000	\$ 2,895,123	\$ 2,949,053	\$ 53,930
Intergovernmental	-	648,784	673,276	24,492
Miscellaneous - interest	38,000	26,535	24,783	(1,752)
Total revenues	<u>2,588,000</u>	<u>3,570,442</u>	<u>3,647,112</u>	<u>76,670</u>
Expenditures:				
General government	49,800	50,632	53,012	(2,380)
Streets	302,730	1,183,184	1,235,929	(52,745)
Capital outlay	901,000	867,461	883,410	(15,949)
Total expenditures	<u>1,253,530</u>	<u>2,101,277</u>	<u>2,172,351</u>	<u>(71,074)</u>
Excess of revenues over expenditures	1,334,470	1,469,165	1,474,761	5,596
Other financing uses:				
Transfers out	<u>(1,555,712)</u>	<u>(2,924,791)</u>	<u>(2,924,791)</u>	<u>-</u>
Deficiency of revenues over expenditures and other uses	(221,242)	(1,455,626)	(1,450,030)	5,596
Fund balances, beginning	<u>3,307,881</u>	<u>3,307,881</u>	<u>3,307,881</u>	<u>-</u>
Fund balances, ending	<u>\$ 3,086,639</u>	<u>\$ 1,852,255</u>	<u>\$ 1,857,851</u>	<u>\$ 5,596</u>

CITY OF SCOTT, LOUISIANA  
1984 Sales Tax Special Revenue Fund

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$2,550,000	\$ 2,895,123	\$ 2,949,053	\$ 53,930
Intergovernmental -				
Local grant	226,075	142,350	114,813	(27,537)
Miscellaneous -				
Interest	28,000	31,681	31,783	102
Total revenues	<u>2,804,075</u>	<u>3,069,154</u>	<u>3,095,649</u>	<u>26,495</u>
Expenditures:				
General government	51,400	45,202	41,471	3,731
Public safety -				
Fire	696,934	750,152	757,448	(7,296)
Streets	149,058	107,230	105,699	1,531
Capital outlay	147,500	147,608	147,608	-
Total expenditures	<u>1,044,892</u>	<u>1,050,192</u>	<u>1,052,226</u>	<u>(2,034)</u>
Excess of revenues over expenditures	1,759,183	2,018,962	2,043,423	24,461
Other financing uses:				
Transfers to other funds	<u>(1,761,768)</u>	<u>(2,435,337)</u>	<u>(2,435,431)</u>	<u>(94)</u>
Deficiency of revenues over expenditures and other uses	(2,585)	(416,375)	(392,008)	24,367
Fund balances, beginning	<u>1,938,553</u>	<u>1,938,553</u>	<u>1,938,553</u>	<u>-</u>
Fund balances, ending	<u>\$ 1,935,968</u>	<u>\$ 1,522,178</u>	<u>\$ 1,546,545</u>	<u>\$ 24,367</u>

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

Budgetary Comparison Schedule  
For the Year Ended June 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 889,500	\$ 1,030,517	\$ 1,059,074	\$ 28,557
Intergovernmental revenue -				
Federal grant	-	28,260	-	(28,260)
Miscellaneous - interest	18,000	7,539	8,811	1,272
Total revenues	907,500	1,066,316	1,067,885	1,569
Expenditures:				
General government -				
Collection fees	7,500	6,328	7,060	(732)
Miscellaneous	-	-	100	(100)
Total general government	7,500	6,328	7,160	(832)
Capital outlay	1,140,000	623,461	616,187	7,274
Total expenditures	1,147,500	629,789	623,347	6,442
Excess (deficiency) of revenues over expenditures	(240,000)	436,527	444,538	8,011
Other financing sources (uses):				
Transfers in	-	600,000	600,000	-
Transfers out	(714,482)	(743,145)	(743,160)	(15)
Total other financing sources (uses)	(714,482)	(143,145)	(143,160)	(15)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(954,482)	293,382	301,378	7,996
Fund balances, beginning	3,217,838	3,217,838	3,217,838	-
Fund balances, ending	\$ 2,263,356	\$ 3,511,220	\$ 3,519,216	\$ 7,996

CITY OF SCOTT, LOUISIANA

Schedule of Changes in Net OPEB Liability and Related Ratios  
For the Year Ended June 30, 2021

	2021	2020	2019	2018
<b>Total OPEB Liability:</b>				
Service Cost	\$ 33,851	\$ 116,711	\$ 13,592	\$ 12,839
Interest	28,585	35,276	27,033	26,488
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	71,008	(60,402)	261,792	7,348
Changes of assumptions	28,755	241,715	51,000	-
Benefit payments	<u>(50,170)</u>	<u>(45,311)</u>	<u>(42,949)</u>	<u>(21,956)</u>
Net changes	112,029	287,989	310,468	24,719
Total OPEB liability - beginning	<u>1,318,528</u>	<u>1,030,539</u>	<u>720,071</u>	<u>695,352</u>
Total OPEB liability - ending	1,430,557	1,318,528	1,030,539	720,071
Plan Fiduciary Net Position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net OPEB liability	<u>\$ 1,430,557</u>	<u>\$ 1,318,528</u>	<u>\$ 1,030,539</u>	<u>\$ 720,071</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%
Covered employee payroll	<u>2,468,083</u>	<u>2,373,157</u>	<u>2,281,881</u>	<u>2,432,936</u>
Net OPEB liability as a percentage of covered-employee payroll	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.*



CITY OF SCOTT, LOUISIANA

Schedule of Employer OPEB Contributions  
For the Year Ended June 30, 2021

Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2021	\$ 94,437	\$ 50,170	\$ 44,267	\$2,468,083	2.03%
2020	172,743	45,311	127,432	2,373,157	1.91%
2019	54,579	42,949	11,630	2,281,881	1.88%
2018	29,361	21,956	7,405	2,432,936	0.90%

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

CITY OF SCOTT, LOUISIANA

Schedule of Employer's Share of Net Pension Liability  
For the Year Ended June 30, 2021\*

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 Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
MERS	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%
	2015	1.190261%	558,823	805,041	69.4%	76.94%
MPERS	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	916,405	310.7%	70.73%
	2015	0.312685%	1,956,183	797,969	245.1%	75.10%
FRS	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.*

CITY OF SCOTT, LOUISIANA

Schedule of Employer Contributions  
For the Year Ended June 30, 2021

Plan	Year Ended June 30,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
MERS	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%
	2015	83,109	83,109	-	874,830	9.50%
MPERS	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%
	2015	289,676	289,676	-	916,405	31.61%
FRS	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.*

## 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 or as 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, 2021 is 2.16%, a decrease of 0.05% from the prior year rate of 2.21%.

(Continued)

CITY OF SCOTT, LOUISIANA

Notes to the Required Supplementary Information (Continued)

(4) Excess of Expenditures Over Appropriations

For the year ended June 30, 2021, 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>			
General government	\$ 1,057,752	\$ 1,143,301	\$ (85,549)
Streets	912,462	977,751	(65,289)
Culture and tourism	29,343	31,644	(2,301)
Capital outlay	284,777	324,086	(39,309)
<b>1968 Sales Tax Fund:</b>			
General government	50,632	53,012	(2,380)
Streets	1,183,184	1,235,929	(52,745)
Capital outlay	867,461	883,410	(15,949)
<b>1984 Sales Tax Fund:</b>			
Public Safety -			
Fire	750,152	757,448	(7,296)
<b>Apollo Economic Development:</b>			
General government	6,328	7,160	(832)

## **OTHER SUPPLEMENTARY INFORMATION**

## CITY OF SCOTT, LOUISIANA

Statement of Net Position  
June 30, 2021  
With Comparative Totals as of June 30, 2020

	2021			2020
	Governmental Activities	Business-Type Activities	Total	Totals
<b>ASSETS</b>				
Current assets:				
Cash and interest-bearing deposits	\$ 7,663,159	\$ 3,226,598	\$10,889,757	\$ 10,794,055
Investments	2,327,584	109,606	2,437,190	2,431,293
Receivables, net	604,556	426,089	1,030,645	890,541
Internal balances	(760,359)	760,359	-	-
Due from other governmental units	468,829	-	468,829	277,200
Prepaid items	100,370	18,202	118,572	103,371
Total current assets	<u>10,404,139</u>	<u>4,540,854</u>	<u>14,944,993</u>	<u>14,496,460</u>
Noncurrent assets:				
Restricted assets:				
Cash and interest-bearing deposits	10,259,116	119,158	10,378,274	11,242,210
Investments	-	165,151	165,151	168,431
Capital assets:				
Land and construction in progress	2,582,079	643,391	3,225,470	13,788,048
Other capital assets	<u>24,028,528</u>	<u>13,785,199</u>	<u>37,813,727</u>	<u>26,285,257</u>
Total noncurrent assets	<u>36,869,723</u>	<u>14,712,899</u>	<u>51,582,622</u>	<u>51,483,946</u>
Total assets	<u>47,273,862</u>	<u>19,253,753</u>	<u>66,527,615</u>	<u>65,980,406</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources related to pensions	1,831,782	89,437	1,921,219	1,483,133
Deferred outflows of resources related to net OPEB obligation	<u>474,950</u>	<u>54,802</u>	<u>529,752</u>	<u>494,820</u>
Total deferred outflows of resources	<u>2,306,732</u>	<u>144,239</u>	<u>2,450,971</u>	<u>1,977,953</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts and other payables	1,006,683	216,568	1,223,251	1,264,617
Unearned revenue	58,890	80,865	139,755	133,594
Customers deposits payable	-	214,439	214,439	192,828
Bonds payable	930,000	34,000	964,000	939,000
Accrued interest payable	<u>123,084</u>	<u>2,715</u>	<u>125,799</u>	<u>118,026</u>
Total current liabilities	<u>2,118,657</u>	<u>548,587</u>	<u>2,667,244</u>	<u>2,648,065</u>
Noncurrent liabilities:				
Compensated absences payable	53,621	422	54,043	52,475
Bonds payable	17,365,000	630,863	17,995,863	18,959,863
Net OPEB obligation payable	1,282,568	147,989	1,430,557	1,318,528
Net pension payable	<u>4,900,308</u>	<u>297,428</u>	<u>5,197,736</u>	<u>4,530,779</u>
Total noncurrent liabilities	<u>23,601,497</u>	<u>1,076,702</u>	<u>24,678,199</u>	<u>24,861,645</u>
Total liabilities	<u>25,720,154</u>	<u>1,625,289</u>	<u>27,345,443</u>	<u>27,509,710</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources related to pensions	315,625	8,653	324,278	226,785
Deferred inflows of resources related to net OPEB obligation	<u>38,681</u>	<u>4,463</u>	<u>43,144</u>	<u>51,773</u>
Total deferred inflows of resources	<u>354,306</u>	<u>13,116</u>	<u>367,422</u>	<u>278,558</u>
<b>NET POSITION</b>				
Net investment in capital assets	17,881,278	13,797,727	31,679,005	30,410,692
Restricted for sales tax dedications	6,923,612	-	6,923,612	8,464,272
Restricted for debt service	442,943	33,155	476,098	475,027
Unrestricted (deficit)	<u>(1,741,699)</u>	<u>3,928,705</u>	<u>2,187,006</u>	<u>820,100</u>
Total net position	<u>\$ 23,506,134</u>	<u>\$ 17,759,587</u>	<u>\$41,265,721</u>	<u>\$ 40,170,091</u>

**CITY OF SCOTT, LOUISIANA**

**Balance Sheets  
General and Special Revenue Funds**

**June 30, 2021**

**With Comparative Totals as of June 30, 2020**

	<b>General</b>		<b>1968 Sales Tax Special Revenue</b>		<b>1984 Sales Tax Special Revenue</b>		<b>Apollo Economic Development District Sales Tax Special Revenue</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>								
Cash	\$ 801,248	\$ 320,987	\$ 43,279	\$ 37,985	\$ 335,744	\$ 323,744	\$ 44,600	\$ -
Interest-bearing deposits	1,308,771	556,925	1,120,060	2,967,065	2,407,886	2,843,461	1,601,571	1,154,599
Investments	531,651	531,116	1,677,325	1,675,639	118,608	118,488	-	-
Receivables:								
Taxes	1,217	9,526	257,410	208,343	257,410	208,343	88,505	61,631
Accrued interest	-	-	6	72	6	72	2	21
Due from other funds	808,156	808,164	-	-	700,095	698,472	2,204,955	2,249,497
Due from other governmental units	8,668	4,880	419,577	-	40,584	51,945	-	186,103
Prepaid items	100,370	85,851	-	-	-	-	-	-
Total assets	<u>\$ 3,560,081</u>	<u>\$ 2,317,449</u>	<u>\$ 3,517,657</u>	<u>\$ 4,889,104</u>	<u>\$ 3,860,333</u>	<u>\$ 4,244,525</u>	<u>\$ 3,939,633</u>	<u>\$ 3,651,851</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 190,052	\$ 115,135	\$ 107,268	\$ 77,703	\$ 23,413	\$ 19,138	\$ -	\$ 35,193
Contracts payable	-	-	58,586	15,785	-	-	-	23,053
Accrued liabilities	139,167	125,279	3,503	1,576	3,691	1,766	44,988	458
Due to other funds	637,447	636,766	1,490,449	1,486,159	2,278,837	2,277,221	375,429	375,309
Unearned revenue	51,043	49,645	-	-	7,847	7,847	-	-
Total liabilities	<u>1,017,709</u>	<u>926,825</u>	<u>1,659,806</u>	<u>1,581,223</u>	<u>2,313,788</u>	<u>2,305,972</u>	<u>420,417</u>	<u>434,013</u>
Fund balances -								
Nonspendable (prepaid items)	100,370	85,851	-	-	-	-	-	-
Restricted - sales tax dedications	-	-	1,857,851	3,307,881	1,546,545	1,938,553	3,519,216	3,217,838
Unassigned	2,442,002	1,304,773	-	-	-	-	-	-
Total fund balances	<u>2,542,372</u>	<u>1,390,624</u>	<u>1,857,851</u>	<u>3,307,881</u>	<u>1,546,545</u>	<u>1,938,553</u>	<u>3,519,216</u>	<u>3,217,838</u>
Total liabilities and fund balances	<u>\$ 3,560,081</u>	<u>\$ 2,317,449</u>	<u>\$ 3,517,657</u>	<u>\$ 4,889,104</u>	<u>\$ 3,860,333</u>	<u>\$ 4,244,525</u>	<u>\$ 3,939,633</u>	<u>\$ 3,651,851</u>



CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Revenues  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget		Actual	Variance with Final Budget	2020 Actual
	Original	Final		Positive (Negative)	
<b>Taxes:</b>					
Ad valorem	\$ 325,000	\$ 325,000	\$ 310,088	\$(14,912)	\$ 341,713
Franchise -					
Electric	450,000	472,744	446,730	(26,014)	452,132
Natural gas	26,000	23,268	22,522	(746)	26,315
Cable TV	60,200	58,979	57,561	(1,418)	61,065
Total taxes	<u>861,200</u>	<u>879,991</u>	<u>836,901</u>	<u>(43,090)</u>	<u>881,225</u>
<b>Licenses and permits:</b>					
Liquor and beer licenses	8,000	5,860	4,921	(939)	7,110
Occupational licenses	24,800	29,010	30,220	1,210	24,120
Insurance occupational licenses	200,000	200,999	159,313	(41,686)	179,949
Building permits	110,000	136,907	126,311	(10,596)	104,580
Electrical permits	15,000	22,223	22,902	679	11,985
Other permits	10,800	19,392	22,513	3,121	10,740
Total licenses and permits	<u>368,600</u>	<u>414,391</u>	<u>366,180</u>	<u>(48,211)</u>	<u>338,484</u>
<b>Intergovernmental:</b>					
Federal	-	68,005	64,707	(3,298)	48,081
State of Louisiana	230,186	220,533	216,632	(3,901)	182,598
Local	<u>265,682</u>	<u>912,191</u>	<u>902,457</u>	<u>(9,734)</u>	<u>264,871</u>
Total intergovernmental	<u>495,868</u>	<u>1,200,729</u>	<u>1,183,796</u>	<u>(16,933)</u>	<u>495,550</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Revenues (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			Variance with Final Budget	2020
	Budget		Actual	Positive (Negative)	Actual
	Original	Final			
Fines and forfeits:					
Fines and court costs - regular	150,000	170,537	144,910	(25,627)	121,411
Fines and court costs - LACE	200,000	217,438	206,994	(10,444)	177,266
Clerk of Court	65	-	-	-	130
Total fines and forfeits	350,065	387,975	351,904	(36,071)	298,807
Miscellaneous:					
Interest	17,500	7,799	7,520	(279)	17,302
Sale of assets	1,000	-	-	-	-
Begnaud House inventory sales	2,500	80	80	-	4,498
Begnaud House event admission	250	-	-	-	456
Event Center revenues	29,500	22,500	25,850	3,350	31,325
Donations	100,000	100,000	100,000	-	-
Other sources	2,150	1,260	25,621	24,361	38,641
Total miscellaneous	152,900	131,639	159,071	27,432	92,222
Total revenues	\$2,228,633	\$3,014,725	\$2,897,852	\$(116,873)	\$2,106,288

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			Variance with Final Budget	2020
	Budget		Actual	Positive	Actual
	Original	Final		(Negative)	
General government:					
Administration:					
Mayor and council salaries	\$ 146,558	\$ 148,701	\$ 149,490	\$ (789)	\$ 146,559
Other salaries	140,373	145,710	146,613	(903)	149,251
Payroll taxes	20,568	20,096	19,762	334	22,624
Retirement	33,410	33,011	33,410	(399)	29,068
Telephone and utilities	29,700	21,628	24,442	(2,814)	31,707
Advertising and publications	30,250	21,521	19,118	2,403	28,323
Repairs and maintenance	36,280	72,845	75,132	(2,287)	39,399
Dues and conventions	5,000	7,025	8,634	(1,609)	6,852
Legal fees	134,800	136,141	146,499	(10,358)	173,034
Government relations and consulting	-	-	-	-	50,000
Accounting and auditing	43,000	42,995	35,665	7,330	38,320
Computer service	17,200	15,166	16,536	(1,370)	19,721
General insurance	59,138	59,138	84,612	(25,474)	37,944
Group insurance	30,872	31,597	38,780	(7,183)	39,193
Office expenditures	39,030	43,654	48,089	(4,435)	45,762
Uniforms	3,000	2,624	3,923	(1,299)	3,035
Scott business appreciation	3,882	918	918	-	3,198
Council on Aging	6,000	-	-	-	-
Cultural activities	8,350	9,531	6,973	2,558	15,361
Collection fees	8,700	8,645	9,212	(567)	9,106
Miscellaneous	6,075	2,946	3,190	(244)	1,498
	<u>802,186</u>	<u>823,892</u>	<u>870,998</u>	<u>(47,106)</u>	<u>889,955</u>
Code Department:					
Salaries	98,222	101,402	101,407	(5)	105,633
Payroll taxes and retirement	20,642	22,467	22,301	166	20,748
Group insurance	15,436	10,981	12,103	(1,122)	14,458
Building permits	82,500	99,010	136,277	(37,267)	99,196
Training	800	-	215	(215)	787
	<u>217,600</u>	<u>233,860</u>	<u>272,303</u>	<u>(38,443)</u>	<u>240,822</u>
Total general government	<u>1,019,786</u>	<u>1,057,752</u>	<u>1,143,301</u>	<u>(85,549)</u>	<u>1,130,777</u>

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			Variance with	
	Budget			Final Budget	2020
	Original	Final	Actual	Positive (Negative)	Actual
Public safety:					
Police -					
Salaries	1,808,515	1,676,655	1,657,842	18,813	1,633,599
Salaries - Chief	87,317	89,063	89,065	(2)	85,917
Payroll taxes	148,223	132,547	132,788	(241)	131,980
Retirement	448,500	455,112	463,591	(8,479)	433,173
Vehicle allowance	9,600	9,600	9,600	-	7,200
Auto fuel and oil	95,000	85,543	64,571	20,972	70,161
Uniforms and supplies	38,600	39,043	37,148	1,895	38,434
Training, lodging and travel	16,000	16,000	10,895	5,105	9,703
Dues and subscriptions	13,000	13,000	9,751	3,249	10,543
General insurance	165,224	165,224	183,431	(18,207)	164,104
Group insurance	246,974	246,973	229,972	17,001	210,780
Advertising	3,000	1,353	353	1,000	3,452
Miscellaneous	5,500	5,693	7,189	(1,496)	2,404
Auto repairs and maintenance	60,000	56,723	34,042	22,681	61,138
Firearms and ammunition	9,000	9,000	8,732	268	9,010
Telephone and utilities	43,550	46,550	45,393	1,157	44,644
Computer services	20,000	20,000	19,382	618	21,365
Office repairs and maintenance	40,500	58,400	57,199	1,201	41,168
Office supplies	15,000	15,000	14,640	360	14,373
Civil service -					
Contract services	2,175	2,175	2,112	63	1,936
Office supplies/miscellaneous	2,000	2,000	1,626	374	796
Total public safety	3,277,678	3,145,654	3,079,322	66,332	2,995,880

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance with Final Budget	2020
	Original	Final	Actual	Positive (Negative)	Actual
Streets:					
Salaries	452,212	507,064	544,766	(37,702)	401,137
Retirement	59,405	61,136	62,483	(1,347)	50,222
Payroll taxes	33,309	38,935	41,516	(2,581)	30,463
Street lighting	76,000	84,230	97,663	(13,433)	72,824
General insurance	105,000	103,359	101,133	2,226	85,453
Group insurance	61,743	60,420	71,328	(10,908)	58,677
Dues and subscriptions	5,500	4,567	4,567	-	4,676
Utilities	6,500	6,474	7,695	(1,221)	7,571
Engineering	-	-	2,014	(2,014)	-
Repairs and maintenance	67,900	28,860	28,906	(46)	81,194
Uniforms	4,100	3,957	3,957	-	3,534
Install/remove Christmas decorations	2,600	2,600	514	2,086	1,300
Miscellaneous	200	10,860	11,209	(349)	285
Total streets	874,469	912,462	977,751	(65,289)	797,336
Culture and tourism:					
Begnaud House -					
Salaries	19,322	-	-	-	11,861
Payroll taxes	1,487	-	-	-	940
General insurance	2,393	2,393	1,524	869	2,278
Cost of sales	1,000	-	-	-	3,835
Telephone and utilities	5,471	3,670	4,496	(826)	4,820
Advertising and marketing	500	500	-	500	-
Events	250	-	-	-	513
Office expenditures	4,060	3,140	2,125	1,015	3,644
Building and grounds maintenance	1,000	450	938	(488)	1,672
Conferences	150	-	-	-	150
Miscellaneous	100	-	840	(840)	720
Total Begnaud House	35,733	10,153	9,923	230	30,433
Scott Event Center -					
Contract labor	350	42	87	(45)	248
General insurance	1,322	1,487	1,567	(80)	1,366
Utilities	9,375	8,179	9,255	(1,076)	9,365
Repairs and maintenance	12,300	8,501	9,256	(755)	13,155
Supplies	-	-	126	(126)	-
Total Scott Event Center	23,347	18,209	20,291	(2,082)	24,134

(continued)

CITY OF SCOTT, LOUISIANA  
General Fund

Detailed Budgetary Comparison Schedule - Expenditures (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			Variance with Final Budget Positive (Negative)	2020 Actual
	Budget		Actual		
	Original	Final			
Scott Community Center -					
General insurance	610	610	723	(113)	630
Repairs and maintenance	250	-	-	-	-
Supplies	-	-	-	-	383
Telephone and utilities	-	371	707	(336)	1,466
Total Scott Community Center	860	981	1,430	(449)	2,479
 Total culture and recreation	59,940	29,343	31,644	(2,301)	57,046
Capital outlay:					
General government -					
Council Chamber improvements	23,800	23,792	23,792	-	-
Equipment	11,000	10,946	7,484	3,462	66,966
Public safety (police) -					
Automobiles	32,588	32,588	33,411	(823)	
Equipment	77,500	78,725	106,979	(28,254)	167,240
Culture and tourism -					
Park playground improvements	7,500	112,000	122,088	(10,088)	20,649
Begnaud House improvements	26,726	26,726	28,964	(2,238)	12,363
Scott Event Center improvements	100,000	-	1,368	(1,368)	6,322
Total capital outlay	279,114	284,777	324,086	(39,309)	273,540
 Total expenditures	\$5,510,987	\$5,429,988	\$5,556,104	\$(126,116)	\$5,254,579

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
1968 Sales Tax Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance with Final Budget	2020
	Original	Final	Actual	Positive (Negative)	Actual
Revenues:					
Taxes	\$ 2,550,000	\$ 2,895,123	\$ 2,949,053	\$ 53,930	\$ 2,623,015
Intergovernmental -					
Federal:	-	468,784	493,276	24,492	14,145
State grant	-	180,000	180,000	-	-
Miscellaneous -					
Interest	38,000	26,535	24,783	(1,752)	68,638
Total revenues	<u>2,588,000</u>	<u>3,570,442</u>	<u>3,647,112</u>	<u>76,670</u>	<u>2,705,798</u>
Expenditures:					
General government -					
Collection fees	24,800	18,702	22,382	(3,680)	23,887
Professional fees	25,000	31,930	30,630	1,300	24,370
Total general government	<u>49,800</u>	<u>50,632</u>	<u>53,012</u>	<u>(2,380)</u>	<u>48,257</u>
Streets -					
Supplies and repairs	83,000	680,249	704,427	(24,178)	91,042
Herbicide program	29,730	29,730	25,653	4,077	37,314
Engineering fees - annexations, etc	190,000	473,205	505,849	(32,644)	295,637
Total streets	<u>302,730</u>	<u>1,183,184</u>	<u>1,235,929</u>	<u>(52,745)</u>	<u>423,993</u>
Capital outlay:					
Highways and streets -					
Blacktop overlay	410,000	327,190	325,840	1,350	21,960
Bridge repair	101,000	20,271	74,772	(54,501)	141,802
Channel cleaning	250,000	430,000	440,662	(10,662)	262,500
Traffic study	90,000	90,000	33,002	56,998	157,523
Scott Park drainage - Mills Culvert	50,000	-	-	-	-
St. Mary sidewalk	-	-	9,134	(9,134)	-
Total capital outlay	<u>901,000</u>	<u>867,461</u>	<u>883,410</u>	<u>(15,949)</u>	<u>583,785</u>
Total expenditures	<u>1,253,530</u>	<u>2,101,277</u>	<u>2,172,351</u>	<u>(71,074)</u>	<u>1,056,035</u>
Excess of revenues over expenditures	<u>1,334,470</u>	<u>1,469,165</u>	<u>1,474,761</u>	<u>5,596</u>	<u>1,649,763</u>

(continued)

CITY OF SCOTT, LOUISIANA  
Special Revenue Fund  
1968 Sales Tax Fund

Detailed Budgetary Comparison Schedule (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance with Final Budget Positive (Negative)	2020 Actual
	Original	Final	Actual		
Other financing sources (uses):					
Transfers out	(1,555,712)	(2,924,791)	(2,924,791)	-	(876,421)
Total other financing sources (uses)	(1,555,712)	(2,924,791)	(2,924,791)	-	(876,421)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(221,242)	(1,455,626)	(1,450,030)	5,596	773,342
Fund balance, beginning	3,307,881	3,307,881	3,307,881	-	2,534,539
Fund balance, ending	\$ 3,086,639	\$1,852,255	\$1,857,851	\$ 5,596	\$ 3,307,881



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

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			Variance with Final Budget Positive (Negative)	2020 Actual
	Budget		Actual		
	Original	Final			
Revenues:					
Taxes	\$2,550,000	\$2,895,123	\$2,949,053	\$ 53,930	\$ 2,623,015
Intergovernmental -					
Local grant	226,075	142,350	114,813	(27,537)	51,945
Miscellaneous -					
Equipment refund	-	-	-	-	3,462
Interest	28,000	31,681	31,783	102	49,468
Total revenues	2,804,075	3,069,154	3,095,649	26,495	2,727,890
Expenditures:					
General government -					
Sales tax collection fee	24,900	18,702	22,382	(3,680)	23,887
Professional fees	26,500	26,500	19,089	7,411	23,410
Total general government	51,400	45,202	41,471	3,731	47,297
Public safety - fire					
Contract	75,000	75,000	75,000	-	75,000
Telephone and supplies	3,000	4,078	4,208	(130)	4,773
Uniforms	5,300	5,299	1,431	3,868	4,453
Professional fees	21,400	21,400	20,340	1,060	16,805
Salaries and benefits	449,376	495,638	510,454	(14,816)	454,658
Payroll taxes	35,559	39,493	41,260	(1,767)	34,584
Retirement	29,599	31,545	31,610	(65)	11,527
Contract labor	57,200	57,200	57,236	(36)	57,200
Insurance	20,500	20,499	15,909	4,590	22,332
Total public safety	696,934	750,152	757,448	(7,296)	681,332
Streets -					
Vehicle and equipment repairs and maintenance	94,000	57,972	67,560	(9,588)	69,604
Equipment lease	55,058	49,258	38,139	11,119	60,233
Total streets	149,058	107,230	105,699	1,531	129,837
Capital outlay	147,500	147,608	147,608	-	54,742
Total expenditures	1,044,892	1,050,192	1,052,226	(2,034)	913,208
Excess of revenues over expenditures	1,759,183	2,018,962	2,043,423	24,461	1,814,682

(continued)

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

Detailed Budgetary Comparison Schedule (Continued)  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget		Actual	Variance with Final Budget Positive (Negative)	2020
	Original	Final			Actual
Other financing uses:					
Transfers out	<u>(1,761,768)</u>	<u>(2,435,337)</u>	<u>(2,435,431)</u>	<u>(94)</u>	<u>(1,709,662)</u>
Excess (deficiency) of revenues over expenditures and other uses	<u>(2,585)</u>	<u>(416,375)</u>	<u>(392,008)</u>	<u>24,367</u>	<u>105,020</u>
Fund balance, beginning	<u>1,938,553</u>	<u>1,938,553</u>	<u>1,938,553</u>	<u>-</u>	<u>1,833,533</u>
Fund balance, ending	<u>\$ 1,935,968</u>	<u>\$ 1,522,178</u>	<u>\$ 1,546,545</u>	<u>\$ 24,367</u>	<u>\$ 1,938,553</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, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance with Final Budget	2020
	Original	Final	Actual	Positive (Negative)	Actual
<b>Revenues:</b>					
Taxes	\$ 889,500	\$ 1,030,517	\$ 1,059,074	\$ 28,557	\$ 907,721
Intergovernmental -					
Federal grant	-	28,260	-	(28,260)	-
Miscellaneous	18,000	7,539	8,811	1,272	17,736
Total revenues	907,500	1,066,316	1,067,885	1,569	925,457
<b>Expenditures:</b>					
General government -					
Collection fees	7,500	6,328	7,060	(732)	7,045
Miscellaneous	-	-	100	(100)	-
Total general government	7,500	6,328	7,160	(832)	7,045
Capital outlay	1,140,000	623,461	616,187	7,274	629,090
Total expenditures	1,147,500	629,789	623,347	6,442	636,135
Excess of (deficiency) revenues over expenditures	(240,000)	436,527	444,538	8,011	289,322
<b>Other financing sources (uses):</b>					
Transfers in		600,000	600,000	-	-
Transfers out	(714,482)	(743,145)	(743,160)	(15)	(784,039)
Total other financing sources (uses)	(714,482)	(143,145)	(143,160)	(15)	(784,039)
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(954,482)	293,382	301,378	7,996	(494,717)
Fund balances, beginning	3,217,838	3,217,838	3,217,838	-	3,712,555
Fund balances, ending	\$2,263,356	\$3,511,220	\$3,519,216	\$ 7,996	\$3,217,838

CITY OF SCOTT, LOUISIANA  
Capital Projects Fund  
Street Construction Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance -	2020
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Miscellaneous - interest	\$ 30,000	\$ 135,546	\$ 143,706	\$ 8,160	\$ 54,071
Expenditures:					
Capital outlay	9,580,000	1,058,835	780,300	278,535	2,441,264
Debt service -					
Bond issuance costs	-	-	-	-	106,805
Total expenditures	9,580,000	1,058,835	780,300	278,535	2,548,069
Deficiency of revenues over expenditures	(9,550,000)	(923,289)	(636,594)	286,695	(2,493,998)
Other financing sources (uses):					
Bond proceeds	-	-	-	-	12,000,000
Transfers in	-	-	15	15	72,500
Transfers out	-	-	-	-	(14,522)
Total other financing sources (uses)	-	-	15	15	12,057,978
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	(9,550,000)	(923,289)	(636,579)	286,710	9,563,980
Fund balance, beginning	10,202,250	10,202,250	10,202,250	-	638,270
Fund balance, ending	\$ 652,250	\$9,278,961	\$ 9,565,671	\$286,710	\$10,202,250

CITY OF SCOTT, LOUISIANA  
Capital Projects Fund  
LCDBG Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021			Variance -	2020
	Budget			Favorable	
	Original	Final	Actual	(Unfavorable)	Actual
Revenues:					
Intergovernmental - federal					
LCDBG sewer grant	\$ -	\$ -	\$ -	\$ -	\$ 714,342
Expenditures:					
Capital outlay	-	-	-	-	-
Excess of revenues over expenditures	-	-	-	-	714,342
Other financing sources (uses):					
Transfers in	-	-	-	-	11,258
Transfers out	-	-	-	-	(725,600)
Total other financing sources (uses)	-	-	-	-	(714,342)
Excess of revenues and other financing sources over expenditures and other uses	-	-	-	-	-
Fund balance, beginning	-	-	-	-	-
Fund balance, ending	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF SCOTT, LOUISIANA  
Debt Service Fund  
Sales Tax Bonds Fund

Detailed Budgetary Comparison Schedule  
For the Year Ended June 30, 2021  
With Comparative Actual Amounts for the Year Ended June 30, 2020

	2021				
	Budget			Variance-	2020
	Original	Final	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Miscellaneous - interest	\$ 3,500	\$ 7,480	\$ 7,987	\$ 507	\$ 4,213
Expenditures					
Debt service -					
Principal retirement	905,000	905,000	905,000	-	440,000
Interest	506,787	565,534	573,677	(8,143)	251,676
Paying agents' fees	3,280	3,280	3,240	40	1,639
Total debt service	<u>1,415,067</u>	<u>1,473,814</u>	<u>1,481,917</u>	<u>(8,103)</u>	<u>693,315</u>
Deficiency of revenues over expenditures	(1,411,567)	(1,466,334)	(1,473,930)	(7,596)	(689,102)
Other financing sources:					
Transfers in	<u>1,428,962</u>	<u>1,486,196</u>	<u>1,486,290</u>	<u>94</u>	<u>961,134</u>
Excess of revenues and other financing sources over expenditures	17,395	19,862	12,360	(7,502)	272,032
Fund balance, beginning	<u>553,667</u>	<u>553,667</u>	<u>553,667</u>	<u>-</u>	<u>281,635</u>
Fund balance, ending	<u>\$ 571,062</u>	<u>\$ 573,529</u>	<u>\$ 566,027</u>	<u>\$ (7,502)</u>	<u>\$ 553,667</u>

CITY OF SCOTT, LOUISIANA  
Comparative Statement of Net Position  
Enterprise Fund  
June 30, 2021 and 2020

	Utility Fund	
	2021	2020
<b>ASSETS</b>		
Current assets:		
Cash and interest-bearing deposits	\$ 3,226,598	\$ 2,029,926
Investments	109,606	106,050
Receivables:		
Accounts, net of allowance for doubtful accounts	300,415	266,967
Unbilled utility receivables	122,127	132,019
Accrued interest receivable	3,547	3,547
Due from other funds	1,963,276	1,955,131
Prepaid items	18,202	17,520
Total current assets	<u>5,743,771</u>	<u>4,511,160</u>
Noncurrent assets:		
Restricted assets -		
Interest-bearing deposits	119,158	102,852
Investments	165,151	168,431
Capital assets -		
Land and construction in progress	643,391	2,253,054
Other capital assets, net of accumulated depreciation	13,785,199	12,252,602
Total noncurrent assets	<u>14,712,899</u>	<u>14,776,939</u>
Total assets	<u>20,456,670</u>	<u>19,288,099</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to pensions	89,437	94,297
Deferred outflows of resources related to net OPEB obligation	<u>54,802</u>	<u>51,188</u>
Total deferred outflows of resources	<u>144,239</u>	<u>145,485</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	126,728	121,555
Accrued liabilities	89,840	87,991
Unearned revenue	80,865	76,102
Due to other funds	1,202,917	598,718
Payable from restricted assets:		
Customers' deposits payable	214,439	192,828
Water revenue bonds payable	34,000	34,000
Accrued interest payable	2,715	2,854
Total current liabilities	<u>1,751,504</u>	<u>1,114,048</u>
Noncurrent liabilities:		
Compensated absences payable	422	615
Water revenue bonds payable	630,863	664,863
Net OPEB obligation payable	147,989	136,399
Net pension liability	297,428	308,510
Total noncurrent liabilities	<u>1,076,702</u>	<u>1,110,387</u>
Total liabilities	<u>2,828,206</u>	<u>2,224,435</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to pensions	8,653	22,295
Deferred inflows of resources related to net OPEB obligation	<u>4,463</u>	<u>5,356</u>
Total deferred inflows of resources	<u>13,116</u>	<u>27,651</u>
<b>NET POSITION</b>		
Net investment in capital assets	13,797,727	13,840,793
Restricted for debt service	33,155	41,601
Unrestricted	<u>3,928,705</u>	<u>3,299,104</u>
Total net position	<u>\$ 17,759,587</u>	<u>\$ 17,181,498</u>

# CITY OF SCOTT, LOUISIANA

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

For the Years Ended June 30, 2021 and 2020

	Utility Fund	
	2021	2020
Operating revenues:		
Charges for services -		
Gas charges	\$ 415,623	\$ 498,227
Water service charges	1,412,483	1,297,146
Sewer service charges	723,438	589,045
Garbage service charges	952,237	895,056
Penalties, permits and connection fees	356,873	120,477
Total operating revenues	<u>3,860,654</u>	<u>3,399,951</u>
Operating expenses:		
Salaries	293,250	298,858
Retirement - current	42,392	39,541
Retirement expense (benefit) - GASB 68	(10,737)	8,400
OPEB expense (benefit)	7,083	(2,774)
Disposal charges	3,444	3,536
Gas and water purchases	1,028,339	1,064,127
Garbage collection fees	936,383	889,647
Supplies and repairs	263,837	203,236
Utilities and telephone	78,566	55,146
Professional fees	50,476	33,186
General insurance	70,341	59,176
Group health insurance	66,749	64,976
Office expense	22,158	21,245
Payroll taxes	22,288	22,858
Truck expenses	15,162	13,717
Training	14,429	2,723
Uniforms	3,900	3,269
Bad debts	34,988	9,978
Depreciation expense	546,209	523,821
Total operating expenses	<u>3,489,257</u>	<u>3,314,666</u>
Operating income	<u>371,397</u>	<u>85,285</u>

(continued)



CITY OF SCOTT, LOUISIANA

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

Enterprise Fund (Continued)

For the Years Ended June 30, 2021 and 2020

	Utility Fund	
	2021	2020
Nonoperating revenues (expenses):		
State grant	-	13,200
Nonemployer pension contribution	9,127	9,297
Interest income	7,055	37,120
Interest expense	(16,567)	(11,415)
Total nonoperating revenues (expenses)	(385)	48,202
 Income before transfers	 371,012	 133,487
Transfers:		
Transfers in	2,957,077	1,509,680
Transfers out	(2,750,000)	(1,654,328)
Total transfers	207,077	(144,648)
 Change in net position	 578,089	 (11,161)
Net position, beginning	17,181,498	17,192,659
Net position, ending	\$ 17,759,587	\$ 17,181,498

CITY OF SCOTT, LOUISIANA

Comparative Statement of Cash Flows  
Enterprise Fund  
For the Years Ended June 30, 2021 and 2020

	Utility Fund	
	2021	2020
Cash flows from operating activities:		
Receipts from customers	\$ 3,832,335	\$ 3,404,951
Payments to suppliers	(2,499,267)	(2,345,313)
Payments to employees	(431,762)	(423,459)
Net cash provided by operating activities	<u>901,306</u>	<u>636,179</u>
Cash flows from noncapital financing activities:		
Cash received from other funds	596,054	546,684
State grant	-	13,200
Net change in meter deposits	21,611	16,089
Transfers from other funds	2,957,077	1,509,680
Transfers to other funds	(2,750,000)	(1,654,328)
Net cash provided by noncapital financing activities	<u>824,742</u>	<u>431,325</u>
Cash flows from capital and related financing activities:		
Payment on water revenue bonds	(34,000)	(33,000)
Interest on water revenue bonds	(16,706)	(17,526)
Acquisition of property, plant and equipment	(469,143)	(1,060,064)
Net cash used by capital and related financing activities	<u>(519,849)</u>	<u>(1,110,590)</u>
Cash flows from investing activities:		
Proceeds of investments and interest-bearing deposits with maturity in excess of ninety days	2,076,362	2,040,630
Purchase of investments and interest-bearing deposits with maturity in excess of ninety days	(2,082,657)	(2,076,362)
Interest on investments	<u>7,055</u>	<u>37,120</u>
Net cash provided by investing activities	<u>760</u>	<u>1,388</u>
Net increase (decrease) in cash and cash equivalents	1,206,959	(41,698)
Cash and cash equivalents, beginning of period	<u>330,897</u>	<u>372,595</u>
Cash and cash equivalents, end of period	<u>\$ 1,537,856</u>	<u>\$ 330,897</u>

(continued)

CITY OF SCOTT, LOUISIANA

Comparative Statement of Cash Flows  
Enterprise Fund (Continued)  
For the Years Ended June 30, 2021 and 2020

	Utility Fund	
	2021	2020
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 371,397	\$ 85,285
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	546,209	523,821
Pension and OPEB (benefit) expense	(3,654)	5,626
Provision for uncollectible accounts	34,988	9,978
Changes in current assets and liabilities:		
(Increase) decrease in accounts receivable	(68,436)	11,704
(Increase) decrease in unbilled utility receivables	9,892	(13,005)
Increase in prepaid items	(682)	(3,649)
Increase in accounts payable	5,173	13,699
Increase (decrease) in accrued liabilities	1,849	(932)
Increase in unearned revenue	4,763	3,677
Decrease in compensated absences payable	(193)	(25)
Net cash provided by operating activities	<u>901,306</u>	<u>636,179</u>
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of period -		
Cash and interest-bearing deposits - unrestricted	\$ 2,029,926	\$ 2,062,620
Interest-bearing deposits - restricted	102,852	80,462
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(1,801,881)</u>	<u>(1,770,487)</u>
Total cash and cash equivalents, beginning of period	<u>330,897</u>	<u>372,595</u>
Cash and cash equivalents, end of period -		
Cash and interest-bearing deposits - unrestricted	3,226,598	2,029,926
Interest-bearing deposits - restricted	119,158	102,852
Less: Interest-bearing deposits with maturity in excess of 90 days	<u>(1,807,900)</u>	<u>(1,801,881)</u>
Total cash and cash equivalents, end of period	<u>1,537,856</u>	<u>330,897</u>
Net increase (decrease) in cash and cash equivalents	<u>\$ 1,206,959</u>	<u>\$ (41,698)</u>

CITY OF SCOTT, LOUISIANA  
Enterprise Fund  
Utility Fund

Comparative Departmental Statement of Revenues and Expenses  
For the Years Ended June 30, 2021 and 2020

	Totals		Gas	
	2021	2020	2021	2020
Operating revenues:				
Customers service charges	\$ 3,503,781	\$ 3,279,474	\$ 415,623	\$ 498,227
Permits, reconnections and penalties	356,873	120,477	47,194	16,680
Total operating revenues	<u>3,860,654</u>	<u>3,399,951</u>	<u>462,817</u>	<u>514,907</u>
Operating expenses:				
Salaries	293,250	298,858	154,054	146,002
Retirement - current	42,392	39,541	21,461	18,971
Retirement expense (benefit) - GASB 68	(10,737)	8,400	(5,433)	4,032
OPEB expense (benefit)	7,083	(2,774)	3,541	(1,387)
Disposal charges - plant	3,444	3,536	-	-
Gas and water purchases	1,028,339	1,064,127	102,827	118,623
Garbage collection fees	936,383	889,647	-	-
Supplies and repairs	211,593	157,991	32,249	19,334
Supplies - plant	52,244	45,245	-	-
Utilities	28,820	29,497	960	1,398
Utilities - plant	49,746	25,649	-	-
Professional fees	50,476	33,186	17,500	13,162
Insurance	48,275	38,682	14,851	12,906
Insurance - plant	22,066	20,494	-	-
Group insurance	66,749	64,976	27,581	28,423
Office expense	22,158	21,245	6,282	6,060
Payroll taxes	22,288	22,858	11,716	11,130
Truck expenses	15,162	13,717	4,591	4,102
Training	14,429	2,723	13,310	1,500
Uniforms	3,900	3,269	1,901	1,565
Bad debts	34,988	9,978	7,311	2,167
Depreciation	490,590	468,202	19,739	19,885
Depreciation - plant	55,619	55,619	-	-
Total operating expenses	<u>3,489,257</u>	<u>3,314,666</u>	<u>434,441</u>	<u>407,873</u>
Net operating income (loss)	<u>\$ 371,397</u>	<u>\$ 85,285</u>	<u>\$ 28,376</u>	<u>\$ 107,034</u>

Water		Sewerage		Garbage	
2021	2020	2021	2020	2021	2020
\$ 1,412,483	\$ 1,297,146	\$ 723,438	\$ 589,045	\$ 952,237	\$ 895,056
136,857	73,348	162,490	20,449	10,332	10,000
1,549,340	1,370,494	885,928	609,494	962,569	\$ 905,056
102,735	117,252	36,461	35,604	-	-
15,433	15,702	5,498	4,868	-	-
(3,908)	3,335	(1,396)	1,033	-	-
2,361	(925)	1,181	(462)	-	-
-	-	3,444	3,536	-	-
925,512	945,504	-	-	-	-
-	-	-	-	936,383	889,647
138,178	92,995	41,166	45,662	-	-
-	-	52,244	45,245	-	-
690	780	27,170	27,319	-	-
-	-	49,746	25,649	-	-
16,488	10,012	16,488	10,012	-	-
19,974	13,074	13,450	12,702	-	-
-	-	22,066	20,494	-	-
27,027	25,664	12,141	10,889	-	-
8,103	7,512	7,773	7,673	-	-
7,915	9,136	2,657	2,592	-	-
7,472	6,433	3,099	3,182	-	-
682	761	437	462	-	-
1,300	1,090	699	614	-	-
19,034	5,359	8,643	2,452	-	-
219,034	217,558	251,817	230,759	-	-
-	-	55,619	55,619	-	-
1,508,030	1,471,242	610,403	545,904	936,383	889,647
\$ 41,310	\$ (100,748)	\$ 275,525	\$ 63,590	\$ 26,186	15,409

CITY OF SCOTT, LOUISIANA  
Enterprise Fund  
Utility Fund

Schedule of Number of Utility Customers  
(Unaudited)  
June 30, 2021 and 2020

Records maintained by the City indicated the following number of customers were being serviced during the month of June, 2021 and 2020:

<u>Department</u>	<u>2021</u>	<u>2020</u>
Gas (metered)	544	543
Water (metered)	2,900	2,829
Sewerage	1,900	1,850
Garbage	2,972	2,893

CITY OF SCOTT, LOUISIANA

Schedule of Insurance In Force  
(Unaudited)  
June 30, 2021

Description of Coverage	Coverage Amounts
Workmens' compensation - Employer's liability	Statutory \$100,000
Surety bonds - On public employees	250,000
Comprehensive general liability, bodily injury and property damage	500,000
Law enforcement officers comprehensive liability, personal injury and property damage, \$2,500 deductible	500,000
Public officials' errors and omissions, \$2,500 deductible	500,000
Comprehensive auto liability, bodily injury and property damage	500,000
Vehicle physical damage	1,500,000
Fire and lighting, extended coverage, vandalism malicious mischief - Properties located on Lions Club Road: City Hall and Emergency Services Buildings Community Center and Event Center Public Works and Maintenance Department buildings Parking and storage buildings Properties located on Mills Street: Wastewater plant and Dewatering building Property located on Benoit Patin Road: Welcome Center	6,444,174
Equipment breakdown coverage Comprehensive coverage including property damage \$2,500 deductible	7,385,835
Special equipment floater	1,313,671
Flood Insurance Buildings and contents	1,104,000

## CITY OF SCOTT, LOUISIANA

Combined Schedule of Interest-Bearing Deposits and Investments - All Funds  
June 30, 2021

	<u>Financial Institution</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Term</u>	<u>Interest Rate</u>	<u>Amount</u>
Major governmental funds:						
General Fund -						
Certificate of deposit	H	05/29/21	05/29/22	12 months	0.35%	\$ 128,306
Money market investment account	H	N/A	N/A	N/A	Variable	112,114
Money market investment account	H	N/A	N/A	N/A	Variable	266,853
Money market investment account	H	N/A	N/A	N/A	Variable	105,693
Money market investment account	H	N/A	N/A	N/A	Variable	49,953
Money market investment account	H	N/A	N/A	N/A	Variable	1,090
Total General Fund						<u>664,009</u>
1968 Sales Tax Fund -						
Certificate of deposit	H	04/06/21	10/06/22	18 months	0.55%	610,071
Money market investment account	H	N/A	N/A	N/A	Variable	509,989
Total 1968 Sales Tax Fund						<u>1,120,060</u>
1984 Sales Tax Fund -						
Certificate of deposit	H	04/06/21	10/06/22	18 months	0.55%	610,070
Certificate of deposit	H	05/24/21	05/24/22	12 months	0.35%	566,900
Money market investment account	H	N/A	N/A	N/A	Variable	1,230,916
Total 1984 Sales Tax Fund						<u>2,407,886</u>
Apollo EDD Sales Tax Fund -						
Certificate of deposit	H	04/28/21	10/28/22	18 months	0.55%	481,246
Certificate of deposit	H	03/06/21	03/06/22	12 months	0.55%	533,023
Money market investment account	H	N/A	N/A	N/A	Variable	587,302
Total TIF District Sales Tax Fund						<u>1,601,571</u>
Debt Service Fund -						
Sales Tax Bonds Fund:						
Money market investment account	H	N/A	N/A	N/A	Variable	<u>436,392</u>
Capital Projects Fund -						
Sewer System Construction Fund:						
Money market investment account	H	N/A	N/A	N/A	Variable	<u>9,822,724</u>
Total major governmental funds						<u>16,052,642</u>

(continued)



**CITY OF SCOTT, LOUISIANA**

**Combined Schedule of Interest-Bearing Deposits and Investments - All Funds (Continued)**

June 30, 2021

	<u>Financial Institution</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Term</u>	<u>Interest Rate</u>	<u>Amount</u>
<b>Utility Fund:</b>						
Unrestricted -						
Certificate of deposit	C	03/02/21	09/02/21	180 days	0.55%	709,772
Certificate of deposit	H	04/06/21	10/06/22	18 months	0.55%	1,098,128
Money market investment account	H	N/A	N/A	N/A	Variable	28,717
Restricted -						
Money market investment account	H	N/A	N/A	N/A	Variable	49,288
Total Utility Fund						<u>1,885,905</u>
Total interest-bearing deposits						<u>17,938,547</u>
<b>Investments:</b>						
General Fund -						
Lamp		N/A	N/A	N/A	Variable	531,651
1968 Sales Tax Fund -						
Lamp		N/A	N/A	N/A	Variable	1,677,325
1984 Sales Tax Fund -						
Lamp		N/A	N/A	N/A	Variable	118,608
Utility Fund -						
Unrestricted - Lamp		N/A	N/A	N/A	Variable	109,606
Restricted - Customer deposits - Lamp		N/A	N/A	N/A	Variable	<u>165,151</u>
Total investments						<u>2,602,341</u>
Total interest-bearing deposits and investments						<u>\$ 20,540,888</u>

**Financial Institution:**

C Chase Bank

H Home Bank

CITY OF SCOTT, LOUISIANA

Justice System Funding Schedule - Collecting/Disbursing Entity  
June 30, 2021

	First Six Month Period Ended 12/31/2020	Second Six Month Period Ended 6/30/2021
Beginning Balance of Amounts Collected	\$ 17,796	\$ 13,705
Add: Collections -		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-Trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	108,108	75,960
Criminal Fines - Contempt	-	-
Criminal Fines - Other	198,983	185,208
Restitution	-	-
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees	14,755	11,847
Interest Earnings on Collected Balances	-	-
Other	-	-
Subtotal Collections	<u>321,846</u>	<u>273,015</u>
Less: Disbursements to Governments and Nonprofits -		
Lafayette Crime Stoppers	2,902	2,010
Acadiana Criminalistics Lab	44,980	30,680
15th JDC Indigent Defender Fund	50,680	35,140
Louisiana Commission on Law Enforcement - Criminal Fines	3,401	2,206
Louisiana State Treasurer CMIS - Criminal Fines	4,332	2,985
LA Dept of Health & Hospitals THI/SCI - Criminal Fines	3,735	3,320
LA Association of Chiefs of Police	1,452	1,002
Louisiana Supreme Court - Criminal Fines	717	492
Less: Amounts Retained by Collecting Agency		
Amounts "Self-Disbursed" to Collecting Agency - Criminal Fines Other	<u>213,738</u>	<u>197,055</u>
Subtotal Disbursements/Retainage	<u>325,937</u>	<u>274,889</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ 13,705</u>	<u>\$ 11,831</u>

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

# KOLDER, SLAVEN & COMPANY, LLC

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

The Honorable 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, and each major fund of the City of Scott, Louisiana (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the City's basic financial statements and have issued our report thereon dated September 30, 2021.

### 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 deficiency in internal control, described in the accompanying summary schedule of current and prior year audit findings and management's corrective action plan as item 2021-001 that we consider to be a material weakness.

## **Compliance and Other Matters**

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

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

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

## **Purpose of this Report**

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

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

Lafayette, Louisiana  
September 30, 2021

CITY OF SCOTT, LOUISIANA

Summary Schedule of Current and Prior Year Findings  
and Management's Corrective Action Plan

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

A. Internal Control Finding --

**2021-001      Inadequate Controls for Safeguarding Assets**

Fiscal year finding initially occurred: 2021

Condition: The City did not have proper controls to safeguard street and road repair materials.

Criteria: The City should have a policy in place to track the use of assets and to limit access to the facility and materials during non-working hours.

Cause: Due to lack of controls in place, the City did not have a procedure to lock the facility and limit access to the facility and materials during non-working hours.

Effect: A street department employee took asphalt from the City's premises.

Recommendation: The City should monitor controls over the safeguard of assets and access to assets by employees.

Management's Corrective Action Plan: Management will design and implement proper controls for safeguarding assets including locking the facility and restricting access to the facility during non-working hours.

B. Compliance Findings --

There are no findings to report under this section.

Part II. Prior Year Findings

A. Internal Control Finding -

**2020-001      Inadequate Segregation of Accounting Functions**

Fiscal year finding initially occurred: Unknown

Condition: The City did not have adequate segregation of functions within the accounting system.

Recommendation: The City should monitor mitigation controls over functions that are not completely segregated.

Current Status: Resolved.

CITY OF SCOTT, LOUISIANA

Summary Schedule of Current and Prior Year Findings  
and Management's Corrective Action Plan

**2020-002**

Community Development Block Grant (14.228)

See compliance finding **2020-007**.

**2020-003**

Community Development Block Grant (14.228)

See compliance finding **2020-008**.

**2020-004**

Community Development Block Grant (14.228)

See compliance finding **2020-009**.

**2020-005**

Community Development Block Grant (14.228)

See compliance finding **2020-010**.

**2020-006**

Community Development Block Grant (14.228)

See compliance finding **2020-011**.

**B. Compliance Findings -**

**2020-007 Timely Disbursement of LCDBG Funds**

Community Development Block Grant (14.228)

Fiscal year finding initially occurred: 2020

Criteria: The 2019 Louisiana Community Development Block Grant (LCDBG) Grantee Handbook requires payments for expenditures to be disbursed within three working days of the receipt of the LCDBG funds.

Recommendation: Adequate policies and procedures should be implemented to ensure compliance with the grant agreement regarding timely disbursement of funds.

Current Status: Resolved

CITY OF SCOTT, LOUISIANA

Summary Schedule of Current and Prior Year Findings  
and Management's Corrective Action Plan

**2020-008      Separate Bank Account**

Community Development Block Grant (14.228)

Fiscal year finding initially occurred: 2020

Condition: The City deposited grant funds for the current LCDBG contract into an existing account that was used for a prior LCDBG contract.

Recommendation: The City should implement policies and procedures to ensure that separate accounts are utilized for each LCDBG grant.

Current Status: Resolved

**2020-009      Chart of Accounts**

Community Development Block Grant (14.228)

Fiscal year finding initially occurred: 2020

Condition: The City did not have a specific set of accounts allocated for LCDBG defining their exact purpose. LCDBG funds and related expenditures were not recorded in a separate LCDBG Fund. Management should record LCDBG funds/expenditures into proper fund and account.

Recommendation: Management should create and maintain a separate fund and a chart of accounts to record only the activities of the LCDBG grant program.

Current Status: Resolved

**2020-010      Clearing Account**

Community Development Block Grant (14.228)

Fiscal year finding initially occurred: 2020

Condition: The City utilized the disbursement fund instead of the LCDBG fund to pay invoices for LCDBG related program cost without obtaining approval.

Recommendation: The City should discontinue the use of the clearing account for LCDBG disbursements and disburse payments from the LCDBG fund.

Current Status: Resolved



CITY OF SCOTT, LOUISIANA

Summary Schedule of Prior Year Findings  
For the Year Ended June 30,2020

**2020-011      Activities/Cost Allowed or Unallowed**

Community Development Block Grant (14.228)

Fiscal year finding initially occurred: 2020

Condition: The City submitted a request for \$3,800 of engineering services that exceeded the maximum allowable under the grant agreement.

Recommendation: The City should ensure that all amounts requested are allowable in accordance with the grant agreement.

Current Status: Resolved