

**TOWN OF GRAND ISLE
LOUISIANA**

**FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2023**

TOWN OF GRAND ISLE, LOUISIANA

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

The Honorable David Camardelle, Mayor
and Members of the Town Council
Town of Grand Isle, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund, and the aggregate remaining fund information of the Town of Grand Isle, Louisiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Grand Isle, Louisiana's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to on the previous page present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Grand Isle, Louisiana, as of June 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Grand Isle, Louisiana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, on pages 4-18 and 56-66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Grand Isle, Louisiana's basic financial statements. The combining and individual non-major fund financials, the Justice System Funding Schedule-Collecting/Disbursing Entity, the Justice System Funding Schedule-Receiving Entity, the Schedule of Compensation of Paid to Members of the Town Council, and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, the Justice System Funding Schedule and the Schedule of Compensation of Paid to Members of the Town Council, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and the Schedule of Expenditures of Federal Awards, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, the Justice System Funding Schedule-Collecting/Disbursing Entity, the Justice System Funding Schedule-Receiving Entity, the Schedule of Compensation of the Members of the Town Council and the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2023, on our consideration of the Town of Grand Isle, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Grand Isle, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Grand Isle, Louisiana's internal control over financial reporting and compliance.

Camnetar & Co.

Camnetar & Co., CPAs
a professional accounting corporation
Gretna, Louisiana

December 31, 2023

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

MANAGEMENT'S DISCUSSION AND ANALYSIS

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

As management of the Town of Grand Isle, Louisiana, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town of Grand Isle, Louisiana for the fiscal year ended June 30, 2023.

We encourage readers to consider the information presented here in conjunction with the financial statements, which begin on page 19.

FINANCIAL HIGHLIGHTS

- The auditor's opinion was unmodified for the year ended June 30, 2023.
- ❖ The Town was devastated by the effects of Major Hurricane Ida. In the aftermath of the hurricane basic utilities and access to the Town was non-existent to extremely limited. The Town was under a declared state of emergency from the August 29, 2022 until September 29, 2023. The economy of the Town continues to suffer. Town hall is still operating from temporary facilities.
- The total assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$19,980,277 (*net position*).

Of this amount,

\$15,421,909 or 77.2 percent, is invested in capital assets, such as building, equipment, vehicles, and infrastructure, net of related debt.

\$14,154 or 0.07 percent is restricted for water and gas utility fund deposits and required payments.

The remaining balance of \$4,544,214 (*unrestricted net position*) or 22.7 percent may be used to meet the government's ongoing obligations to citizens and creditors.

- The Town's total net position increased by \$973,457 or 5.3 percent during the current year because total revenues of \$7,588,013 were greater than expenses and other items of \$6,614,556..
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$ 5,578,228 an increase of \$2719,504 or 95 percent from the prior year

The government fund balance is made up of assigned and unassigned fund balances.

\$2,113,723 or 37.9 percent is categorized as *assigned fund balance* and

\$3,464,505 or 62.1 percent is categorized as *unassigned fund balance*.

Assigned fund balance is generally for a specific purpose, while unassigned fund balance is available for spending at the government's discretion

The unassigned fund balance for the general fund of \$3,464,505 is equal to 80.7 percent of current year general fund expenditures at the end of the current fiscal year.

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

FINANCIAL HIGHLIGHTS (continued)

- The Town's Business-type Enterprise Funds ended the year with a positive \$428,605 in net position, with the Water Utility Fund showing a net position of \$92,670 and the Gas Utility Fund showing \$335,935.
- The Town and the surrounding areas have been struck by hurricanes and tropical storms in 2005, 2008, 2012, 2017, 2019, 2020 and again in 2021. The Town continues to recover and rebuild due to Hurricane Ida in 2021. In addition to FEMA disaster assistance The Town has been awarded a \$1,360,892 Community Disaster Loan as a result of Hurricane Ida. Proceeds of \$908,000 from the Community Disaster Loan were received in the year ended June 30, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The "government-wide financial statements" are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The "*Statement of Net Position*" presents information on all of the Town's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The "*Statement of Activities*" presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements are designed to distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Town's governmental activities include executive, general government, public safety, public works, health and welfare and culture, recreation and tourism functions. The business-type activities of the Town include Waterworks and Gas utilities.

The government-wide financial statements include only the financial activities of the Town. The Town has reports on one "component unit" – the Community Center and Playground District No. 16 Special Revenue fund, which has been "blended" into the Town's operations.

The government-wide financial statements can be found on pages 19 and 20 of this report.

Fund financial statements. A "fund" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town's funds are classified into three categories: governmental funds, proprietary funds, and fiduciary funds.

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Governmental funds. "Governmental funds" are used to account for essentially the same functions reported as "governmental activities" in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term *inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for "governmental funds" with similar information presented for "governmental activities" in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between "governmental fund" and "governmental activities".

The Town maintains seven governmental funds that are grouped for management purposes into various fund types. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the General fund and the Community Center and Playground District No. 16 Special Revenue Fund, all of which are considered to be "major" funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of "combining statements" elsewhere in this report.

The Town adopts an annual appropriated budget for its General fund and special revenue funds. A budgetary comparison statement has been provided for the General Fund and its other major fund, the Community Center and Playground District No. 16 Special Revenue Fund each fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 21 to 24 of this report.

Proprietary funds. The Town maintains one type of proprietary fund – *Enterprise*. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its Waterworks and Gas Utilities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks Utilities fund and the Gas Utilities fund, both of which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found on pages 25 to 28 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government entity. The Town maintains one agency fund to account for donations received from the public for disaster relief. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 29 to 30 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31 to 55 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining statements for non-major governmental can be found on pages 67 to 69 of this report.

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

Net Position may serve over time as a use full indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by \$19,980,277 at June 30, 2023.

A large portion of the Town's net position (\$15,421,909 or 77.2 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure); net of any related debt used to acquire those assets that are still outstanding. The Town used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

The Town's *restricted net position* totals \$14,155. These monies represent funds restricted to servicing the amounts payable to Jefferson Parish on the transfer of the water system, as well as funds held on deposit in the gas utilities fund.

The balance of *unrestricted net position* of \$4,544,214 or 22.7 percent may be used to meet the government's ongoing obligations to citizens and creditors.

At June 30, 2023, the Town is able to report positive balances in all three categories of total net position.

The condensed statement of net position for the year ended June 30, 2023 and 2022 is shown below

**TOWN OF GRAND ISLE, LOUISIANA
CONDENSED STATEMENT OF NET POSITION
JUNE 30, 2023 and 2022**

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current assets	\$ 4,723,805	\$ 3,315,857	\$ 339,709	\$ 327,537	\$ 5,063,514	\$ 3,643,394
Restricted assets	-	-	78,398	74,777	78,398	74,777
Capital assets	14,921,373	15,176,420	500,537	505,480	15,421,910	15,681,900
TOTAL ASSETS	19,645,178	18,492,277	918,644	907,794	20,563,822	19,400,071
DEFERRED OUTLOWS	3,722,401	10,721,456	157,711	94,519	3,880,112	10,815,975
LIABILITIES						
Other liabilities	2,733,263	11,338,089	537,776	426,232	3,271,039	11,764,321
Liabilities payable						
from restricted assets	-	-	64,244	66,578	64,244	66,578
Long-term liabilities	908,000	-	-	-	908,000	-
TOTAL LIABILITIES	3,641,263	11,338,089	602,020	492,810	4,243,283	11,830,899
DEFERRED INFLOWS	174,644	100,023	45,730	-	220,374	100,023
NET POSITION						
Net investment in capital assets	14,921,372	15,176,419	500,537	505,480	15,421,909	15,681,899
Restricted	-	-	14,154	8,199	14,154	8,199
Unrestricted	4,630,300	2,599,202	(86,086)	(4,176)	4,544,214	2,595,026
TOTAL NET POSITION	\$ 19,551,672	\$ 17,775,621	\$ 428,605	\$ 509,503	\$ 19,980,277	\$ 18,285,124

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Changes in Net Position

As shown below, the Town's net position increased by \$973,457 or 5 percent, during the current fiscal year. A breakdown of the increases and decreases follows.

**TOWN OF GRAND ISLE, LOUISIANA
CONDENSED STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
For the Year Ended June 30, 2023 and 2022**

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program Revenues						
Charges for Services	\$ 1,634,281	\$ 1,018,414	\$ 291,674	\$ 229,295	\$ 1,925,955	\$ 1,247,709
Operating Grants	2,660,871	14,915,366	-	361,005	2,660,871	15,276,371
Capital Grants	-	-	63,948	94,519	63,948	94,519
General Revenues						
Property taxes	379,153	270,169	306,851	186,860	686,004	457,029
Sales taxes	909,693	687,391	-	-	909,693	687,391
Franchise taxes	107,237	84,435	-	-	107,237	84,435
Licenses and permits	220,989	174,542	-	-	220,989	174,542
State beer tax allocation	3,154	5,088	-	-	3,154	5,088
Riverboat admission fees	334,005	397,386	-	-	334,005	397,386
Video poker allocation	36,865	28,412	-	-	36,865	28,412
Unrestricted interest	45,272	9,182	335	666	45,607	9,848
Other	593,685	357,384	-	-	593,685	357,384
TOTAL REVENUES	6,925,205	17,947,769	662,808	872,345	7,588,013	18,820,114
EXPENSES						
Governmental activities						
Executive	135,297	84,794	-	-	135,297	84,794
General government	1,046,734	1,316,846	-	-	1,046,734	1,316,846
Storm repairs and expense	1,151,815	15,368,217	-	-	1,151,815	15,368,217
Public safety	988,012	1,100,351	-	-	988,012	1,100,351
Public works	1,881,435	1,911,623	-	-	1,881,435	1,911,623
Health and welfare	144,307	164,650	-	-	144,307	164,650
Culture, recreation, and tourism	523,250	562,033	-	-	523,250	562,033
Business-type activities						
Waterworks	-	-	23,812	577,718	23,812	577,718
Gas	-	-	500,303	533,892	500,303	533,892
TOTAL EXPENSES	5,870,850	20,508,514	524,115	1,111,610	6,394,965	21,620,124
TRANSFERS AND SPECIAL ITEMS						
Loss on transfer of water system	-	-	(219,591)	(2,645,363)	(219,591)	(2,645,363)
TOTAL TRANSFERS AND SPECIAL ITEMS	-	-	(219,591)	(2,645,363)	(219,591)	(2,645,363)
CHANGE IN NET POSITION	1,054,355	(2,560,745)	(80,898)	(2,884,628)	973,457	(5,445,373)
Net position - beginning of year, restated	18,497,317	20,336,366	509,503	3,394,131	19,006,820	23,730,497
Net position - end of year	\$ 19,551,672	\$ 17,775,621	\$ 428,605	\$ 509,503	\$ 19,980,277	\$ 18,285,124

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Governmental Activities. Governmental activities increased the Town's net position by \$1,054,355. Key elements of this decrease are as follows:

Governmental Revenues

A comparison of the Town's governmental revenues for the year ended June 30, 2023 follows

**TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL ACTIVITIES REVENUES
For the Years Ended June 30, 2023 and 2022**

	<u>2023</u>	<u>% of Total</u>	<u>2022</u>	<u>% of Total</u>	<u>\$ Increase (Decrease) from Prior Year</u>	<u>% Increase (Decrease) from Prior Year</u>
Program Revenues						
Charges for Services	\$ 1,634,281	23.6%	\$ 1,018,414	5.7%	\$ 615,867	60.5%
Operating Grants	2,660,871	38.4%	14,915,366	83.1%	(12,254,495)	-82.2%
General Revenues						
Property taxes	379,152	5.5%	270,169	1.5%	108,983	40.3%
Sales taxes	909,693	13.1%	687,391	3.8%	222,302	32.3%
Franchise taxes	107,237	1.5%	84,435	0.5%	22,802	27.0%
Licenses and permits	220,989	3.2%	174,542	1.0%	46,447	26.6%
State beer tax allocation	3,154	0.0%	5,088	0.0%	(1,934)	-38.0%
Riverboat admission fees	334,005	4.8%	397,386	2.2%	(63,381)	-15.9%
Video poker allocation	36,865	0.5%	28,412	0.2%	8,453	29.8%
Unrestricted interest	45,272	0.7%	9,182	0.1%	36,090	393.1%
Other	593,685	8.6%	357,384	2.0%	236,301	66.1%
TOTAL REVENUES	<u>\$ 6,925,204</u>	<u>100.0%</u>	<u>\$ 17,947,769</u>	<u>259.2%</u>	<u>\$(11,022,565)</u>	<u>-61.4%</u>

- The **program revenue “charges for services”** represents money received from the public. The total amount received during 2023 was \$1,634,281 an increase of \$615,867.
- **Operating and capital grants** for governmental activities combined totaled \$2,660,871 a decrease of \$12,254,495. Due to Federal disaster assistance related to Hurricane Ida.
- **Property taxes** for governmental activities totaled \$379,152 an increase of \$108,983. Due to the increase of property value assessment after a prior year reduction due to Hurricane Ida.
- **Sales taxes** totaled \$909,693, an increase of \$222,302 from the prior year. These taxes are collected for various reasons – general government, drainage, law enforcement, and tourism.
- **Other revenues** saw an increase of \$236,301 which represent donations and insurance proceeds received by the Town due to Hurricane Ida.

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

- **Franchise taxes** totaled \$107,237 for 2023, an increase of \$22,802 over last year. This revenue comes from two sources - the electric utility and the cable utility.
- **Licenses and permits** for business and insurance activities within the Town totaled \$220,989 for 2023, an increase of \$46,447 from the prior year.
- **Gaming fees and commissions** for governmental activities totaled \$334,005 for 2023, a decrease of \$63,381. This amount comes from two sources (1) riverboat admission fees received from the Parish for the Boomtown casino and (2) from video poker commissions for machines located in the Town. Both of these revenue sources are susceptible to economic swings and the amount of disposable income in the community.
- **Unrestricted interest** totaled only \$45,272, an increase of \$36,090 from the prior year. This increase is due to higher interest rates.

Governmental Expenses

A comparison of the Town's governmental expenses for the year ended June 30, 2023 follows

**TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL ACTIVITIES EXPENSES
For the Years Ended June 30, 2023 and 2022**

	<u>2023</u>	<u>% of Total</u>	<u>2022</u>	<u>% of Total</u>	<u>\$ Increase (Decrease) from Prior Year</u>	<u>% Increase (Decrease) from Prior Year</u>
Governmental activities expenditures						
Executive	\$ 135,297	2.3%	\$ 84,794	0.4%	\$ 50,503	59.6%
General government	1,046,734	17.8%	1,316,846	6.4%	(270,112)	-20.5%
Storm repair and response	1,151,815	19.6%	15,368,217	74.9%	(14,216,402)	-
Public safety	988,012	16.8%	1,100,351	5.4%	(112,339)	-10.2%
Public works	1,881,435	32.0%	1,911,623	9.3%	(30,188)	-1.6%
Health and welfare	144,307	2.5%	164,650	0.8%	(20,343)	-12.4%
Culture, recreation, and tourism	523,250	8.9%	562,033	2.7%	(38,783)	-6.9%
TOTAL EXPENDITURES	<u>\$ 5,870,850</u>	<u>100.0%</u>	<u>\$ 20,508,514</u>	<u>100.0%</u>	<u>\$(14,637,664)</u>	<u>-71.4%</u>

For 2023, governmental activity expenses totaled \$5,870,850 a decrease of \$14,637,664 over 2022. The expenses were for the following functions:

- \$135,297 was incurred by the Executive function which accounts for the Mayor's office.
- \$1,046,734 was incurred by General Government, which accounts for finance, tax and planning, and general government activities (including some general infrastructure and facilities, such as the Multiplex Center).
- \$1,048,085 was incurred for Public Safety, which accounts for the Town's police and civil defense departments.
- \$1,881,435 was incurred for Public Works, which accounts for the streets and sanitation departments.
- \$139,793 was incurred for Health and Welfare, which accounts for the mosquito fund.
- \$523,250 was incurred by the Culture, Recreation and Tourism function, which accounts for the operations of the Community Center and Playground District No. 16, as well as the Town's tourism office.
- The Town incurred \$1,151,815 in Hurricane Ida storm related repairs and response expenditures.

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Business-type Activities. Business-type activities decreased the Town's net position by \$80,897.

Business-type Activities - Revenues

A breakdown of the revenues received by the Town's business-type activities is as follows:

TOWN OF GRAND ISLE, LOUISIANA BUSINESS-TYPE ACTIVITIES REVENUES For the Years Ended June 30, 2023 and 2022						
	<u>2023</u>	<u>% of Total</u>	<u>2022</u>	<u>% of Total</u>	\$ Increase (Decrease) from Prior Year	% Increase (Decrease) from Prior Year
Program Revenues						
Charges for Services	\$ 291,674	44.0%	\$ 229,295	26.3%	\$ 62,379	27.2%
Operating Grants	-	0.0%	361,005	41.4%	(361,005)	-100.0%
Federal disaster assistance	63,948	9.6%	94,519	0.0%	(30,571)	-
General Revenues						
Property taxes	306,851	46.3%	186,860	21.4%	119,991	64.2%
Unrestricted interest	335	0.1%	666	0.1%	(331)	-49.7%
TOTAL REVENUES	<u><u>\$ 662,808</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 872,345</u></u>	<u><u>100.0%</u></u>	<u><u>\$ (209,537)</u></u>	<u><u>-24.0%</u></u>

The decline in revenue is directly related to the impacts of Hurricane Ida and the transfer of the water system in the prior year to Jefferson Parish.

Business-type Activities - Expenses

A breakdown of the expenses of the Town's business-type activities is as follows:

TOWN OF GRAND ISLE, LOUISIANA BUSINESS TYPE - ACTIVITIES EXPENSES For the Years Ended June 30, 2023 and 2022						
	<u>2023</u>	<u>% of Total</u>	<u>2022</u>	<u>% of Total</u>	\$ Increase (Decrease) from Prior Year	% Increase (Decrease) from Prior Year
OPERATING EXPENSES						
Personal services	\$ 216,528	29.1%	\$ 211,366	5.6%	\$ 5,162	2.4%
Contracted services	61,349	8.2%	68,746	1.8%	(7,397)	-10.8%
Materials and supplies	21,950	3.0%	18,637	0.5%	3,313	17.8%
General and administrative	127,826	17.2%	137,297	3.7%	(9,471)	-6.9%
Storm repairs and response	67,919	9.1%	105,021	2.8%	(37,102)	-
Depreciation and amortization	28,543	3.8%	358,724	9.5%	(330,181)	-92.0%
TOTAL OPERATING EXPENSES	<u><u>524,115</u></u>	<u><u>70.5%</u></u>	<u><u>899,791</u></u>	<u><u>23.9%</u></u>	<u><u>(375,676)</u></u>	<u><u>-41.8%</u></u>
NON-OPERATING EXPENSES						
Interest expense	-	0.0%	211,819	5.6%	(211,819)	-100.0%
SPECIAL ITEMS						
Loss on transfer of water system	219,591	29.5%	2,645,363	70.4%	(2,425,772)	--
TOTAL SPECIAL ITEMS	<u><u>219,591</u></u>	<u><u>29.5%</u></u>	<u><u>2,645,363</u></u>	<u><u>70.4%</u></u>	<u><u>(2,425,772)</u></u>	<u><u>--</u></u>
TOTAL EXPENSES	<u><u>\$ 743,706</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 3,756,973</u></u>	<u><u>100.0%</u></u>	<u><u>\$ (3,013,267)</u></u>	<u><u>-80.2%</u></u>

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Business-type Activities – Expenses (continued)

As noted above, operating expenses totaled \$524,115 of a decrease of 41.8 percent from the prior year. The Town recorded \$67,919 in Hurricane Ida related storm repairs and response in the current fiscal year. The decrease in depreciation expense is related to the conveyance of the Waterworks Utilities water system to Jefferson Parish. The Town recorded a loss on the transfer of the water system of \$219,591.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the Town's "governmental funds" is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Town's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2023, the Town's governmental funds reported combined ending fund balances of \$ 5,578,228, an increase of \$2,719,504 or 95 percent from the prior year. Of this amount, \$2113,723 or 37.9 percent is categorized as *assigned fund balance* and \$3,464,505 or 62.1 percent of this total constitutes *unassigned fund balance*, which is available for spending at the government's discretion.

As noted above, the governmental funds include the general operating funds of the Town (i.e., the General Fund, the Community Center and Playground District No. 16 Special Revenue Fund, and the other non-major Special Revenue funds). Overall revenues of the Governmental Funds have increased and decreased significantly over the past 5 years (mostly due to one-time grants – especially FEMA grants and other public works-related grants, as well as the BP Economic Loss settlement.

The **General fund** is the chief operating fund of the Town. At June 30, 2023, unassigned fund balance of the General fund was \$3,464,505 which is 62.1 percent of the total governmental fund balance. The fund balance of the Town's General fund increased by \$2,148,068 or 163 percent, during the current fiscal year. Key elements of this change are illustrated in the following schedules and noted below.

- The General Fund's revenues totaled \$5,534,451, while expenditure totaled \$4,294,383. The Town Fund received \$908,000 a Federal Community Disaster Loan to meet the financial needs of the Town due to Hurricane Ida. The loan has not been repaid.
- General Fund revenues decreased by \$11,728,367 from the prior year due primarily from Hurricane Ida disaster assistance received from the federal government. Non-federal revenues of \$4,126,906 in 2023 increased by \$1,102,122 compared to non-federal revenues of \$3,024,784 in 2022. The represents a 36.4% increase of non-federal revenues in 2023 from 2022
- Expenditures totaled \$4,294,383 a decrease of \$14,545,372 over the prior year, the decrease is attributable to the reduction in Hurricane Ida storm damage expenditures.

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (continued)

**TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL FUNDS - GENERAL FUND
CHANGE IN FUND BALANCE
JUNE 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>	\$ Increase (Decrease) from Prior Year	% Increase (Decrease) from Prior Year
REVENUES				
Taxes	1,339,276	999,049	340,227	34.1%
Licenses and permits	551,964	342,657	209,307	61.1%
Intergovernmental				
Federal disaster assistance	1,141,188	13,972,110	(12,830,922)	-91.8%
Federal	266,357	265,924	433	0.2%
State	187,927	252,547	(64,620)	-25.6%
Local	55,508	-	55,508	--
Gaming fees and commissions	370,870	425,798	(54,928)	-12.9%
Fines and forfeitures	106,906	96,058	10,848	11.3%
Charges for services	845,879	516,852	329,027	63.7%
Interest	43,057	8,618	34,439	399.6%
Miscellaneous	625,519	383,205	242,314	63.2%
TOTAL REVENUES	<u>5,534,451</u>	<u>17,262,818</u>	<u>(11,728,367)</u>	<u>-67.9%</u>
EXPENDITURES				
Executive	134,472	115,917	18,555	16.0%
General government	1,107,496	1,226,200	(118,704)	-9.7%
General government-storm damages	831,762	15,376,219	(14,544,457)	-94.6%
Public safety	1,084,035	1,101,835	(17,800)	-1.6%
Public works	1,053,281	952,140	101,141	10.6%
Culture, recreation and tourism	83,337	67,444	15,893	23.6%
TOTAL EXPENDITURES	<u>4,294,383</u>	<u>18,839,755</u>	<u>(14,545,372)</u>	<u>-77.2%</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,240,068</u>	<u>(1,576,937)</u>	<u>2,817,005</u>	<u>-178.6%</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(3,278)	3,278	-100.0%
Loan from Jefferson Parish	908,000	100,000	808,000	0.0%
TOTAL OTHER FINANCING SOURCES (USES)	<u>908,000</u>	<u>96,722</u>	<u>811,278</u>	<u>838.8%</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	2,148,068	(1,480,215)	3,628,283	-245.1%
FUND BALANCE				
Beginning of year	1,316,437	2,637,129	(1,320,692)	-50.1%
End of year	<u>\$ 3,464,505</u>	<u>\$ 1,156,914</u>	<u>2,307,591</u>	<u>199.5%</u>

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (continued)

In addition to the General Fund, the Town reported one additional "major" fund for the year ended June 30, 2023. The Community Center and Playground District No. 16 Special Revenue Fund had revenues of \$716,419, expenditures of \$495,740, and an ending fund balance of \$1,190,060.

The Community Center's primary source of revenues is from Jefferson Parish for ad valorem taxes collected by the Parish and dedicated to the Town for the operations of the Community Center and Playground District. Total Revenue recognized from this source in the current fiscal year was \$469,906 and is reported as "Intergovernmental" Revenue.

Principal expenditures from this fund are for salaries, insurance and maintenance of facilities.

**TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL FUNDS - COMMUNITY CENTER AND PLAYGROUND DIST. NO. 16
CHANGE IN FUND BALANCE
JUNE 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>	<u>\$ Increase (Decrease) from Prior Year</u>	<u>% Increase (Decrease) from Prior Year</u>
REVENUES				
Intergovernmental - Local	\$ 469,906	\$ 332,028	\$ 137,878	41.5%
Federal financial assistance	242,051	1,426	240,625	-
Interest	1,562	183	1,379	753.6%
Miscellaneous	2,900	4,105	(1,205)	-29.4%
TOTAL REVENUES	<u>716,419</u>	<u>337,742</u>	<u>378,677</u>	<u>112.1%</u>
EXPENDITURES				
Culture, recreation and tourism	226,794	252,049	(25,255)	-10.0%
Storm repairs and response	268,946	1,585	267,361	-
TOTAL EXPENDITURES	<u>495,740</u>	<u>253,634</u>	<u>242,106</u>	<u>95.5%</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>220,679</u>	<u>84,108</u>	<u>136,571</u>	<u>162.4%</u>
FUND BALANCE				
Beginning of year	969,381	885,273	84,108	9.5%
End of year	<u>\$ 1,190,060</u>	<u>\$ 969,381</u>	<u>\$ 220,679</u>	<u>22.8%</u>

The Town's other governmental funds recorded revenue of \$674,334 and expenditures of \$323,578. Forty-seven (47) percent of the Town's other government fund revenue this year was recognized by the Mosquito Control Special Revenue Fund (which received \$315,788 from mosquito fees). The Drainage District No. 1 (which received sales taxes of \$56,8055. The Town recorded \$255,091 in donations in receipts related to the Community Fair in the current fiscal year. The revenues and expenditures in these funds were comparable to that of prior periods.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The two funds are the Waterworks Utilities Enterprise fund and the Gas Utilities Enterprise fund. Factors concerning the finances of these two funds have already been addressed in the discussion of the Town's business-type activities (see above).

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (continued)

Custodial Funds. The Town maintains one fiduciary custodial fund in order to account for monies collected on behalf of others. The Grand Isle Relief fund is used to account for donations from the public for disaster relief to Town's citizens. At year end, \$30,929 was held in this fund.

BUDGETARY HIGHLIGHTS OF THE TOWN'S MAJOR FUNDS

General Fund

- Actual General Fund revenues came in \$8,562,863 under budgeted revenues. Federal disaster assistance accounted for \$9,388,812 of the amount under budget. The Town prepared the budget on the cash basis for federal disaster revenues not the accrual basis as in the past. Actual revenues are recorded on the accrual basis in the General Fund.
- Actual General Fund expenditures were \$119,461 or 6.0 percent less than budgeted expenditures.

**TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL ACTIVITIES
REVENUES AND EXPENDITURES - FEDERAL AND NON-FEDERAL
BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	Actual 2023	Final Budget 2023	\$ Variance with Final Budget Positive (Negative)	% Variance with Final Budget Positive (Negative)
REVENUES				
Federal disaster assistance	1,141,188	10,530,000	(9,388,812)	-89.2%
All other revenues	4,393,263	5,409,181	(1,015,918)	-18.8%
TOTAL REVENUES	5,534,451	15,939,181	(10,404,730)	-65.3%
EXPENDITURES				
Storm repairs and response	831,762	11,700,000	(10,868,238)	-92.9%
All other expenditures	3,462,621	3,976,364	(513,743)	-12.9%
TOTAL EXPENDITURES	4,294,383	15,676,364	(11,381,981)	-72.6%

Community Center Fund

The Community Center and Playground District No. 16 Special Revenue Fund had actual revenues exceeded budgeted revenues by \$716,419 and actual expenditures exceed budgeted expenditures by \$255,149.

The major difference in Budgeted Expenditures to actual are related to the impact of Hurricane Ida.

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

BUDGETARY HIGHLIGHTS OF THE TOWN'S MAJOR FUNDS (continued)

**TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL FUNDS - GENERAL FUND
BUDGET AND ACTUAL
JUNE 30, 2023**

	Actual 2023	Final Budget 2023	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 1,339,276	\$ 1,075,000	\$ 264,276
Licenses and permits	551,964	548,200	3,764
Intergovernmental			
Federal disaster assistance	1,141,188	10,530,000	(9,388,812)
Local	55,508	-	
Other	454,284	847,564	(393,280)
Gaming fees and commissions	370,870	408,500	(37,630)
Fines and forfeitures	106,906	130,050	(23,144)
Charges for services	845,879	460,300	385,579
Interest	43,057	7,500	35,557
Miscellaneous	625,519	90,200	535,319
TOTAL REVENUES	5,534,451	14,097,314	(8,562,863)
EXPENDITURES			
Executive	134,472	132,418	2,054
General government	1,107,496	1,119,552	(12,056)
Storm repairs and response	831,762	750,000	81,762
Public safety	1,084,035	1,100,399	(16,364)
Public works	1,053,281	1,001,153	52,128
Culture, recreation and tourism	83,337	71,400	11,937
TOTAL EXPENDITURES	4,294,383	4,174,922	(119,461)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,240,068	9,922,392	(8,443,402)
OTHER FINANCING SOURCES (USES)			
Transfers out	-	-	-
Loan from Jefferson Parish	908,000	-	908,000
TOTAL OTHER FINANCING SOURCES (USES)	908,000	-	908,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	2,148,068	9,922,392	(7,774,324)
FUND BALANCE			
Beginning of year	1,316,437	1,316,437	-
End of year	\$ 3,464,505	\$11,238,829	\$ (7,774,324)

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

BUDGETARY HIGHLIGHTS OF THE TOWN'S MAJOR FUNDS (continued)

Community Center and Playground District No. 16

**TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL FUNDS - COMMUNITY CENTER AND PLAYGROUND DIST. NO. 16
BUDGET AND ACTUAL
JUNE 30, 2023**

	Actual 2023	Final Budget 2023	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental			
Federal disaster assistance	\$ 242,051	\$ -	\$ 242,051
Other	469,906	378,000	91,906
Charges for services	-	-	-
Interest	1,562	250	1,312
Miscellaneous	2,900	-	2,900
TOTAL REVENUES	716,419	378,250	338,169
EXPENDITURES			
Culture, recreation and tourism	226,794	194,100	(32,694)
Storm repairs and response	268,946	-	(268,946)
TOTAL EXPENDITURES	495,740	194,100	(301,640)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	220,679	184,150	36,529
FUND BALANCE			
Beginning of year	969,381	969,381	-
End of year	\$ 1,190,060	\$ 1,153,531	\$ 36,529

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Town's net investment in capital assets for its governmental and business-type activities as of June 30, 2023 amounts to \$15,681,900 (net of accumulated depreciation), a decrease of \$259,990 or 1.7 percent. This investment in capital assets includes land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure (including streets and roadways), and is shown net of any debt related to financing the assets. The reduction in net investment in capital assets is primarily attributable to depreciation expense and reduction of associated debt.

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

**TOWN OF GRAND ISLE, LOUISIANA
CAPITAL ASSETS (NET OF DEPRECIATION)
June 30, 2023 and 2022**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 382,830	\$ 382,830	\$ -	\$ -	\$ 382,830	\$ 382,830
Construction in progress	552,578	552,578	-	-	552,578	552,578
Buildings and improvements	6,706,999	6,558,019	-	-	6,706,999	6,558,019
Furniture and fixtures	74,550	77,554	(3)	301	74,547	77,855
Heavy equipment	441,251	444,156	-	-	441,251	444,156
Vehicles	180,862	245,002	34,434	44,614	215,296	289,616
Infrastructure	6,582,303	6,916,281	466,106	460,565	7,048,409	7,376,846
Total Capital Assets,						
Net of Depreciation	<u>\$ 14,921,373</u>	<u>\$ 15,176,420</u>	<u>\$ 500,537</u>	<u>\$ 505,480</u>	<u>\$ 15,421,910</u>	<u>\$ 15,681,900</u>

Long-term Debt

The Town's only outstanding loan is \$908,000 in Community Disaster Loan due to the Federal Government.

The Town has no outstanding bonds.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- ❖ The Town was devastated by the effects of Major Hurricane Ida. In the aftermath of the hurricane basic utilities and access to the Town was non-existent to extremely limited. The Town continues to recover, however, the economy of the Town continues to suffer.
- ❖ The Town received is waiting on approval of additional FEMA funding for additional hurricane expenditures that are required to restore the Town to pre-Hurricane Ida operations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Mayor David Camardelle, Town of Grand Isle, PO Box 200, Ludwig Lane, Grand Isle, LA 70358.

BASIC FINANCIAL STATEMENTS

GOVERNMENT WIDE FINANCIAL STATEMENTS

TOWN OF GRAND ISLE, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS-TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash and cash equivalents	\$ 2,016,394	\$ 39,885	\$ 2,056,279
Investments	851,403	-	851,403
Receivables (net of allowance for uncollectibles)	1,342,413	169,088	1,511,501
Due from taxing bodies and others	-	113,221	113,221
Internal balances	513,595	17,515	531,110
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	-	78,398	78,398
Capital assets (net of accumulated depreciation)	14,921,373	500,537	15,421,910
TOTAL ASSETS	<u>19,645,178</u>	<u>918,644</u>	<u>20,563,822</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows - Pension	60,073	-	60,073
FEMA Receivable - disaster assistance	3,662,328	157,711	3,820,039
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>3,722,401</u>	<u>157,711</u>	<u>3,880,112</u>
LIABILITIES			
Accounts payable and other current liabilities	2,626,842	10,793	2,637,635
Due to taxing bodies and others	102,288	-	102,288
Federal community disaster loan	908,000	-	908,000
Internal balances	4,133	526,983	531,116
Liabilities payable from restricted assets	-	64,244	64,244
TOTAL LIABILITIES	<u>3,641,263</u>	<u>602,020</u>	<u>4,243,283</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - disaster assistance	174,644	45,730	220,374
NET POSITION			
Net investment in capital assets	14,921,372	500,537	15,421,909
Restricted for:			
Other	-	14,154	14,154
Unrestricted	4,630,300	(86,086)	4,544,214
TOTAL NET POSITION	<u>\$ 19,551,672</u>	<u>\$ 428,605</u>	<u>\$ 19,980,277</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023

FUNCTION/PROGRAM	EXPENDITURES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		TOTAL
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Primary Government							
Governmental Activities							
Executive	\$ 135,297	\$ -	\$ -	\$ -	\$ (135,297)	\$ -	\$ (135,297)
General government	1,046,734	42,844	266,357	-	(737,533)	-	(737,533)
Storm repairs and response	1,151,815	-	1,429,236	-	277,421	-	277,421
Public safety	988,012	437,881	55,508	-	(494,623)	-	(494,623)
Public works	1,881,435	837,768	156,478	-	(887,189)	-	(887,189)
Health and welfare	144,307	315,788	-	-	171,481	-	171,481
Culture, recreation, and tourism	523,250	-	753,292	-	230,042	-	230,042
Total governmental activities	\$ 5,870,850	\$ 1,634,281	\$ 2,660,871	\$ -	\$ (1,575,698)	\$ -	\$ (1,575,698)
Business-type activities							
Waterworks	\$ 23,812	\$ -	\$ -	\$ -	\$ -	\$ (23,812)	\$ (23,812)
Gas	500,303	291,674	-	63,948	-	(144,681)	(144,681)
Total business-type activities	\$ 524,115	\$ 291,674	\$ -	\$ 63,948	\$ -	\$ (168,493)	\$ (168,493)
TOTAL PRIMARY GOVERNMENT	\$ 6,394,965	\$ 1,925,955	\$ 2,660,871	\$ 63,948	\$ (1,575,698)	\$ (168,493)	\$ (1,744,191)
GENERAL REVENUES							
Property taxes					379,153	306,851	686,004
Sales taxes:							
General					762,430	-	762,430
Drainage					56,805	-	56,805
Law enforcement					37,270	-	37,270
Hotel/motel					53,188	-	53,188
Franchise taxes					107,237	-	107,237
Licenses and permits					220,989	-	220,989
State beer tax allocation					3,154	-	3,154
Riverboat admission fees					334,005	-	334,005
Video poker allocation					36,865	-	36,865
Unrestricted interest					45,272	335	45,607
Other					593,685	-	593,685
TOTAL GENERAL REVENUE AND TRANSFERS					2,630,053	307,186	2,937,239
TRANSFERS AND SPECIAL ITEMS							
Loss on transfer of water system to Jefferson Parish					-	(219,591)	(219,591)
TOTAL TRANSFERS AND SPECIAL ITEMS					-	(219,591)	(219,591)
CHANGE IN NET POSITION					1,054,355	(80,898)	973,457
NET POSITION							
Beginning of year, restated					18,497,317	509,503	19,006,820
End of year					\$ 19,551,672	\$ 428,605	\$ 19,980,277

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2023

	<u>GENERAL</u>	<u>COMMUNITY CENTER AND PLAYGROUND DIST NO. 16</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Cash and cash equivalents	\$ 875,132	\$ 258,919	\$ 882,343	\$ 2,016,394
Investments	815,710	35,693	-	851,403
Receivables (net of allowance for uncollectibles)	553,236	789,179	-	1,342,415
Due from other funds	682,198	2,104	33,059	717,361
TOTAL ASSETS	<u>2,926,276</u>	<u>1,085,895</u>	<u>915,402</u>	<u>4,927,573</u>
DEFERRED OUTFLOWS OF RESOURCES				
FEMA Receivable - disaster assistance	3,356,156	243,477	62,695	3,662,328
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 6,282,432</u>	<u>\$ 1,329,372</u>	<u>\$ 978,097</u>	<u>\$ 8,589,901</u>
LIABILITIES				
Accounts payable	\$ 2,612,701	\$ -	\$ -	\$ 2,612,701
Accrued payroll and deductions	13,951	196	-	14,147
Due to other funds	33,053	120,406	54,434	207,893
Due to taxing bodies and others	2,288	-	-	2,288
TOTAL LIABILITIES	<u>2,661,993</u>	<u>120,602</u>	<u>54,434</u>	<u>2,837,029</u>
DEFERRED INFLOWS OF RESOURCES				
FEMA unearned revenue	155,934	18,710	-	174,644
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	1,190,060	923,663	2,113,723
Unassigned	3,464,505	-	-	3,464,505
TOTAL FUND BALANCES	<u>3,464,505</u>	<u>1,190,060</u>	<u>923,663</u>	<u>5,578,228</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 6,282,432</u>	<u>\$ 1,329,372</u>	<u>\$ 978,097</u>	<u>\$ 8,589,901</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2023

Amounts reported for governmental activities in the Statement of Net Position (page 20) are different because:

Total Fund Balances at June 30, 2023 - Governmental Funds (page 22)	\$	5,578,228
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$41,629,523 and the accumulated depreciation is \$28,270,324		14,359,200
Deferred Outflows Pension		60,073
Loan from Jefferson Parish		(100,000)
Community Disaster Loan		(908,000)
Prior Period Adjustment - accumulated depreciation		562,171
Total Net Position of Governmental Activities at June 30, 2023 (page 20)	<u>\$</u>	<u>19,551,672</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended June 30, 2023

	<u>GENERAL</u>	<u>COMMUNITY CENTER AND PLAYGROUND DIST NO. 16</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES				
Taxes				
Property taxes	\$ 379,151	\$ -	\$ -	\$ 379,151
Sales taxes	852,888	-	56,805	909,693
Franchise taxes	107,237	-	-	107,237
Licenses and permits	551,964	-	-	551,964
Intergovernmental				
Federal - disaster assistance	1,141,188	242,051	45,997	1,429,236
Federal - other	266,357	-	-	266,357
State	187,927	-	-	187,927
Local	55,508	469,906	-	525,414
Gaming fees and commissions	370,870	-	-	370,870
Fines and forfeitures	106,906	-	-	106,906
Charges for services	845,879	-	315,788	1,161,667
Interest	43,057	1,562	653	45,272
Miscellaneous	625,519	2,900	255,091	883,510
TOTAL REVENUES	<u>5,534,451</u>	<u>716,419</u>	<u>674,334</u>	<u>6,925,204</u>
EXPENDITURES				
Current				
Executive	134,472	-	-	134,472
General government	1,107,496	-	-	1,107,496
Storm repairs and response	831,762	268,946	51,106	1,151,814
Public safety	1,084,035	-	-	1,084,035
Public works	1,053,281	-	22,790	1,076,071
Health and welfare	-	-	137,690	137,690
Culture, recreation and tourism	83,337	226,794	111,991	422,122
TOTAL EXPENDITURES	<u>4,294,383</u>	<u>495,740</u>	<u>323,577</u>	<u>5,113,700</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,240,068</u>	<u>220,679</u>	<u>350,757</u>	<u>1,811,504</u>
OTHER FINANCING SOURCES (USES)				
Loan proceeds from Disaster Loan	908,000	-	-	908,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>908,000</u>	<u>-</u>	<u>-</u>	<u>908,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>2,148,068</u>	<u>220,679</u>	<u>350,757</u>	<u>2,719,504</u>
FUND BALANCE				
Beginning of year	1,316,437	969,381	572,906	2,858,724
End of year	<u>\$ 3,464,505</u>	<u>\$ 1,190,060</u>	<u>\$ 923,663</u>	<u>\$ 5,578,228</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, 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, 2023

Amounts reported for governmental activities in the Statement of Activities (page 21) are different because:

Net change in fund balances - total governmental funds (page 22)	\$ 2,719,504
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Reconciling items:

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. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlay	506,057
Depreciation expense	(1,323,279)
Deffered outflows pension	60,073
Community Disaster Loan	(908,000)
Change in net position of governmental activities (page 21)	\$ 1,054,355

The accompanying notes are an integral part of this statement.

**TOWN OF GRAND ISLE, LOUISIANA
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 June 30, 2023**

	BUSINESS-TYPE ACTIVITES - ENTERPRISE FUNDS		
	WATERWORKS UTILITY FUND	GAS UTILITY FUND	TOTAL
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 9,880	\$ 30,005	\$ 39,885
Receivables (net of allowance for uncollectibles)	10,240	158,848	169,088
Due from other funds	-	17,515	17,515
Due from other taxing district	113,221	-	113,221
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	6,426	71,972	78,398
Capital assets (net of accumulated depreciation)	-	500,537	500,537
TOTAL ASSETS	\$ 139,767	\$ 778,877	\$ 918,644
DEFERRED INFLOWS OF RESOURCES			
Fema Receivable - disaster assistance	\$ -	\$ 157,711	\$ 157,711
LIABILITIES			
Current Liabilities			
Accounts payable	\$ -	\$ 7,893	\$ 7,893
Accrued payroll and deductions	-	2,900	2,900
Due to other funds	47,097	479,886	526,983
Liabilities payable from restricted assets:			
Customer deposits	-	64,244	64,244
TOTAL LIABILITIES	47,097	554,923	602,020
DEFERRED OUTFLOWS OF RESOURCES			
Fema unearned revenue	\$ -	\$ 45,730	\$ 45,730
NET POSITION			
Invested in capital assets, net of related debt	-	500,537	500,537
Restricted for:			
Other	6,426	7,728	14,154
Unrestricted	86,244	(172,330)	(86,086)
TOTAL NET POSITION	\$ 92,670	\$ 335,935	\$ 428,605

The accompanying notes are an integral part of this statement.

**TOWN OF GRAND ISLE, LOUISIANA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET POSITION
 For the Year Ended June 30, 2023**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATERWORKS	GAS	TOTAL
	UTILITY FUND	UTILITY FUND	
OPERATING REVENUES			
Sales	\$ -	\$ 243,124	\$ 243,124
Service charges	-	3,300	3,300
Installation charges	-	29,634	29,634
Penalties	-	15,613	15,613
Intergovernmental transfers	-	-	-
Miscellaneous	-	3	3
TOTAL OPERATING REVENUES	-	291,674	291,674
OPERATING EXPENSES			
Personal services	-	216,528	216,528
Contracted services	-	61,349	61,349
Materials and supplies	-	21,950	21,950
General and administrative	23,812	104,014	127,826
Storm repairs and response	-	67,919	67,919
Depreciation and amortization	-	28,543	28,543
TOTAL OPERATING EXPENSES	23,812	500,303	524,115
OPERATING INCOME (LOSS)	(23,812)	(208,629)	(232,441)
NONOPERATING REVENUES (EXPENSES)			
Interest income	144	191	335
Ad valorem taxes	245,417	61,434	306,851
Federal disaster assistance	-	63,948	63,948
TOTAL NONOPERATING REVENUES (EXPENSES)	245,561	125,573	371,134
INCOME (LOSS) BEFORE SPECIAL ITEMS	221,749	(83,056)	138,693
SPECIAL ITEMS			
Loss on transfer of water system assets to Jefferson Parish	(219,591)	-	(219,591)
CHANGE IN NET POSITION	2,158	(83,056)	(80,898)
NET POSITION			
Beginning of year	90,512	418,991	509,503
End of year	\$ 92,670	\$ 335,935	\$ 428,605

The accompanying notes are an integral part of this statement.

**TOWN OF GRAND ISLE, LOUISIANA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 For the Year Ended June 30, 2023**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATERWORKS	GAS	TOTAL
	UTILITY FUND	UTILITY FUND	
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and others	\$ -	\$ 254,104	\$ 254,104
Receipts from interfund services provided	116,160	121,307	237,467
Payments to suppliers	-	(262,179)	(262,179)
Payments to employees	-	(216,223)	(216,223)
Payments for interfund services used	(23,812)	-	(23,812)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	92,348	(102,991)	(10,643)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Receipts of ad valorem taxes	235,177	61,435	296,612
Payments to Jefferson Parish, ad valorem taxes	(332,813)	-	(332,813)
Receipts from FEMA disaster relief	-	46,486	46,486
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	(97,636)	107,921	10,285
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of of property and equipment	-	(23,600)	(23,600)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	-	(23,600)	(23,600)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	144	191	335
NET CASH PROVIDED BY INVESTING ACTIVITIES	144	191	335
INCREASE IN CASH AND CASH EQUIVALENTS	(5,144)	(18,479)	(23,623)
CASH AND CASH EQUIVALENTS			
Beginning of year	21,450	120,456	141,906
End of year	<u>\$ 16,306</u>	<u>\$ 101,977</u>	<u>\$ 118,283</u>
RECONCILIATION TO BALANCE SHEET			
Current Assets			
Cash and cash equivalents	\$ 9,880	\$ 30,005	\$ 39,885
Restricted Assets			
Cash and cash equivalents	6,426	71,972	78,398
TOTAL	<u>\$ 16,306</u>	<u>\$ 101,977</u>	<u>\$ 118,283</u>

The accompanying notes are an integral part of this statement.

**TOWN OF GRAND ISLE, LOUISIANA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (continued)
 For the Year Ended June 30, 2023**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	WATERWORKS UTILITY FUND	GAS UTILITY FUND	TOTAL
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (23,812)	\$ (208,629)	\$ (232,441)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	-	28,543	28,543
(Increase) decrease in assets:			
accounts receivable	-	(42,603)	(42,603)
due from other funds	82,120	44,529	126,649
Increase (decrease) in liabilities:			
accounts payable	-	(6,947)	(6,947)
accrued payroll and deductions	-	304	304
customer deposits	-	5,036	5,036
due to other funds	34,040	76,776	110,816
Net adjustments	<u>116,160</u>	<u>105,638</u>	<u>221,798</u>
Net cash provided (used) by operating activities	<u>\$ 92,348</u>	<u>\$ (102,991)</u>	<u>\$ (10,643)</u>

The accompanying notes are an integral part of this statement.

TOWN OF GRAND ISLE, LOUISIANA
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
June 30, 2023

	CUSTODIAL FUNDS
ASSETS	
Cash and cash equivalents	\$ 30,929
TOTAL ASSETS	30,929
LIABILITIES	
Due to taxing bodies and others	-
TOTAL LIABILITIES	-
NET POSITION	\$ 30,929

The accompanying notes are an integral part of this statement.

**TOWN OF GRAND ISLE, LOUISIANA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
June 30, 2023**

	CUSTODIAL FUNDS
ADDITIONS	
Donations	\$ -
Interest Income	33
TOTAL ADDITIONS	33
DEDUCTIONS	
Relief supplies and expenses	-
TOTAL DEDUCTIONS	-
CHANGE IN NET POSITION	33
NET POSITION - BEGINNING OF YEAR	30,896
NET POSITION - END OF YEAR	\$ 30,929

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Grand Isle, Louisiana (the Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Town's significant accounting policies are described below.

A. Reporting Entity

Under GASB's Codification of Governmental Accounting and Financial Reporting Standards Section 2100, the financial reporting entity consists of the primary government (the Town) and its component units. Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing body, and 1) the ability of the primary government to impose its will on that organization, or 2) whether the potential exists for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. Additionally, a component unit can be an organization for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component units discussed below are included in the Town's reporting entity as blended component units because of the significance of their operational or financial relationships with the Town.

Community Center and Playground District No. 16 of Jefferson Parish

The above noted District is a legally separate entity from the Town and is funded primarily by taxes and fees levied by the Parish of Jefferson; however, under agreement with the Parish, the entity is governed by the same elected officials that govern the Town. For financial reporting purposes, this entity is reported as if it were part of the Town's operations.

B. Description of Activities

The Town was incorporated on June 15, 1959, under the provisions of the Lawrason Act (LRS 33:321 - 481). The Town is governed by a Mayor and Town Council form of government. Services provided by the Town include general government activities, public works, public safety, health and welfare and culture and recreation programs. The Town also provides gas utilities.

C. Government-wide and Fund Financial Statements

1. Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-wide and Fund Financial Statements (continued)

1. Government-wide Financial Statements (continued)

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

2. Fund Financial Statements

Separate financial statements are provided for the governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements of the Town. Funds are used by the Town to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the Town are classified into three categories: *governmental, proprietary and fiduciary*. Each category, in turn, is divided into separate fund types.

Governmental funds are used to account for all or most of the Town's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the Town not accounted for in some other fund. Major individual governmental funds are reported as separate columns in the fund financial statements. The Town reports the following major governmental funds:

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

The **Community Center and Playground District No. 16 Special Revenue Fund** accounts for the proceeds of an ad valorem tax levied by the Parish of Jefferson and remitted to the Town for the construction, operations, and debt service costs of the Grand Isle Community Center and Playground District.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The Town uses *Enterprise Funds* to account for the operations of gas utilities. The Town continues to account for the winding down of the waterworks operations in the Waterworks Fund. The principal operating revenue of the gas utilities fund is charges to customers for sales and services. Operating expenses of the enterprise funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements (continued)

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. *Agency funds* generally are used to account for assets that the Town holds on behalf of others as their agent. The Grand Isle Relief Fund holds money donated to the Town for disaster relief to citizens in the Town.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the funds are available. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* on the Statement of Activities include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and related commissions.

Within the fund financial statements, the accounting and financial reporting treatment applied to a fund is determined by its measurement focus and basis of accounting.

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Under the modified basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Town considers property taxes and sales taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when due.

Those revenues susceptible to accrual are property taxes, sales taxes, franchise taxes, interest revenue, charges for services, and grants. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The proprietary fund type is accounted for on the *economic resources management focus* and the *accrual basis of accounting*. With this measurement focus, all assets and liabilities associated with the operation of this fund type are included on the balance sheet. Proprietary fund type operating statements represent increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of the timing of related cash flows.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

The Town may also report unearned grant revenues on its combined balance sheet. Unearned grant revenues arise when potential revenue does not meet both the measurable and available criteria for recognition in the current period. Unearned grant revenues also arise when resources are received by the government before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures (i.e., an advance). In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability of unearned grant revenues is removed from the combined balance sheet and revenue is recognized.

E. Assets, Liabilities, and Net Position or Equity

1. Cash and Investments

Cash and cash equivalents shown on the face of the Combined Balance Sheet include amounts in demand deposits, petty cash, certificates of deposit with maturities of less than 90 days, and shares in the Louisiana Asset Management Pool (LAMP).

In accordance with GASB Codification Section 150, investments are generally stated at fair value, unless the Town invests in money market securities which have a maturity date of less than 90 days at the balance sheet date. If the investments mature within 90 days, they are stated at cost or amortized cost. Louisiana Revised Statutes, LRS 33:2955, authorize the Town to invest in (1) direct United States Treasury obligations, (2) bonds, indentures, and notes issued or guaranteed by federal agencies, provided that such obligations are backed by the full faith and credit of the United States (including but not limited to the FHA, FFB, GNMA, FHLB, FHLMC, FNMA, etc.), (3) direct repurchase agreements of any federal book entry only securities enumerated in (1) or (2), (4) time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, savings accounts or shares of savings and loan associations and savings banks, as defined by RS 6:703(16) or (17), (5) mutual or trust funds registered with the Securities Exchange Commission, (6) guaranteed investment contracts issued by a bank or entity having one of the two highest short-term rating categories of either Standard & Poor's or Moody's Investors Services, and (7) certain commercial grade commercial paper. The portfolio of the entity is limited in certain categories, for example, the investment in mutual funds cannot exceed 25 percent of the entity's portfolio. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool. (LAMP), a state sponsored external investment pool.

For the purposes of the statement of cash flows, the Proprietary Fund considers its investment in LAMP and all highly liquid investments with a maturity of three months or less when purchased, to be cash equivalents.

2. Interfund Receivables/Payables and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either due to/from other funds (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as due to/from other funds. Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. As a general rule, all interfund balances are eliminated in the government-wide financial statements.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, and Net Position or Equity (continued)

2. Interfund Receivables/Payables and Transfers (continued)

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

3. Inventories

The cost of material and supplies acquired by governmental funds are recorded as expenditures at the time of purchase. The inventory of such materials and supplies at June 30, 2023 would not be material to the financial statements.

4. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2023 are recorded as prepaid items.

5. Restricted Assets – Proprietary Funds

Funds on hand which represent customer meter deposits in the Gas utility fund are classified as restricted assets on the balance sheet of the enterprise fund since these funds may only be used for the payment of any outstanding gas bills when customers discontinue service. Funds on hand in the waterworks fund are ad valorem taxes collected owed to Jefferson Parish due to the transfer of the waterworks utility.

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental activities column in the government wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$250 (except for electronic equipment is 100 percent capitalized) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, and Net Position or Equity (continued)

7. Capital Assets (continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and are included in construction in progress.

General government property, plant, equipment, and infrastructure is depreciated using the straight-line method (with a mid-year convention) over the following estimated useful lives:

<u>Asset Category</u>	<u>Useful Life in Years</u>
Buildings and Improvements	40
Equipment (including furniture and fixtures)	3
Heavy Equipment	5
Vehicles	7
Infrastructure - Other	15 to 35
Infrastructure - Streets	20 to 40

The proprietary funds also record capital assets and depreciation. The useful lives used for computing depreciation for the proprietary funds are as follows:

<u>Asset Category</u>	<u>Useful Life in Years</u>
Buildings and Improvements	20 to 50
Furniture and Fixtures	5 to 10
Vehicles and Heavy Equipment	5 to 10
Utility Distribution Systems and Lines	20 to 40

8. Compensated Absences

In both the governmental and proprietary fund types, annual and sick leave are expended when claimed by the employee rather than when earned. In the opinion of management, the liability due at June 30, 2023 would not be material to the financial statements.

9. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are recognized as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable, if any, are reported net of the applicable bond premium or discount. Bond issuance costs, if any, are reported as deferred charges and amortized over the term of the related debt.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, and Net Position or Equity (continued)

9. Long-Term Obligations (continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payments of principal and interest are recorded as expenditures only when due.

10. Fund Equity

In accordance with Government Accounting Standards Board (GASB) Codification Section 1800, in the fund financial statements, fund balances of the governmental fund types are categorized into one of five categories - Non-spendable, Restricted, Committed, Assigned, or Unassigned.

For *committed fund balances*, the Town Council is considered to be the highest level of decision-making authority and ordinances or resolutions passed by it is needed to establish, modify, or rescind a fund balance commitment. For *assigned fund balances*, the Mayor or Town Clerk may assign amounts to a specific purpose.

While the Town has not established a policy for its use of unrestricted fund balances, it does consider that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

11. Use of Estimates

In preparation of financial statements in accordance with generally accepted accounting principles requires the Town 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 expenses/expenditures. Actual results could differ from the estimates that were used.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Formal budgetary accounting is employed as a management control device during the year for the General Fund and Special Revenue Funds. Informal budgets are also adopted for the Proprietary funds but are not presented. Expenditures may not exceed budgeted appropriations at the division or department level. Expenditures may not exceed appropriations until additional appropriations have been provided. All annual appropriations which are not expended or encumbered lapse at year end.

Budgets are adopted for the General and Special Revenue funds on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons presented in the accompanying financial statements are on this GAAP basis.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

A. Budgetary Information (continued)

In accordance with the Louisiana Local Government Budget Act (LSA-RS 39:1301), the procedures used by the Town in establishing the budgetary data reflected in the financial statements are as follows:

- a. Not less than 30 days before the end of the fiscal year, the Mayor recommends to the Town Council a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. The proposed budget is summarized and advertised and the public notified that the proposed budget is available for inspection and that within 10 days thereafter public hearings are conducted to obtain taxpayer comments.
- c. The budget is then legally enacted by passage of an ordinance by the Town Council.
- d. Any revisions that alter the total expenditures of a department must be approved by the Town Council. Changes to specific line-items within the departments must also be approved by the Town Council.

Budgeted amounts presented in the financial statements are as originally adopted or as finally amended by the Town Council.

B. Amendments to the Budget

The Town made several supplemental budget adjustments throughout the fiscal year. The final being made in August 2023 after the end of the fiscal year. As a result of this amendment being adopted after the close of the Town's fiscal year it is not considered an amendment for the fiscal year. The amendments made on or before June 30, 2023 decreased budgeted expenditures by \$5,610 with no changes made to budgeted revenues. The decline in revenues was due to the budget prepared on the cash basis and not the accrual basis like the financial statements are reported in.

Budget Adjustment	Original Budget	Budget Adjustments	Final Budget	Actual	Variance (Unfavorable)
<i>Governmental Activities</i>					
Revenues	\$ 15,939,181	\$ -	\$ 15,939,181	\$ 6,925,205	\$ (9,013,976)
Expenses	15,681,974	(5,610)	15,676,364	4,713,683	\$ 10,962,681

C. Actual Revenues Under Budgeted Revenues

The following Funds experienced actual revenues less than budgeted revenues:

Actual revenues less than budgeted revenues

Fund	Budgeted Revenues	Actual Revenues	Variance (Unfavorable)	Variance %
General Fund	\$ 15,217,331	\$ 5,534,451	\$ (9,682,880)	-64%

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

D. Actual Expenditures Over Budgeted Expenditures

The following funds experienced actual expenditures in excess of budgeted expenditures:

Fund	Budgeted Expenditures	Actual Expenditures	Variance (Unfavorable)	Variance
Community Center	194,100	495,741	(301,641)	-155%
Community Fair	45,050	111,991	(66,941)	-149%
Drainage	36,000	73,897	(37,897)	-105%

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash and Investments

1. Cash

A breakdown of cash and investments as shown on the Statement of Net Position is as follows:

Fund	Cash and Cash Equivalants	Investments
Governmental Funds		
Major Funds:		
General Fund	\$ 875,132	\$ 815,710
Community Center and Playground District No. 16	258,919	35,693
Non Major Governmental Funds		
Special Revenue Funds	882,343	-
Total Governmental Activities	<u>2,016,394</u>	<u>851,403</u>
Proprietary Funds		
Waterworks Utilities Enterprise Fund		
Restricted	6,426	-
Unrestricted	9,880	-
Gas Utilities Enterprise Fund		
Restricted	71,973	-
Unrestricted	30,005	-
Total Proprietary Funds	<u>118,283</u>	<u>-</u>
Total	<u>\$ 2,134,677</u>	<u>\$ 851,403</u>

In addition, the Town reports Fiduciary Funds book balance of \$30,929.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)

A. Cash and Investments (continued)

Of the Town's cash and cash equivalents (book balances) total \$2,134,377 in interest-bearing demand deposits, and cash on hand is \$300. 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 and/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. The securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually agreeable to both parties.

Total Bank Balances of Deposits Exposed to Custodial Credit Risk

	Cash and Cash Equivalents
Deposits in Bank Accounts per Bank (all funds)	\$ 2,386,221
Bank Balances of Deposits Exposed to Custodial Credit Risk	
A. Bank balances insured	\$ 506,409
B. Uninsured and collateralized with securities	1,879,812
C. Uninsured and uncollateralized	-
Total Bank Balances of Deposits Exposed to Custodial Credit Risk	\$ -

2. Investments

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counter-party or the counter-party's trust department or agent but not in the entity's name. The Town's investments consist of shares in the Louisiana Asset Management Pool (LAMP). The balance of the Town's investments as of June 30, 2023 for all funds is \$851,403. Because this investment is not evidenced by securities that exist in physical or book entry form, it is not categorized for the purposes of this note.

Credit Risk of Investments

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. It is the Town's policy to limit its investments in these investment types to the top ratings group. State statutes also allow the Town to invest in the Louisiana Asset Management Pool (LAMP). The following table lists the Town's investments by credit quality rating, whether held directly or indirectly (i.e., LAMP):

S&P or Moody's Rating	Fair Value
AAAm	\$851,403

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)

A. Cash and Investments (continued)

Interest Rate Risk

In accordance with the Town's investment policy, exposure to declines in fair values is managed by limiting the maturity of its investments to less than 1 year. By investing in LAMP, the Town is even less exposed to long-term interest rate risk.

Concentrations of Credit Risk

The Town does not limit how much can be invested in a particular issuer as long as the limits set forth in State Statutes are met. At June 30, 2023, 100 percent of the Town's investments of \$851,403 were invested with the Louisiana Asset Management Pool (LAMP).

B. Receivables

In the government-wide financial statements receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectable accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balanced for the governmental activities include sales taxes, franchise taxes and grants. Business-type activities report utilities earnings as their major receivable.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, grants and other similar intergovernmental revenues since they are both measurable and available. Interest and investment earnings are recorded when earned only if collected within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectable accounts receivable are based upon historical trends and periodic aging of accounts receivable.

The Town generally considers all receivables to be collectible, however, in the Gas Utilities Enterprise Fund, an allowance for uncollectibles of \$1,000 has been recorded.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)

B. Receivables (continued)

Receivables at June 30, 2023 consist of the following:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Community Center and Playground District No. 16 Fund</u>	<u>Proprietary Funds</u>	<u>Total</u>
Taxes:				
Sales and use	\$ 258,404	\$ -	\$ -	\$ 258,404
Intergovernmental				
Federal Grants	166,142	-	-	166,142
Other	-	784,018	-	784,018
Other	128,690	5,161	169,088	302,939
Total	<u>\$ 553,236</u>	<u>\$ 789,179</u>	<u>\$ 169,088</u>	<u>\$ 1,511,503</u>

C. Capital Assets

The Town's capital assets include various infrastructure assets, including the value of Town-owned streets. The amount of streets capitalized totaled \$12,969,828 and is based on estimates from the Town's engineers on which streets are Town-owned, the make-up and condition of the street, the historical cost of the street, etc. The Town elected to capitalize these costs and depreciate them over their useful lives. The Town does not follow the alternative method of accounting for and depreciating these street networks, thus, any general maintenance costs (including street overlays) are being expended in the year incurred rather than capitalized).

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)

C. Capital Assets (continued)

The following is a summary of changes in capital assets related to governmental activities during the fiscal year:

	Balance July 1, 2022	Additions	Deletions	Reclasses & Transfers	Balance June 30, 2023
Governmental Activities:					
Capital Assets Not Being Depreciated					
Land	\$ 382,830	\$ -	\$ -	\$ -	\$ 382,830
Construction in progress	552,578	-	-	-	552,578
Total Capital Assets Not Being Depreciated	<u>935,408</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>935,408</u>
Capital Assets Being Depreciated					
Buildings and improvements	9,039,748	379,687	-	-	9,419,435
Furniture and fixtures	812,725	26,701	-	-	839,426
Heavy equipment	3,775,961	99,671	-	-	3,875,632
Vehicles	728,859	-	-	-	728,859
Infrastructure	26,830,762	-	-	-	26,830,762
Total Capital Assets Being Depreciated	<u>41,188,055</u>	<u>506,059</u>	<u>-</u>	<u>-</u>	<u>41,694,114</u>
Less Accumulated Depreciation					
Buildings and improvements	2,481,729	230,707	-	-	2,712,436
Furniture and fixtures	735,171	29,705	-	-	764,876
Heavy equipment	3,331,805	102,576	-	-	3,434,381
Vehicles	483,857	64,140	-	-	547,997
Infrastructure	19,914,481	896,151	-	(562,173)	20,248,459
Total Accumulated Depreciation	<u>26,947,043</u>	<u>1,323,279</u>	<u>-</u>	<u>(562,173)</u>	<u>27,708,149</u>
Total Net Capital Assets Being Depreciated	<u>14,241,012</u>	<u>(817,220)</u>	<u>-</u>	<u>562,173</u>	<u>13,985,965</u>
Total Net Capital Assets Governmental Activities	<u>\$ 15,176,420</u>	<u>\$ (817,220)</u>	<u>\$ -</u>	<u>\$ 562,173</u>	<u>\$ 14,921,373</u>

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)

C. Capital Assets (continued)

The following is a summary of changes in capital assets related to business-type activities during the fiscal year:

	Balance July 1, 2022	Additions	Deletions	Reclasses & Transfers	Balance June 30, 2023
Business-type Activities:					
Capital Assets Not Being Depreciated					
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Construction in progress	-	-	-	-	-
Total Capital Assets Not Being Depreciated	-	-	-	-	-
Capital Assets Being Depreciated					
Buildings and improvements					-
Furniture and fixtures	4,431	-	-	-	4,431
Heavy equipment	4,186	-	-	-	4,186
Vehicles	116,606	-	-	-	116,606
Transmission and distribution systems	1,125,109	23,600	-	-	1,148,709
Total Capital Assets Being Depreciated	1,250,332	23,600	-	-	1,273,932
Less Accumulated Depreciation					
Buildings and improvements	-	-	-	-	-
Furniture and fixtures	4,130	304	-	-	4,434
Heavy equipment	4,186	-	-	-	4,186
Vehicles	71,992	10,180	-	-	82,172
Transmission and distribution systems	664,544	18,059	-	-	682,603
Total Accumulated Depreciation	744,852	28,543	-	-	773,395
Total Net Capital Assets Being Depreciated	505,480	(4,943)	-	-	500,537
Total Net Capital Assets Business-type Activities	\$ 505,480	\$ (4,943)	\$ -	\$ -	\$ 500,537

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (continued)

C. Capital Assets (continued)

Depreciation expense has been charged to the functions/programs of the Town as follows:

	Depreciation Expense
Governmental Activities	
Executive	\$ 825
General Government	203,444
Public Safety	51,221
Public Works	828,451
Health and Welfare	6,617
Culture, Recreation and Tourism	232,721
Total Depreciation Expense Governmental Activities	\$ 1,323,279
Business-Type Activities	
Waterworks Utilities	\$ -
Gas Utilities	28,543
Total Depreciation Expense Business Type Activities	\$ 28,543

D. Restricted Assets

The balances of Waterworks Utility and Gas Utility Enterprise Funds' restricted asset accounts are as follows:

Fund /Restricted Asset Account		
Waterworks Utilities Enterprise Fund		
Ad valorem taxes collected	\$	6,426
Total Waterworks Utilities		6,426
Gas Utilities Enterprise Fund		
Meter Deposits		71,972
Total Restricted Assets	\$	78,398

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

E. Long-Term Debt

Community Disaster Loan

The Town received loan proceeds in the amount of \$908,000 from the Federal Community Disaster Loan program in the current fiscal year. The loan was approved by the Louisiana State Bond Commission on May 6, 2022. The promissory note has a total loan value of \$1,360,892, with an interest rate not to exceed 3.5% the loan matures in 5 years.

The promissory note is payable from and secured by a pledge of the Town's revenues for each fiscal year while the loan is outstanding.

Future Payments Schedule

Year Ended June 30,	Principal Due	Interest Due	Total
2023	\$ -	\$ -	\$ -
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028	\$ 908,000	\$ 170,420	\$ 1,078,420

Changes in Long Term Debt

Type of Debt	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023	Due Within One Year
Governmental-type Activities					
Federal Community Disaster Loan	\$ -	\$ 908,000	\$ -	\$ 908,000	\$ -

F. Restrictions of Net Position and Fund Balance Components

The government-wide statement of net position includes several restrictions on net position. The following describes these restrictions:

Net Position - Restricted for Enterprise Funds

This restriction of \$6,426 reflects the balance in the Water Utility fund set aside for paying ad valorem taxes collected to the Consolidated Waterworks District No. 2 of Jefferson Parish, Louisiana.

The \$71,972 funds on hand which represent customer meter deposits in the Gas utility fund are classified as restricted assets on the balance sheet of the enterprise fund since these funds may only be used for the payment of any outstanding gas bills when customers discontinue service.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

F. Restrictions of Net Position and Fund Balance Components (continued)

In accordance with GASB Codification Section 1800, fund balances of the governmental fund types are categorized into one of five categories – Non-spendable, Restricted, Committed, Assigned, or Unassigned. The Town commits, restricts or assigns its fund balances to various specific purposes within each category. Descriptions of the details of these specific purposes are as follows:

Fund Balance - Assigned to Community Center & Playgrounds

This amount represents the balance in the Community Center and Playground District No. 16 Special Revenue Fund that can only be used for the operations and maintenance of the district. The money comes from an ad valorem tax levied by the Parish and remitted to the Town.

Fund Balance - Assigned to Public Safety Functions

This amount represents the balance in the Seizure and Forfeiture Special Revenue Fund that can only be used by the Town's Police Department for law enforcement purposes.

Fund Balance - Assigned to Public Works Functions

This amount represents the balances in the Drainage District No. 1 and Erosion Control Special Revenue Funds. These funds can only be used for public works related to each of these functions. The Drainage District is funded by a sales tax that is assigned to this purpose.

Fund Balance - Assigned to Mosquito Control

This amount represents the balances in the Mosquito Control Special Revenue Fund. These funds are derived from user charges and can only be used for costs related to the Town's mosquito abatement program.

Fund Balance - Assigned to General Purposes

This amount represents the remaining balances in the specific Special Revenue funds that have not been explained above. These fund balances are assigned for the use in the purpose set forth in each specific fund.

Fund Balance - Unassigned

This amount represents funds that have not been assigned to other funds and have not been restricted, committed, or assigned to a specific purpose within the General Fund. This is the residual classification for the General Fund.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

F. Restrictions of Net Position and Fund Balance Components (continued)

The specific purpose details of fund balance categories are recapped as follows:

	General	Major Governmental Funds	Other Governmental Funds	Total
Assigned to:				
Community Center and Playgrounds	\$ -	\$ 1,190,060	\$ -	\$ 1,190,060
Public Safety	-	-	9,367	9,367
Public Works	-	-	60,108	60,108
Mosquito Control	-	-	612,532	612,532
General Purposes	-	-	241,656	241,656
Total assigned	<u>-</u>	<u>1,190,060</u>	<u>923,663</u>	<u>2,113,723</u>
Unassigned	<u>3,464,505</u>	<u>-</u>	<u>-</u>	<u>3,464,505</u>
Total Fund Balance	<u>\$ 3,464,505</u>	<u>\$ 1,190,060</u>	<u>\$ 923,663</u>	<u>\$ 5,578,228</u>

G. Taxes

Sales Taxes

The total sales tax levied on purchases within the Town limits was 8 3/4 percent. Of this, 4 percent is levied by the State, 1 2 percent is levied by the Jefferson Parish Public School System (a separate entity), 3 percent is levied by the Parish of Jefferson (a separate entity), and 1/4 percent is levied by the Jefferson Parish Sheriff's Office.

Of the 3 percent levied by the Parish, 2 percent is remitted to the Jefferson Parish Public School System and 2 2 percent is remitted to the Town (as in incorporated municipality). Of this 2 2 percent, 1/6 percent is recognized in the Drainage District No. 1 Special Revenue Fund (generating \$56,805 for 2023). The balance goes to the Town's General Fund (generating \$852,888 for 2023). Included in this amount is the 1/4 percent levied by the Sheriff's Office that is remitted directly to the Town for law enforcement purposes and is recognized in the General Fund (\$37,270 for 2023) as well as hotel/motel taxes totaling \$53,188.

Ad Valorem Taxes

The Town levies an ad valorem tax on real property within the Town limits. Ad valorem taxes are recognized in the fiscal year in which the taxes are levied. The levy is generally made as of November 15 of each year. The tax is due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish Assessor with the Louisiana Tax Commission (usually December 1). The tax is considered delinquent on March 1 in the year after the levy. The taxes are billed and collected by the Town.

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor's Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Ad valorem taxes are levied (per \$1,000 assessed value) in varying amounts for maintenance and operation of the Town.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

G. Taxes (continued)

Ad Valorem Taxes (continued)

The number of mills levied on the 2022 tax rolls was 7.39 for the General Fund and 5.49 for the Waterworks and Gas Utility funds. The Utility funds split the 5.49 mills, with 80 percent going to the Waterworks Utility Fund and 20 percent going to the Gas Utility Fund. Assessed values for 2022 calendar year totaled \$55,178,815 (an increase of \$13,223,005 or 32%), resulting in a current year tax levy of \$708,495 (\$405,565 for the General Fund and \$302,932 for the Water and Gas Utility Funds).

Ad valorem taxes collected and attributed to the waterworks utility fund were transferred to Jefferson Parish pursuant to the agreement to transfer the water utility service to the parish.

After refunds, changes and write-offs, the General Fund recognized \$379,152 in current year. The Water and Gas Utility Funds recognized \$306,851 in current year property tax revenue.

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

H. Interfund Transactions

Interfund Administrative Fee

The Town's General Fund processes all of the transactions of the various funds of the Town. For certain funds, it charges an administrative fee to help cover the costs of operations. For 2023, it collected \$26,400 under this allocation - \$5,400 from the Mosquito Control Special Revenue Fund, \$15,000 from the Community Center and Playground District No. 16 Special Revenue Fund, and \$6,000 from the Gas Utility Fund. These fees are recorded as Miscellaneous Income in the General Fund and an expenditure in the respective fund charged the cost.

Interfund Receivables and Payables

Individual balances due from/to other funds at June 30, 2023 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 682,198	\$ 33,058
Major Funds		
Community Center and Playground District 16	2,104	120,082
Other Governmental Funds		
Drainage District No. 1	33,058	35,645
Mosquito Control Fund	-	18,788
Total Governmental Funds	<u>717,360</u>	<u>207,573</u>
Proprietary Funds		
Waterworks Utilities Enterprise Fund		47,097
Gas Utilities Enterprise Fund	17,515	480,205
Total Proprietary Funds	<u>17,515</u>	<u>527,302</u>
Total All Funds	<u>\$ 734,875</u>	<u>\$ 734,875</u>

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

I. CARES Act - Coronavirus Relief Fund (CRF) Reimbursements

In response to the COVID-19 pandemic, the Federal Government passed the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") and a supplemental bill, the Coronavirus Relief Fund (CRF). Through the CRF, States were to receive direct payments, with each State receiving a minimum of \$1.25 billion. Louisiana's share totaled \$1.8 billion. The State allocated a portion of these funds (\$810 million) to parishes and municipalities who have or will incur expenditures due to the public health emergency between the dates of March 1, 2022 and December 31, 2024.

In September 2022 the Town received an additional \$266,357 of Cares Act Funding. The Town's used the funding to offset lost revenues in the current year.

NOTE 5 - CONTINGENCIES

A. Risk Management and Litigation

The Town is exposed to various risks of loss from personal injury; torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect itself from these losses, the Town purchases various types of commercial insurance. The Town pays premiums for coverage on general liability, auto, and excess liability. Coverage limits per occurrence is \$500,000, with an aggregate limit of \$500,000 on general liability claims and \$500,000 on excess liability claims.

Town's management and its attorney have reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the Town in excess of insurance coverages and to arrive at an estimate, if any, of the amount or range of potential loss to the Town in accordance with Governmental Accounting Standards Board Codification Section C50 – Claims and Judgments. As a result of such review, loss contingencies on the various claims and lawsuits have been categorized into "probable", "reasonably possible", and "remote". For 2023, there were no claims pending that would require disclosure.

The Town also carries commercial insurance for other risks of loss, including law enforcement officer's liability, public officials' errors and omission, workers' compensation, employee health and accident insurance, fire damage, etc. In each policy, the Town is responsible for the deductible. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

B. Federal Financial Assistance

The Town participates in certain federal financial assistance programs. Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal and state governments. Any disallowed costs, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 – RETIREMENT PLANS

A. Simple Plan

The Town provides a Savings Incentive Match Plan for employees (i.e., a SIMPLE IRA Plan). The plan allows all full-time employees to make pre-tax salary deferrals of up to \$6,000 annually. The Town is required to make either a dollar-for-dollar match up to 3% of compensation or a 2% non-elective contribution to all eligible participants. The funds are held by a third-party trustee in accounts for each employee. Total contributions to the plan for the year ended June 30, 2023 by the Town totaled \$21,690.

B. Municipal Police Employee’s Retirement System

The Town learned in the fall of 2022, substantially all employees of the Town’s police department are required by State law to belong to retirement plan administered by the Municipal Police Employees’ Retirement System of Louisiana (MPERS) which is administered on a statewide basis

As the Town was not a participant in the year ended June 30, 2022 GASB 68 Accounting Reporting for Pensions will not be implemented by the Town until fiscal year ended June 30, 2024.

The MPERS plan issues a separate financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing or calling the plan.

Municipal Police Employees’ Retirement System of Louisiana
7722 Office Park Boulevard, Suite 200
Baton Rouge, LA 70809-7601
(225) 929-7411
www.lampers.org

The Town began participating in MPERS in October 2022.

Actuarial Methods and Assumptions As the Town was not a participant in the MPERS retirement plan in June 30, 2022, and therefore, has not recognized a pension liability or asset, the Town makes no disclosure of the plan’s methods and assumptions for this period.

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

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

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 – RETIREMENT PLANS (continued)

B. Municipal Police Employee’s Retirement System (continued)

Retirement Benefits Membership prior to January 1, 2013 – A member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit.

Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from forty to sixty percent of the member’s average final compensation for the surviving spouse. In addition, each child under age eighteen receives benefits equal to ten percent of the member’s average final compensation or \$200 per month, whichever is greater.

Membership Commencing January 1, 2013 – Member eligibility for regular retirement, early retirement, disability and survivor benefits are based on Hazardous Duty and Non Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System for 30 years of creditable services at any at, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age, with actuarially reduced benefit from age 55.

Under the Hazardous and Non Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

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

Cost-of-Living Adjustments The MPERS Board of Trustees is authorized to provide annual cost of living adjustments computed on the amount of the current regular retirement, disability, beneficiary, or survivor’s benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member’s original benefit, to all regular retirees, disability, survivors, and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 – RETIREMENT PLANS (continued)

B. Municipal Police Employee’s Retirement System (continued)

No regular retiree, survivor, or beneficiary shall be eligible to receive a cost-of-living adjustment until benefits have been received at least one full year and the payment of such COLA, when authorized, shall not be effective until the lapse of at least one-half of the fiscal year. Members who elect early retirement are not eligible for a cost of living adjustment until they reach regular retirement age.

A COLA may only be granted if funds are available from interest earnings in excess of normal requirements, as determined by the actuary.

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

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

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

Contributions. Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees’ earnable compensation excluding overtime but including state supplemental pay.

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 – RETIREMENT PLANS (continued)

B. Municipal Police Employee’s Retirement System (continued)

Non-Employer Contributions The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the Legislature each year based on an actuarial study. Non-employer contributions were recognized as revenue during the year ended June 30, 2022 and excluded from pension expense. The Town’s proportionate share of these non-employer contributions totaled \$0 during the measurement period.

The Town’s contractually required composite contribution rate for the year ended June 30, 2023, was 31.25% of annual payroll from October 1, 2022, to June 30, 2023, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any Unfunded Actuarial Accrued Liability.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Town reported a liability of \$0 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2022, and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The Town’s proportion of the Net Pension Liability was based on a projection of the Town’s projected contribution effort to the plan for the next fiscal year as compared to the total of all employers’ projected contribution effort to the plan for the next fiscal year, actuarially determined. At June 30, 2022, the Town’s proportion was 0% as it began its participation after this measurement date.

For the year ended June 30, 2023, the Town recognized pension expense of \$0.

At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Town's contributions subsequent to the June 30, 2022 measurement date	60,073	-
	\$ 60,073	\$ -

**TOWN OF GRAND ISLE, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 – RETIREMENT PLANS (continued)

B. Municipal Police Employee’s Retirement System (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Deferred outflows of resources of \$60,073 related to pensions resulting from the Town’s contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2024.

Payables to the Pension Plan At June 30, 2023, the Town had no payables due to MPERS.

NOTE 7 - OTHER INFORMATION

A. Prior Period Adjustment

The beginning net position of the Town was restated for a prior period adjustment. The adjustment relates to the correction of the estimate of accumulated depreciation. The effect of the adjustment was an increase in net position of \$562,171.

B. On Behalf Payments for Salaries

Supplemental pay in the amount of \$35,800 was paid directly to police employees of the Town by the State of Louisiana, Department of Public Safety.

C. Subsequent Events

The Town has evaluated subsequent events through December 31, 2023, the date the financial statements were available to be issued.

In July 2023, the Town drew down \$452,892 of loan proceeds from the Community Disaster Loan.

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

BUDGETARY SCHEDULES FOR MAJOR FUNDS

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Taxes				
Property taxes	\$ 322,500	\$ 322,500	\$ 379,151	\$ 56,651
Sales taxes	670,000	670,000	852,888	182,888
Franchise taxes	82,500	82,500	107,237	24,737
Licenses and permits	548,200	548,200	551,964	3,764
Intergovernmental				
Federal - disaster assistance	10,530,000	10,530,000	1,141,188	(9,388,812)
Federal - other	531,848	531,848	266,357	(265,491)
State	270,216	270,216	187,927	(82,289)
Local	45,500	45,500	55,508	10,008
Gaming fees and commissions	408,500	408,500	370,870	(37,630)
Fines and forfeitures	130,050	130,050	106,906	(23,144)
Charges for services	460,300	460,300	845,879	385,579
Interest	7,500	7,500	43,057	35,557
Miscellaneous	90,200	90,200	625,519	535,319
TOTAL REVENUES	<u>14,097,314</u>	<u>14,097,314</u>	<u>5,534,451</u>	<u>(8,562,863)</u>
EXPENDITURES				
Executive	139,450	139,450	134,472	4,978
General government	1,100,950	1,143,450	1,107,497	35,953
General government - storm damages	11,700,000	11,700,000	831,761	10,868,239
Public safety	1,089,774	1,079,235	1,084,035	(4,800)
Public works	1,151,850	1,096,779	1,053,281	43,498
Culture, recreation and tourism	71,400	81,400	83,337	(1,937)
TOTAL EXPENDITURES	<u>15,253,424</u>	<u>15,240,314</u>	<u>4,294,384</u>	<u>10,945,930</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,156,110)</u>	<u>(1,143,000)</u>	<u>1,240,068</u>	<u>2,383,068</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	22,320	22,320	-	(22,320)
Community Disaster loan proceeds	1,120,017	1,120,017	908,000	(212,017)
Transfers out	(40,250)	(40,250)	-	40,250
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,102,087</u>	<u>1,102,087</u>	<u>908,000</u>	<u>(194,087)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>(54,023)</u>	<u>(40,913)</u>	<u>2,148,068</u>	<u>2,188,981</u>
FUND BALANCE				
Beginning of year	1,316,437	1,316,437	1,316,437	-
End of year	<u>\$ 1,262,414</u>	<u>\$ 1,275,524</u>	<u>\$ 3,464,505</u>	<u>\$ 2,188,981</u>

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Taxes				
Property taxes	\$ 322,500	322,500	\$ 379,151	\$ 56,651
Sales taxes				
General	590,000	590,000	762,430	172,430
Law Enforcement	28,600	28,600	37,270	8,670
Hotel/Motel	51,400	51,400	53,188	1,788
Franchise taxes				
Electric - Entergy	62,500	62,500	72,871	10,371
Cable - Vision Communications	20,000	20,000	34,366	14,366
	<u>1,075,000</u>	<u>1,075,000</u>	<u>1,339,276</u>	<u>264,276</u>
Licenses and permits				
Business				
Occupational	143,000	143,000	111,227	(31,773)
Liquor and beer	4,000	4,000	5,771	1,771
Non-business				
Building	100,000	100,000	101,501	1,501
Zoning and adjustments	1,200	1,200	2,490	1,290
Golf cart permits	300,000	300,000	330,975	30,975
	<u>548,200</u>	<u>548,200</u>	<u>551,964</u>	<u>3,764</u>
Intergovernmental				
Federal				
FEMA - Disaster Assistance	10,530,000	10,530,000	1,141,188	(9,388,812)
American Rescue Plan assistance	531,848	531,848	266,357	(265,491)
State				
Beer tax	4,500	4,500	3,154	(1,346)
Parish road fund	155,000	155,000	149,553	(5,447)
Tourism funds	38,354	38,354	28,295	(10,059)
DOTD - Highway maintenance	13,850	13,850	6,925	(6,925)
Beach Water Quality Program	3,000	3,000	-	(3,000)
Other state programs	55,512	55,512	-	(55,512)
Local				
Jeff Parish - Palm Tree Grant	20,500	20,500	-	(20,500)
Jeff Parish - School Resource Officer	-	-	55,508	55,508
Jeff Parish - Youth Program	25,000	25,000	-	(25,000)
	<u>11,377,564</u>	<u>11,377,564</u>	<u>1,650,980</u>	<u>(9,726,584)</u>

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Gaming fees and commissions				
Riverboat admission fees	385,000	385,000	334,005	(50,995)
Video poker allocation	23,500	23,500	36,865	13,365
	<u>408,500</u>	<u>408,500</u>	<u>370,870</u>	<u>(37,630)</u>
Fines and forfeitures				
Fines and court costs - regular	130,000	130,000	106,906	(23,094)
Bond fees	50	50	-	(50)
	<u>130,050</u>	<u>130,050</u>	<u>106,906</u>	<u>(23,144)</u>
Charges for services and fees				
Sanitation fees	458,000	458,000	837,768	379,768
Tax research and notices	1,300	1,300	6,311	5,011
Advertising recoveries	500	500	1,800	1,300
Flag sales	500	500	-	(500)
	<u>460,300</u>	<u>460,300</u>	<u>845,879</u>	<u>385,579</u>
Interest	<u>7,500</u>	<u>7,500</u>	<u>43,057</u>	<u>35,557</u>
Miscellaneous				
Interdepartmental administrative fee	26,400	26,400	26,400	-
10% tax collection charge	28,800	28,800	38,096	9,296
Donations	15,000	15,000	15,107	107
Insurance proceeds	-	-	453,978	453,978
Other	20,000	20,000	91,938	71,938
	<u>90,200</u>	<u>90,200</u>	<u>625,519</u>	<u>535,319</u>
TOTAL REVENUES	<u><u>\$ 14,097,314</u></u>	<u><u>14,097,314</u></u>	<u><u>\$ 5,534,451</u></u>	<u><u>\$ (8,562,863)</u></u>

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
MAYOR'S DEPARTMENT				
Current				
Salaries	\$ 117,000	\$ 117,000	\$ 118,258	\$ (1,258)
Local and special costs	1,500	1,042	385	657
Office supplies	1,600	1,600	1,874	(274)
Legal and professional fees	5,500	5,500	1,500	4,000
Repairs - vehicles	1,000	1,000	741	259
Gas and oil	2,000	2,000	1,605	395
Travel and other	2,500	2,500	2,168	332
Miscellaneous	250	250	47	203
Capital outlay				
Office furniture & equipment	1,600	1,600	937	663
Digi Court system	6,500	6,958	6,958	0
TOTAL DEPARTMENT	<u>\$ 139,450</u>	<u>\$ 139,450</u>	<u>\$ 134,472</u>	<u>\$ 4,978</u>
TOTAL EXECUTIVE	<u>\$ 139,450</u>	<u>\$ 139,450</u>	<u>\$ 134,472</u>	<u>\$ 4,978</u>

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
GENERAL AND ADMINISTRATIVE				
Current				
Salaries	\$ 182,500	\$ 182,500	\$ 163,777	\$ 18,723
Payroll taxes	73,000	103,000	105,025	(2,025)
Unemployment taxes	2,000	2,000	1,949	51
Insurance - hospitalization	235,000	235,000	183,099	51,901
Insurance - workman's compensation	45,000	45,000	25,958	19,042
Retirement - employer contributions	20,000	20,000	21,690	(1,690)
Aldermen - per diems	31,200	31,200	33,785	(2,585)
Aldermen - expenses	8,500	8,500	4,891	3,609
Audit	35,000	35,000	30,300	4,700
Legal and professional fees	45,000	45,000	39,198	5,802
Office supplies	10,250	10,250	8,996	1,254
Coffee supplies	5,000	9,000	7,059	1,941
Janitorial supplies	2,000	2,000	1,345	655
Advertising	5,000	12,000	8,707	3,293
Bank charges	600	1,600	995	605
Signs and insignias	750	750	750	-
LMA - dues	400	400	-	400
LMA - expenses	3,400	1,400	-	1,400
Dues and subscriptions	1,000	2,000	1,842	158
Insurance - general and auto	100,000	100,000	107,107	(7,107)
Utilities	29,000	29,000	35,258	(6,258)
Postage	3,000	5,000	3,550	1,450
Telephone	18,000	18,000	13,495	4,505
Repairs - buildings	40,000	40,000	132,312	(92,312)
Repairs - office equipment	7,000	7,000	5,484	1,516
Repairs - vehicles	1,500	3,500	2,132	1,368
Gas and oil	4,500	4,500	3,650	850
Physicals	500	1,500	1,975	(475)
School training	250	250	-	250
Uniforms	1,000	1,000	796	204
Miscellaneous	7,500	7,500	(1,296)	8,796

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
GENERAL AND ADMINISTRATIVE				
Capital outlay				
Office furniture and equipment	1,400	1,400	19	1,381
Upgrade main computer system	-	15,000	8,348	6,652
Christmas decorations	1,200	1,200	170	1,030
Hurricane Levee inpection/restoration	20,000	20,000	19,999	1
Storm Repairs & Response				
Storm repairs & response	11,700,000	11,700,000	831,761	10,868,239
TOTAL DEPARTMENT	<u>\$ 12,640,450</u>	<u>\$ 12,701,450</u>	<u>\$ 1,804,126</u>	<u>\$ 10,897,324</u>
PLANNING COMMISSION AND TAX DEPARTMENT				
Current				
Salaries	\$ 145,000	\$ 120,000	\$ 116,699	\$ 3,301
Office supplies	4,000	4,000	2,051	1,949
Printing - tax bills	7,500	7,500	6,860	640
Recordation	3,500	10,000	9,402	598
Capital outlay				
Office furniture and equipment	500	500	120	380
TOTAL DEPARTMENT	<u>\$ 160,500</u>	<u>\$ 142,000</u>	<u>\$ 135,132</u>	<u>\$ 6,868</u>
TOTAL GENERAL GOVERNMENT	<u>\$ 12,800,950</u>	<u>\$ 12,843,450</u>	<u>\$ 1,939,258</u>	<u>\$ 10,904,192</u>

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
POLICE DEPARTMENT				
Current				
Salaries	\$ 652,000	\$ 652,000	\$ 646,548	\$ 5,452
Salaries - beach patrol	-	-	-	-
Retirement	-	59,164	60,073	(909)
Insurance - hospitalization	155,000	149,000	148,644	356
Insurance - workman's compensation	40,000	34,000	34,596	(596)
Food and lodging - deputies	1,100	1,157	1,157	(0)
Food - prisoners	527	35	4	31
Legal and professional fees	1,500	1,500	-	1,500
Office supplies	3,200	3,044	3,044	(0)
Coffee supplies	1,000	1,536	1,542	(6)
Janitorial supplies	3,300	3,578	3,554	24
Ammunition	1,700	889	890	(1)
Insurance - general and auto	71,000	57,500	56,159	1,341
Utilities	35,000	19,636	15,379	4,257
Postage	100	146	146	-
Telephone	10,000	9,000	7,490	1,510
Repairs - buildings	7,035	7,035	21,646	(14,611)
Repairs - office equipment	2,100	2,100	1,894	206
Repairs - vehicles	35,000	40,104	40,271	(167)
Gas and oil	33,000	29,000	28,629	371
Physicals	1,000	2,658	2,793	(135)
School training	2,500	-	-	-
Uniforms	6,000	5,218	5,455	(237)
Travel and other	500	460	8	452
Small tools and equipment	200	265	60	205
Miscellaneous	500	500	500	0
Capital outlay				
Office furniture and equipment	2,000	2,156	2,000	156
Guns and equipment	2,848	1,554	1,553	1
Vehicles	16,664	-	-	-
TOTAL DEPARTMENT	<u>\$ 1,084,774</u>	<u>\$ 1,083,235</u>	<u>\$ 1,084,035</u>	<u>\$ (800)</u>

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

	<u>BUDGETED AMOUNTS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
STREETS DEPARTMENT				
Current				
Salaries	\$ 355,000	\$ 289,775	\$ 233,831	\$ 55,944
Chemicals	1,250	1,250	94	1,156
Street repairs	6,000	6,000	-	6,000
Street signs	-	2,365	3,244	(879)
Limestone	2,000	2,000	-	2,000
Small tools and equipment	2,500	2,500	1,894	606
Repairs - vehicles	25,000	25,000	44,909	(19,909)
Gas and oil	40,000	70,000	65,971	4,029
Equipment rental	1,000	1,000	-	1,000
Uniforms	1,500	1,500	219	1,281
Miscellaneous	1,000	1,000	895	105
Capital outlay				
Vehicles	1,500	1,500	45	1,455
TOTAL DEPARTMENT	<u>\$ 436,750</u>	<u>\$ 403,890</u>	<u>\$ 351,102</u>	<u>\$ 52,788</u>
SANITATION DEPARTMENT				
Current				
Contracted services - hauling fees	\$ 492,000	\$ 492,000	\$ 494,788	\$ (2,788)
Disposal charges	80,000	55,000	45,017	9,983
Gas and oil	-	-	-	-
Repairs and maintenance	-	5,000	1,473	3,527
Utilities	200	200	156	44
Miscellaneous	500	500	183	317
TOTAL DEPARTMENT	<u>\$ 572,700</u>	<u>\$ 552,700</u>	<u>\$ 541,617</u>	<u>\$ 11,083</u>

**TOWN OF GRAND ISLE, LOUISIANA
GENERAL FUND
SCHEDULE OF EXPENDITURES BY DEPARTMENT - BUDGET AND ACTUAL
For the Year Ended June 30, 2023**

BEACH

Current

Salaries - beach cleaning	80,000	80,000	-	80,000
Salaries - summer program	15,000	15,000	363	14,637
Salaries - beach patrol	-	-	57,686	(57,686)
Repairs - beach equipment	5,000	5,000	4,353	647
Gas and oil - beach equipment	1,000	1,000	2,555	(1,555)
Beach decals	4,500	4,500	3,498	1,002
Insurance - hospitalization	400	400	-	400
Small tools	1,000	1,214	1,462	(248)
Insurance - general	5,000	5,000	-	5,000
Insurance - worker's coomp	500	500	241	259
Payroll taxes	5,000	2,718	-	2,718
Beach equipment	20,000	20,000	89,021	(69,021)
Rental equipment	5,000	4,857	1,384	3,473
TOTAL DEPARTMENT	<u><u>\$ 142,400</u></u>	<u><u>\$ 140,189</u></u>	<u><u>\$ 160,562</u></u>	<u><u>\$ (57,324)</u></u>
TOTAL PUBLIC WORKS	<u><u>\$ 1,151,850</u></u>	<u><u>\$ 1,096,779</u></u>	<u><u>\$ 1,053,281</u></u>	<u><u>\$ 6,546</u></u>

TOURISM DEPARTMENT

Current

Salaries	\$ 24,000	\$ 24,000	\$ 22,920	\$ 1,080
Advertising	45,000	55,000	59,421	(4,421)
Office supplies	500	500	293	207
Telephone	1,500	1,500	557	943
Postage	150	150	146	4
Miscellaneous	250	250	-	250
Capital outlay				
Office furniture and equipment	-	-	-	-
TOTAL DEPARTMENT	<u><u>\$ 71,400</u></u>	<u><u>\$ 81,400</u></u>	<u><u>\$ 83,337</u></u>	<u><u>\$ (1,937)</u></u>
TOTAL CULTURE, RECREATION, AND TOURISM	<u><u>\$ 71,400</u></u>	<u><u>\$ 81,400</u></u>	<u><u>\$ 83,337</u></u>	<u><u>\$ (1,937)</u></u>

TOWN OF GRAND ISLE, LOUISIANA
COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 16
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>BUDGETS</u>			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Intergovernmental	\$378,000	\$378,000	\$711,957	\$333,957
Charges for services	-	-	100	100
Interest	250	250	1,562	1,312
Miscellaneous	-	-	2,800	2,800
TOTAL REVENUES	<u>378,250</u>	<u>378,250</u>	<u>716,419</u>	<u>338,169</u>
EXPENDITURES				
Culture, recreation, tourism	186,600	194,100	226,795	(32,695)
Storm damages	-	-	268,946	(268,946)
TOTAL EXPENDITURES	<u>186,600</u>	<u>194,100</u>	<u>495,741</u>	<u>(301,641)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>191,650</u>	<u>184,150</u>	<u>220,678</u>	<u>36,528</u>
FUND BALANCE				
Beginning of year	<u>945,294</u>	<u>1,093,248</u>	<u>969,382</u>	<u>123,866</u>
End of year	<u>\$ 1,136,944</u>	<u>\$ 1,277,398</u>	<u>\$ 1,190,060</u>	<u>\$ 160,394</u>

TOWN OF GRAND ISLE, LOUISIANA
COMMUNITY CENTER AND PLAYGROUND DISTRICT NO. 16
SCHEDULE OF REVENUS AND EXPENDITURES -
BUDGET AND ACTUAL
For the Year Ended June 30, 2023

	<u>BUDGETS</u>			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	
REVENUES				
Intergovernmental				
Federal disaster assistance	\$ -	\$ -	\$ 242,051	\$ 242,051
Parish dedicated ad valorem taxes	378,000	378,000	469,906	91,906
Charges for services				
Rental income	-	-	100	100
Interest	250	250	1,562	1,312
Miscellaneous	-	-	2,800	2,800
TOTAL REVENUES	\$ 378,250	\$ 378,250	\$ 716,419	\$ 338,169
EXPENDITURES				
Culture and Recreation				
Salaries	\$ 32,000	\$ 32,000	\$ 30,993	\$ 1,007
Payroll taxes	3,200	3,200	2,201	999
Unemployment taxes	750	750	336	414
Insurance				
Hospitalization	13,500	13,500	11,423	2,077
Workman's compensation	2,850	2,850	902	1,948
General and auto	44,000	44,000	11,108	32,892
Audit	15,000	15,000	15,000	-
Janitorial supplies	1,500	3,500	1,112	2,388
Recreational assistance	-	5,000	5,530	(530)
Repairs and maintenance				
Building	10,000	10,000	77,870	(67,870)
Parks and playgrounds	-	-	22,006	(22,006)
Small tools and equipment	500	500	90	410
Telephone	3,300	3,300	4,831	(1,531)
Utilities	45,000	43,000	25,893	17,107
Interdepartmental administrative fee	15,000	15,000	15,000	-
Storm damage	-	-	268,946	(268,946)
Capital outlays				
Christmas decorations	-	2,500	2,500	-
TOTAL EXPENDITURES	186,600	194,100	495,741	(301,641)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	191,650	184,150	220,678	36,528
FUND BALANCE				
Beginning of year	969,382	969,382	969,382	(0)
End of year	\$1,161,032	\$1,153,532	\$1,190,060	\$36,528

OTHER SUPPLEMENTARY INFORMATION

COMBINING NON-MAJOR INDIVIDUAL FUND STATEMENTS

**COMBINING STATEMENTS
NON-MAJOR GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenues that are legally restricted to expenditures for specific purposes.

SEIZURE AND FORFEITURE

Used to account for the proceeds of funds seized during drug enforcement activities. These proceeds are to be used exclusively for drug enforcement.

DRAINAGE DISTRICT NO. 1

Used to account for the proceeds of one-third of the 1981 2 cent sales tax to be used for operations, maintenance, and improvements of the Town's drainage system.

EROSION CONTROL FUND

Used to account for intergovernmental revenues and donations received to be used for erosion control projects within the Town limits.

MOSQUITO CONTROL FUND

Used to account for the proceeds of a mosquito fee assessed on all residential and commercial property to be used to control the mosquito population within the community.

COMMUNITY FAIR

Used to account for the proceeds of the community fair sponsored by the Town.

**TOWN OF GRAND ISLE, LOUISIANA
NON-MAJOR GOVERNMENTAL FUNDS
COMBING BALANCE SHEET
JUNE 30, 2023**

SPECIAL REVENUE FUNDS

	SEIZURE AND FORFEITURE	DRAINAGE DISTRICT NO. 1	EROSION CONTROL FUND	MOSQUITO CONTROL FUND	COMMUNITY FAIR	TOTAL
ASSETS						
Cash and cash equivalents	\$ 9,367	\$ -	\$ 14,199	\$ 631,320	\$ 227,457	\$ 882,343
Due from other funds	-	33,059	-	-	-	33,059
TOTAL ASSETS	\$ 9,367	\$ 33,059	\$ 14,199	\$ 631,320	\$ 227,457	\$ 915,402
DEFERRED OUTFLOWS OF RESOURCES						
FEMA Receivable - storm damages		62,695				62,695
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 9,367	\$ 95,754	\$ 14,199	\$ 631,320	\$ 227,457	\$ 978,097
LIABILITIES AND FUND BALANCES						
Liabilities						
Due to other funds	\$ -	\$ 35,646	\$ -	\$ 18,788	\$ -	\$ 54,434
TOTAL LIABILITIES	-	35,646	-	18,788	-	54,434
Fund Balances						
Nonspendable						
Restricted	-	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	9,367	60,108	14,199	612,532	227,457	923,663
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES	9,367	60,108	14,199	612,532	227,457	923,663
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,367	\$ 95,754	\$ 14,199	\$ 631,320	\$ 227,457	\$ 978,097

**TOWN OF GRAND ISLE, LOUISIANA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
JUNE 30, 2023**

SPECIAL REVENUE FUNDS

	SEIZURE AND FORFEITURE	DRAINAGE DISTRICT NO. 1	EROSION CONTROL FUND	MOSQUITO CONTROL FUND	COMMUNITY FAIR	TOTAL
REVENUES						
Fema disaster assistance	\$ -	\$ 45,997	\$ -	\$ -	\$ -	\$ 45,997
Sales taxes	-	56,805	-	-	-	56,805
Charge for services	-	-	-	315,788	-	315,788
Fair receipts	-	-	-	-	255,091	255,091
Interest	-	-	44	263	346	653
TOTAL REVENUES	-	102,802	44	316,051	255,437	674,334
EXPENDITURES						
Storm repairs and response	-	51,107	-	-	-	51,107
Public works	-	22,790	-	-	-	22,790
Health and welfare	-	-	-	137,690	-	137,690
Culture, recreation, and tourism	-	-	-	-	111,991	111,991
TOTAL EXPENDITURES	-	73,897	-	137,690	111,991	323,578
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	28,905	44	178,361	143,446	350,756
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	-	28,905	44	178,361	143,446	350,756
FUND BALANCE						
Beginning of year	9,367	31,203	14,155	434,170	84,011	572,906
End of year	\$ 9,367	\$ 60,108	\$ 14,199	\$ 612,531	\$ 227,457	\$ 923,662

INDIVIDUAL FUND SCHEDULES

**TOWN OF GRAND ISLE, LOUISIANA
WATERWORKS UTILITY FUND
SCHEDULE OF OPERATING EXPENSES
For the Year Ended June 30, 2022**

GENERAL AND ADMINISTRATIVE	
Bank charges	\$ -
Miscellaneous	-
Tax collection commission	23,812
Utilities	-
Total General and Administrative	<u>\$23,812</u>
DEPRECIATION AND AMORTIZATION	
Depreciation and amortization	-
Total Depreciation	<u>-</u>
 TOTAL OPERATING EXPENSES	 <u>\$ 23,812</u>

**TOWN OF GRAND ISLE, LOUISIANA
GAS UTILITY FUND
SCHEDULE OF OPERATING EXPENSES
For the Year Ended June 30, 2022**

PERSONAL SERVICES	
Salaries	\$155,218
Payroll taxes	11,259
Unemployment tax	614
Insurance - workmen's compensation	2,986
Insurance - hospitalization and other	46,449
Total Personal Services	<u>216,527</u>
CONTRACTED SERVICES	
Gas purchases	38,374
Contracted services	22,975
Total Contracted Services	<u>61,349</u>
MATERIALS AND SUPPLIES	
Installation materials and labor	12,888
Gas and oil	8,576
Small tools	486
Total Materials and Supplies	<u>21,950</u>
GENERAL AND ADMINISTRATIVE	
Audit	6,000
Bank charges	436
Insurance - general and auto	53,234
Interdepartmental administrative fee	6,000
Miscellaneous	618
Office and janitorial supplies	3,605
Office furniture and equipment	2,746
One call service	1,752
Physicals and drug testing	726
Postage	9,993
Repairs and maintenance	
Gas distribution system	7,593
Gas meters	-
Vehicles	2,919
Telephone	185
Tax collection commission	5,953
Training	1,000
Travel and other	-
Utilities	1,255
Total General and Administrative	<u>104,014</u>
STORM REPAIRS AND RESPONSE	
Storm repairs and response	67,919
Total Storm repairs and response	<u>67,919</u>
DEPRECIATION	
Depreciation and amortization	28,543
Total Depreciation	<u>28,543</u>
TOTAL OPERATING EXPENSES	<u><u>\$500,302</u></u>

OTHER INFORMATION

**TOWN OF GRAND ISLE, LOUISIANA
SCHEDULE OF COMPENSATION OF PAID TO
MEMBERS OF THE TOWN COUNCIL
For the Year Ended June 30, 2023**

<u>COUNCILPERSON</u>	<u>SEAT</u>	<u>AMOUNT</u>
Melissa Pizani	Seat A	\$ 6,237
Kelly Besson Jr	Seat B	6,237
Lan Tivet	Seat C	6,237
Brian Barthelemy	Seat D	6,237
Elgere Gary	Seat E	6,237
TOTAL		<u>\$ 31,185</u>

**TOWN OF GRAND ISLE, LOUISIANA
SCHEDULE OF COMPENSATION AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
For the Year Ended June 30, 2023**

Agency Head Name/Title: David Camardelle, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 71,313 (1)
Taxes - Federal (Social Security and Medicare)	5,360 (2)
Benefits - Retirement	2,139 (3)
Benefits - Insurance (Group Health)	1,728 (4)
Benefits - Other (Life and Dental Insurance)	468
Vehicle Provided by Agency	2,346 (5)
Vehicle Use Reimbursements	-
Per Diem	-
Reimbursements	-
Travel	2,168
Registration Fees	-
Continuing Professional Education Fees	-
Housing	-
Unvouchered Expenses	-
Special Meals	-

Notes to Schedule:

-
- (1) The Mayor's salary is set by Town Ordinance.
 - (2) The Town and its employees pay social security and medicare taxes. This amount represents the amount of taxes paid by the employer (the Town) on this employee's taxable wages.
 - (3) The Town allows its employees to participate in a 401-K retirement plan. The employee can contribute up to 3% of his earnings and the Town matched the contribution. This amount is the Town's portion of the expense.
 - (4) The Town pays for 75.0% of the health insurance coverage for all full-time employees. This represents the amount of the Mayor's premium paid for by the Town, net of the 25% employee share.
 - (5) The Town provides the Mayor with a take-home vehicle. This amount represents the costs associated with the operation of the vehicle (gas, repairs, insurance).

**TOWN OF GRAND ISLE, LOUISIANA
ACT 87 COLLECTING DISBURSEMENT SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2023**

As Required by Act 87 of the 2020 Regular Legislative Session

	First Six Month Period Ended 12/31/2022	Second Six Month Period Ended 06/30/2023
Cash Basis Presentation		
1. Beginning Balance of Amounts Collected (i.e. cash on hand)	-	-
2. Add: Collections		
a Civil Fees (including refundable amounts such as garnishments or advance deposits)	-	-
b Bond Fees	-	-
c Asset Forfeiture/Sale	-	-
d Pre-Trial Diversion Program Fees	600	400
e Criminal Court Costs/Fees	16,518	22,406
f Criminal Fines - Contempt	200	1,300
g Criminal Fines - Other	36,646	52,756
h Restitution	-	-
i Probation/Parole/Supervision Fees	-	-
j Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	1,332	1,773
k Interest Earnings on Collected Balances	-	-
l Other (do not include collections that fit into more specific categories above)	-	-
m Subtotal Collections	55,296	78,635
3. Less: Disbursements To Governments & Nonprofits: (Must include one agency name		
<i>Jefferson Parish Public Defenders Office, Indigent Defender Fund, Criminal Court Cost/Fees</i>	7,595	10,255
<i>Louisiana Commission on Law Enforcement Criminal Court Cost/Fees</i>	436	586
<i>Louisiana Commission on Law Enforcement Crime Victim Rep Fund</i>	15	-
<i>Supreme Court of Louisiana Case Management Information System</i>	217	291
<i>Louisiana Department of Health and Hospitals, Criminal Court Cost/Fees</i>	845	1,315
<i>Crimestoppers Inc., Criminal Court Cost/Fees</i>	436	586
4. Less: Amounts Retained by Collecting Agency		
a Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
b Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
Amounts "Self-Disbursed" to Collecting Agency (must include a separate line for each		
collection type, as applicable) - Example: Criminal Fines - Other (Additional rows may be		
added as necessary)	-	-
Criminal Court Fees	44,952	63,902
Contempt of Court Fees	200	1,300
Pre-Trial Diversion Fees	600	400
5. Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
a Civil Fee Refunds	-	-
b Bond Fee Refunds	-	-
c Restitution Payments to Individuals (additional detail is not required)	-	-
d Other Disbursements to Individuals (additional detail is not required)	-	-
e Payments to 3rd Party Collection/Processing Agencies	-	-
6. Subtotal Disbursements/Retainage	55,296	78,635
7. Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	-	-
Ending Balance of "Partial Payments" Collected but not Disbursed (only applies if		
<i>collecting agency does not disburse partial payments until fully collected) - This balance</i>		
<i>is included in the Ending Balance of Amounts Collected but not Disbursed/Retained</i>		
8. above.	-	-
9. Other Information:		
a Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	-	-
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances,		
b such as time served or community service)	-	-

TOWN OF GRAND ISLE, LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

Federal Grantor/Program or Cluster Title	Federal CFDA Number	Grant ID No.	Federal Expenditures (\$)
Department of Homeland Security			
Disaster Grants - Presidentially Declared Disasters	97.036	Hurricane Ida	\$ 1,188,545
Disaster Grants - Presidentially Declared Disasters	97.036	Hurricane Zeta	161,750
Total Department of Homeland Security			1,350,295
Department of the Treasury			
Coronavirus State and Local Fiscal Recovery Funds	27.027		266,357
Total Department of the Treasury			266,357
Total Expenditures of Federal Awards			\$ 1,616,652

The accompanying notes are an integral part of this schedule

TOWN OF GRAND ISLE, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023

NOTE A - FISCAL PERIOD AUDITED

Single audit testing procedures were performed for program transactions occurring during the year ended June 30, 2023. Federal financial assistance expenditures during the year did meet the criteria set forth in the Single Audit Act and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principle, and Audit Requirements for Federal Awards* (Uniform Guidance). Grant terms are indicated in the Schedule of Expenditures of Federal Awards.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (SEFA) has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the Center has met the qualifications for the respective grants. Costs incurred in programs partially funded by federal grants are applied against federal grant funds to the extent of revenue available when they are properly applied to the grant.

2. Indirect Cost Rate

The Center has not elected to use the 10 percent de minimis indirect cost rate.

COMPLIANCE SECTION

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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 David Camardelle, Mayor
and the Members of the Town Council
Town of Grand Isle, 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 *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Grand Isle, Louisiana as of and for the fiscal year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Grand Isle, Louisiana's basic financial statements and have issued our report thereon dated December 31, 2023.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 Town of Grand Isle, Louisiana's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned responses as items 2023-3 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompany schedule of findings and responses as items. 2023-1 and 2023-2 to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Grand Isle, Louisiana’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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards*. See compliance finding 2023-4.

Town of Grand Isle, Louisiana’s Responses to Findings

The Town of Grand Isle, Louisiana’s responses to the findings identified in our audit are described in the accompanying management’s corrective action plan. The Town of Grand Isle, Louisiana’s responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 the Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Camnetar & Co.

Camnetar & Co., CPAs

a professional accounting corporation

Gretna, Louisiana
December 31, 2023

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

The Honorable David Camardelle, Mayor
and the Members of the Town Council
Town of Grand Isle, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Grand Isle, Louisiana compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Grand Isle, Louisiana's major federal programs for the year ended June 30, 2023. The Town of Grand Isle, Louisiana's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Grand Isle, Louisiana's complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion for Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town of Grand Isle, Louisiana's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town of Grand Isle, Louisiana's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town of Grand Isle, Louisiana's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Under the Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Camnetar & Co.

Camnetar & Co., CPAs
a professional accounting corporation

Gretna, Louisiana
December 31, 2023

TOWN OF GRAND ISLE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

We have audited the financial statements of the Town of Grand Isle, Louisiana as of and for the year ended June 30, 2023, and have issued our report thereon dated December 31, 2023. 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. My audit of the financial statements as of June 30, 2023 resulted in an unmodified opinion.

SECTION I - SUMMARY OF AUDITOR'S REPORTS

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control
Material Weakness Yes No Significant Deficiencies Yes No

Compliance
Compliance Material to Financial Statements Yes No

Was a management letter issued? Yes No

B. Federal Awards

\$750,000 is the dollar threshold used to distinguish between Type A and Type B programs.

The auditee does not qualify as a low-risk auditee

Major Program: CFDA 97.036 Disaster Grants – Federally Declared Disasters

SECTION II – FINANCIAL STATEMENT FINDINGS

A. Internal Control Findings – Significant deficiencies

2023-1 Preparation of Financial Statements by Auditor

Condition and Criteria - The Town does not have controls in place for proper oversight of its financial reporting and for the preparation of financial statements in accordance with generally accepted accounting principles. As is common in small organizations, the Town has chosen to engage the auditor to prepare its annual financial statements. This condition is intentional by management, along with the cost effectiveness of acquiring the ability to prepare the financial statements in accordance with generally accepted accounting principles.

Cause - Statement of Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation - As mentioned, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies noted under SAS 115. In this case, we do not believe that curing the significant deficiency described in this finding would be cost effective or practical and accordingly, we do not believe any corrective action is necessary.

TOWN OF GRAND ISLE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS (continued)

A. Internal Control Findings – Significant deficiencies (continued)

2023-2 Maintaining Proper Capital Asset and Depreciation Records

Condition and Criteria - The Town does not maintain a formal capital assets ledger that includes a calculation of depreciation expense. Instead, it has chosen to rely on an excel spreadsheet that was originally designed by the external auditor to maintain a schedule of capital assets and accumulated depreciation. The schedule is adjusted at the end of the year during the audit. Depreciation is not calculated until year-end when any additions or deletions are posted. By not maintaining a formal capital asset system that includes additions and deletions as they occur and a timely calculation of depreciation, the Town must wait until year end for the capital assets to be totaled. The Town has taken ownership of the spreadsheet; however, they do not have the expertise to make the calculations.

Cause - The Town's software system was not set up to depreciate capital assets. It merely tracks description, costs, and tag numbers.

Recommendation - The Town should work towards modifying its current software database or purchasing one that would allow for the timely calculation of depreciation of all fixed assets.

B. Internal Control Findings - Material Weakness

2023-3 - Accounting Software Inadequacies

Condition and Criteria – The Town's current accounting software does not adequately lend itself to the current demands for accounting data and accurate bank reconciliations in an orderly and timely manner.

Cause – The accounting software that was written for the Town many years ago is incapable of running detailed historical reports or re-running previously run reports once a period has been closed. In addition, the software does not support timely and accurate bank reconciliations. Considering the Town's experience with natural disasters (Hurricanes) and the potential loss of data that may not be recoverable this software does not adequately meet the needs of a modern local government agency.

Recommendation – It is our recommendation that the Town consider the purchase of, or subscription to, a cloud based accounting system that more readily meets its needs.

TOWN OF GRAND ISLE, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS (continued)

C. Compliance Findings

2023-4 - Noncompliance with Louisiana Local Government Budget Act

Condition and Criteria - Louisiana Revised Statute 39:1311 requires governments to amend their budgets when (1) Total revenue and other sources within a fund fail to meet total budgeted revenues and other sources by five percent or more (2) Total actual expenditures and other uses within a fund exceed the total budgeted expenditures and other uses by five percent or more.

Finding – The Following Funds had variances of greater than 5%

The following funds failed to meet budgeted revenues and other sources by 5%.

Fund	Budgeted Revenues	Actual Revenues	Variance (Unfavorable)	Variance %
General Fund	\$ 15,217,331	\$ 5,534,451	\$ (9,682,880)	-64%

The following funds exceed budgeted expenditures by 5%.

Actual expenditures over budgeted expenditures

Fund	Budgeted Expenditures	Actual Expenditures	Variance (Unfavorable)	Variance
Community Center	194,100	495,741	(301,641)	-155%
Community Fair	45,050	111,991	(66,941)	-149%
Drainage	36,000	73,897	(37,897)	-105%

Recommendation – We believe the replacement or upgrade to the accounting software referred to in 2023-3 will enable the responsible personnel to more effectively monitor budgets on a consistent and effective basis.

D. Management Letter

None issued

Section III Federal Award Findings and Questions Costs

Not applicable

**TOWN OF GRAND ISLE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2023**

Section I Financial Statement Findings

A. Internal Control Findings – Significant deficiencies

2022-1 Preparation of Financial Statements by Auditor

Not resolved. See Finding 2023-1

2022-2 Maintaining Proper Capital Asset and Depreciation Records

Not resolved. See Finding 2023-2

B. Internal Control Findings - Material Weakness

2022-3 - Accounting Software Inadequacies

Not resolved. See Finding 2023-3

C. Compliance Findings

2022-4 - Noncompliance with Louisiana Local Government Budget Act

Not resolved. See Finding 2023-4

D. Management Letter

None.

Section II Federal Award Findings and Questions Costs

Not applicable

**TOWN OF GRAND ISLE, LOUISIANA
MANAGEMENT'S CORRECTIVE ACTION PLAN
For the Year Ended June 30, 2023**

2023-1 Preparation of Financial Statements by Auditor

Management's Response - The Town's staff is familiar with the day-to-day accounting requirements; however, due to limited staffing and funding, we do not consider it practical to provide sufficient training to our staff in order to eliminate this condition and can only continue to rely on the auditor to prepare the financial statements at this time.

2023-2 Maintaining Proper Capital Asset and Depreciation Records

Management's Response - We will look into doing this for the next fiscal year audit. Since we record our activity on a cash-basis of accounting, we do not see this as a must and are satisfied with relying on the year-end audit adjustments to reflect capitalization and depreciation activity. We review the end-of-year schedule of assets prepared by the external auditor. We are currently in the process of upgrading our computer system.

2023-3 - Accounting Software Inadequacies

Management's Response – The Town has for the last two years been working with our software vendor to upgrade our software to allow for the improvements in reporting mentioned above. Recent discussions with our vendor indicates the improved software should be operational in the next 60 days.

2023-4 - Noncompliance with Louisiana Local Government Budget Act

Management's Response- We agree that the upgraded software will allow us to more closely and effectively monitor our budget. The decline in revenues and expenditures were due to Hurricane Ida storm damages. The budget was prepared on the cash basis and not the accrual basis like the financial statements are reported in.

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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

The Honorable David Camardelle, Mayor
and Members of the Town Council
of the Town of Grand Isle, Louisiana
and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 to June 30, 2023 for the Town of Grand Isle, Louisiana (the Town). The Town's management is responsible for those C/C areas identified in the SAUPs.

The Town has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

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

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

Results: Procedures performed. No exceptions noted.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Results: Procedures performed. No exceptions noted.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

- iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Results: a) 5 out of the 5 bank account reconciliation obtained did not include evidence they were prepared within 2 months of the statement closing date. b) 5 out of the 5 bank account reconciliations obtained did not include evidence that a member of management/council member reviewed each bank reconciliation. c) 2 out of the 5 bank account reconciliation obtained did not have documentation reflecting the research of reconciling items outstanding for more than 12 months of the statement date.

Management's Response: The Town acknowledges the importance of timely bank account reconciliation. The Town is reviewing its current procedures to make improvements in accounting procedures to reconcile the bank account reconciliations within two months of the statement ending date. The Town acknowledges the importance of oversight by management or a member of the Town's Council over the Town's bank account reconciliation. The Town will implement a procedure to have a member of management or a member of the Town's Council over the Town's review, sign and date the Town's bank account reconciliations. The Town acknowledges the importance of researching stale outstanding items on the bank account reconciliation. The Town is reviewing its current procedures to make improvements in accounting procedures to ensure disposition of stale reconciling items on the bank account reconciliations.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.
- D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and

Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

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

Results: Procedures performed. No exceptions noted.

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

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

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- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Results: Procedures performed. No exceptions noted.

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

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management’s representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

Results: Procedures performed. No exceptions noted.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
- iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

Results: Procedures performed. No exceptions noted.

8) Contracts

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

Results: Procedures performed. No exceptions noted.

9) Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Results: Procedures performed. No exceptions noted.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results: Procedures performed. No exceptions noted.

11) Debt Service

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

Results: Procedures performed. No exceptions noted.

12) Fraud Notice

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

Results: Procedures performed. No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

- ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Results: We performed the procedure and discussed the results with management

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

Results: Procedures performed. No exceptions noted.

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

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

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

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Gretna, Louisiana
December 31, 2023