

Financial Report

Town of Golden Meadow

December 31, 2023



Financial Report

Town of Golden Meadow

December 31, 2023

TABLE OF CONTENTS

Town of Golden Meadow Golden Meadow, Louisiana

December 31, 2023

	<u>Exhibits</u>	<u>Page Numbers</u>
FINANCIAL SECTION		
Independent Auditor's Report		1 - 4
Management's Discussion and Analysis		5 - 12
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A	13
Statement of Activities	B	14 - 15
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	D	17
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	19
Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - General Fund	G	20 - 21
Proprietary Funds:		
Statement of Net Position	H	22 - 23
Statement of Revenues, Expenses, and Changes in Net Position	I	24
Statement of Cash Flows	J	25 - 26
Contents of Notes to Financial Statements		27
Notes to Financial Statements	K	28 - 66

TABLE OF CONTENTS
(Continued)

	<u>Exhibits</u>	<u>Page Numbers</u>
REQUIRED SUPPLEMENTAL INFORMATION		
Schedule of Changes in the Town's Total OPEB Liability and Related Ratios	L	67
Schedule of the Town's Proportionate Share of the Net Pension Liability		
MERS	M	68
MPERS	N	69
Schedule of the Town's Contributions		
MERS	O	70
MPERS	P	71
	<u>Schedules</u>	
SUPPLEMENTARY INFORMATION		
Compensation Paid to Members of the Town Council	1	72
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	2	73
Justice System Funding Schedule - Collecting/Disbursing Entity as Required By Act 87 of the 2020 Regular Legislative Session	3	74
Justice System Funding Schedule - Receiving Entity as Required By Act 87 of the 2020 Regular Legislative Session	4	75

TABLE OF CONTENTS
(Continued)

	<u>Tables</u>	<u>Page Numbers</u>
STATISTICAL INFORMATION SECTION (UNAUDITED)		
General Governmental Expenditures by Function	1	76
General Governmental Revenue by Source	2	77
Property Tax Levies and Collections	3	78
Principal Taxpayers	4	79
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita	5	80
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures	6	81
Miscellaneous Statistics	7	82
Insurance in Force	8	83 - 84
	<u>Schedules</u>	
SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS		
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 <i>Government Auditing Standards</i>		85 - 86
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the <i>Uniform Guidance</i>		87 - 89
Schedule of Expenditures of Federal Awards	5	90
Notes to Schedule of Expenditures of Federal Awards		91 - 92
Schedule of Findings and Questioned Costs		93 - 94
REPORTS BY MANAGEMENT		
Schedule of Prior Year Findings and Responses		95
Management's Corrective Action Plan		96
STATEWIDE AGREED-UPON PROCEDURES		
Independent Accountant's Report on Applying Agreed-Upon Procedures		97 - 98
Schedule of Procedures and Associated Findings of the Statewide Agreed-Upon Procedures	6	99 - 116

FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT

To the Honorable Joey Bouziga, Mayor
and Members of the Town Council,
Town of Golden Meadow,
Golden Meadow, Louisiana.

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Town of Golden Meadow (the “Town”), State of Louisiana, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities and each major fund of the Town as of December 31, 2023 and the respective changes in financial position for the year then ended and budgetary comparison of the General Fund in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 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 opinion. 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'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.
- Conclude whether, in our judgment, 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 a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 5 through 12, and the Schedule of Changes in the Town's Total OPEB Liability and Related Ratios, the Schedule of the Town's Proportionate Share of the Net Pension Liability and Schedule of the Town's Contributions on pages 67 through 71, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an 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 inquires 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 an opinion on the financial statements that collectively comprise the Town's basic financial statements. The accompanying supplementary information on page 72 through 75 are presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and Notes to the Schedule of Federal Awards, on page 90 through 92 are presented for purposes of additional analysis as required by *Title 2 W.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 17, 2024 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Bourgeois Bennett, L.L.C.".

Certified Public Accountants.

Houma, Louisiana,
April 17, 2024.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Town of Golden Meadow Golden Meadow, Louisiana

December 31, 2023

The Mayor and the Town Clerk are responsible for the overview and analysis of the financial activities of the Town of Golden Meadow (the "Town") for the year ended December 31, 2023. The narrative provided is designed to introduce the financial highlights and offer an overview of the financial statements.

Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and facts known to date. This narrative includes a government-wide financial analysis of revenues, expenses and changes in the net position. Further detail offers our readers a financial analysis of the Town's funds consisting of the governmental fund types and proprietary funds.

FINANCIAL HIGHLIGHTS

Assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$20,006,777 (net position). Of this amount, \$4,979,454 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.

The Town's net position increased by \$721,237 (or 3.74%) during 2023, primarily a result of increases in investment income and property taxes.

The Town's governmental activities revenues increased by \$12,795 (or 0.40%) primarily due to increases in investment income and property taxes, offset by a decrease in operating grants and contributions.

The Town's governmental activities expenses increased by \$207,998 (or 8.99%) primarily due to increases in expenses for streets and highways.

The business activities reported an increase in net position of \$47,989 (or 0.79%) primarily due to an \$37,240 increase in capital grants and contributions and a \$94,599 decrease in sewerage activity expenses in the current year.

The Town did not have any funds with a deficit fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's annual report consists of five parts: (1) management's discussion and analysis (this section), (2) basic financial statements, (3) required and other supplementary information, (4) statistical information, (5) various governmental compliance reports and schedules by certified public accountants and management.

The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements reported in Exhibits A and B are designed to be similar to private-sector business in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. These statements, combine governmental funds' current financial resources with capital assets and long-term obligations. Also presented in the government-wide financial statements is a total column for the business-type activities of the primary government.

The Statement of Net Position reported in Exhibit A presents information on all the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference 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 reported in Exhibit B presents information showing how the government's net position changed during the most recent fiscal year. All changes in the assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses reported in this statement for some items will only result in cash flows in future fiscal periods. For example, earned but unused compensation time result in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities, which are provided by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various governmental services and/or subsidy to various business-type activities.

Both government-wide financial statements 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 governmental activities which reflect the Town's basic services include the financial activities of the following: general government (Town administration) public safety (police department), streets and highways (street, road and sidewalk maintenance), drainage and levee (drainage and levee maintenance), culture and recreation (parks/playgrounds and pool) and sanitation (animal control, grass cutting, building demolition and trash collection). The business-type activities of the Town include a sewerage collection and treatment system.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**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. Traditional users of governmental financial statements will find the fund financial statement presentation more familiar. The focus is now on major funds, rather than generic fund types. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental major fund presentation in Exhibits C through G is presented on a sources and uses of liquid resources basis. This is the manner in which the financial budget is typically developed. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term 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 current financing requirements. The Town has presented the General Fund as a major governmental fund.

Proprietary Funds include enterprise funds on the fund financial statements illustrated in Exhibits H through J. Enterprise funds are used to account for operations financed and operated in a manner similar to private business enterprises. The enterprise fund is presented as a major fund and consists of the Sewerage Fund. The intent is that costs of goods or services to the general public on a continuing basis be financed primarily through user charges.

While the Sewerage Fund on the business-type fund financial statements for the enterprise fund (see Exhibit H and I) is generally the same as the business-type column at the government-wide financial statements, the governmental funds total column requires a reconciliation because of the different measurement focus which is reflected on the page following each statement (see Exhibit D and F). The flow of current financial resources will reflect capital expenditures and interfund transfers as other financial sources and debt service principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in the government-wide statements.

Capital Assets

General capital assets include land, construction in progress, buildings and improvements, infrastructure, vehicles, machinery and equipment and all other tangible assets that are used in operations and that have initial useful lives greater than one year and exceed the Town's capitalization threshold (see Note 1d, Exhibit K). The Town has recorded all material infrastructure assets acquired since 1984. Accumulated depreciation is recorded based on the date of acquisition and the life span of the asset.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**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 are a required part of the financial statements and can be found in Exhibit K of this report.

Other Information

In addition to the basic financial statements and notes to financial statements, this report presents required supplementary information concerning the Town's changes to its obligations and progress in funding its obligations to provide postemployment and pension benefits to its employees. Required supplementary information can be found on Exhibits L, M, N, O, and P of this report.

Schedules of Compensation Paid to Members of the Town Council and Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer can be found in Schedules 1 and 2 of this report. The Statistical Section (Tables 1 through 8) are included for additional information and analysis and do not constitute a part of the audited financial statements.

Government-Wide Financial Analysis**Condensed Statements of Net Position**

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and other assets	\$ 7,516,704	\$ 7,148,553	\$ (176,468)	\$ (291,465)	\$ 7,340,236	\$ 6,857,088
Capital assets	8,306,590	7,930,259	6,394,322	6,418,646	14,700,912	14,348,905
Total assets	15,823,294	15,078,812	6,217,854	6,127,181	22,041,148	21,205,993
Deferred outflows of resources	531,762	760,559	257,821	152,307	789,583	912,866
Total assets and deferred outflows of resources	16,355,056	15,839,371	6,475,675	6,279,488	22,830,731	22,118,859
Liabilities:						
Current liabilities	48,328	51,356	55,239	294	103,567	51,650
Long-term obligations	2,049,426	2,243,399	297,145	204,727	2,346,571	2,448,126
Total liabilities	2,097,754	2,294,755	352,384	205,021	2,450,138	2,499,776
Deferred inflows of resources	370,324	330,886	3,492	2,657	373,816	333,543
Total liabilities and deferred inflows of resources	2,468,078	2,625,641	355,876	207,678	2,823,954	2,833,319
Net position (deficit):						
Net investment in capital assets	8,306,590	7,930,259	6,394,322	6,418,646	14,700,912	14,348,905
Restricted	326,411	285,100	-	-	326,411	285,100
Unrestricted	5,253,977	4,998,371	(274,523)	(346,836)	4,979,454	4,651,535
Total net position	\$13,886,978	\$13,213,730	\$6,119,799	\$6,071,810	\$20,006,777	\$19,285,540

For more detailed information see Exhibit A, Statement of Net Position.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Approximately 73.48% of the Town's net position as of December 31, 2023, reflects the government's net investment in capital assets less any related outstanding debt used to acquire those assets that is still outstanding. The Town's government uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Approximately 1.63% of the Town's net position is subject to external restrictions as to its use. The remaining unrestricted net position of 24.89% is available for future use as directed by the Mayor and the Town Council to meet ongoing obligations of the government to citizens and creditors.

The following table provides a summary of the statement of activities for the year ended December 31, 2023, with comparative figures from 2022:

Condensed Statements of Activities

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 804,437	\$ 743,985	\$ 132,626	\$ 146,773	\$ 937,063	\$ 890,758
Operating grants and contributions	660,171	866,592	-	-	660,171	866,592
Capital grants and contributions	41,485	33,800	102,541	65,301	144,026	99,101
General revenues:						
Property taxes	229,872	143,031	-	-	229,872	143,031
Sales taxes	1,168,567	1,138,883	-	-	1,168,567	1,138,883
Franchise taxes	73,473	61,180	-	-	73,473	61,180
Grants and contributions not restricted to specific programs	12,598	21,001	-	-	12,598	21,001
Insurance proceeds	-	70,565	-	-	-	70,565
Other	204,962	103,733	42,417	21,725	247,379	125,458
Total revenues	<u>3,195,565</u>	<u>3,182,770</u>	<u>277,584</u>	<u>233,799</u>	<u>3,473,149</u>	<u>3,416,569</u>
Expenses:						
General government	685,116	677,630	-	-	685,116	677,630
Public safety	865,976	856,773	-	-	865,976	856,773
Streets and highways	434,773	292,831	-	-	434,773	292,831
Drainage and levee	265,907	250,644	-	-	265,907	250,644
Culture and recreation	255,628	220,155	-	-	255,628	220,155
Sanitation	14,917	16,286	-	-	14,917	16,286
Sewerage	-	-	229,595	324,194	229,595	324,194
Total expenses	<u>2,522,317</u>	<u>2,314,319</u>	<u>229,595</u>	<u>324,194</u>	<u>2,751,912</u>	<u>2,638,513</u>
Change in net position	673,248	868,451	47,989	(90,395)	721,237	778,056
Net position, January 1,	<u>13,213,730</u>	<u>12,345,279</u>	<u>6,071,810</u>	<u>6,162,205</u>	<u>19,285,540</u>	<u>18,507,484</u>
Net position, December 31,	<u>\$ 13,886,978</u>	<u>\$ 13,213,730</u>	<u>\$ 6,119,799</u>	<u>\$ 6,071,810</u>	<u>\$ 20,006,777</u>	<u>\$ 19,285,540</u>

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The Town's change in net position was \$721,237 for the current fiscal year for a total net position of \$20,006,777 as of December 31, 2023.

Operating grants decreased by \$206,421 as a result of the Town receiving funding from the American Rescue Plan Act in the prior year. Additionally, investment income increased by \$140,231 due to an increase in LAMP interest rates over the past year.

Business-type activity total revenues increased by \$43,785, or 18.73%, from the prior year. This is mostly the result of the Town recognizing \$37,240 more in capital grant revenue for funding of the sewerage system in 2023 as compared to 2022. Business activity expenses decreased by \$94,599, as a result of decreases in personnel expenditures, decreases in repairs and maintenance expenditures, and actuarial changes in the valuation of long-term liabilities.

Financial Analysis of the Government's Funds

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 requirement. 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.

The General Fund, the Town's only governmental fund, is the chief operating fund of the Town. At the end of the current fiscal year, fund balance of the General Fund was \$7,202,360, compared with a fund balance of \$6,814,153 at the end of 2022, an increase of \$388,207. The fund balance in the amount of \$532,975 is restricted for various departments in the General Fund. The remaining \$6,669,385 of fund balance is available for spending at the Town's discretion.

Proprietary Funds: The Town's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

The Sewerage Fund of the Town had an unrestricted net position deficit of \$274,523 as of December 31, 2023. This fund encompasses all assets associated with sewerage operations of the Town. This fund is self-supported from program revenues. Net investment in capital assets at the end of the current fiscal year totaled \$6,394,322. For the year ended December 31, 2023, the Sewerage Fund had an increase in net position of \$47,989.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

General Fund Budgetary Highlights

The major differences between the original General Fund budgeted revenues and the final amended budgeted revenues were increases in federal grant revenue from the Federal Emergency Management Agency, funding from the Lafourche Parish Drainage District No. 1 for the Pumping Station repairs, and investment income received. The final budget more closely reflects anticipated revenues from these sources.

The difference between the original General Fund budgeted expenditures and the final amended budgeted expenditures was an increase of \$1,114,766 mostly due to an increase in expected capital outlay.

Capital Asset and Debt Administration

Capital Assets: the Town's net investment in capital assets for its governmental and business-type activities as of December 31, 2023, amounts to \$14,700,912 (net of accumulated depreciation). This net investment in capital assets includes land, construction in progress, buildings and improvements, furnishings and equipment, streets and roads, drainage systems, park, swimming pool, and sewer treatment facilities. The net increase in the Town's net investment in capital assets (net of depreciation) for the current fiscal year was \$352,007. The increase is due to depreciation of \$548,107 offset by current year additions.

Major capital asset events during the current fiscal year included the following:

- Repairs to the Senior Citizens building, Pumping Station, and park amenities
- Purchase of Toshiba Color Copier
- Purchase of a 2023 Dodge Durango
- Purchase of a 2022 Ford F-350
- Purchase of a 2023 Dodge Ram 1500
- Purchase of a Bobcat Compact Track Loader
- Purchase of a Kubota Tractor with Loader and Bucket

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**Capital Asset and Debt Administration (Continued)****Capital Assets
(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 126,528	\$ 126,528	\$ -	\$ -	\$ 126,528	\$ 126,528
Construction in progress	125,173	13,896	210,031	71,764	335,204	85,660
Buildings and improvements	1,829,745	1,837,195	327,464	339,583	2,157,209	2,176,778
Seawall	4,107,581	4,207,634	-	-	4,107,581	4,207,634
Swimming pool	111,206	121,667	-	-	111,206	121,667
Autos and trucks	250,693	95,332	-	-	250,693	95,332
Sidewalks, streets and drainage	781,317	773,554	-	-	781,317	773,554
Oakridge Park	744,850	611,857	-	-	744,850	611,857
Furniture, equipment, and other	229,497	142,596	12,852	16,711	242,349	159,307
Sewer system	-	-	5,843,975	5,990,588	5,843,975	5,990,588
Totals	<u>\$8,306,590</u>	<u>\$7,930,259</u>	<u>\$6,394,322</u>	<u>\$6,418,646</u>	<u>\$14,700,912</u>	<u>\$14,348,905</u>

Additional information on the Town's capital assets can be found in Note 8, Exhibit K of this report.

Non-current liabilities: At the end of the current fiscal year, the Town had total outstanding non-current liabilities of \$2,450,138 as detailed in Note 10, which represents compensated absences, other postemployment benefit obligations, net pension liability, and asset retirement obligations. The compensated absences, other postemployment benefit obligations, net pension liability, and asset retirement obligations will be serviced by general revenues of the Town, except those recognized in the enterprise funds, which will be serviced by fund revenues.

Economic Factors and Next Year's Budget and Rates

Overall, the Town is anticipating General Fund revenues to exceed expenditures in 2024 by approximately \$184,000. The 2024 budget includes \$300,000 in expected federal awards in response to recent presidentially declared disasters.

Requests for Information

This financial report is designed to provide a general overview of the Town of Golden Meadow'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 Town Clerk, P. O. Box 307, Golden Meadow, LA 70357. General information relating to the Town can be found at the Town's website, www.townofgoldenmeadow-la.gov.

FINANCIAL STATEMENTS

STATEMENT OF NET POSITION**Town of Golden Meadow**
Golden Meadow, Louisiana

December 31, 2023

	Primary Government		Totals
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 6,259,422	\$ 115,281	\$ 6,374,703
Investments	340,000	-	340,000
Receivables (net)	305,201	77,668	382,869
Due from other governments	180,415	-	180,415
Internal balances	369,417	(369,417)	-
Prepaid insurance	62,249	-	62,249
Capital assets:			
Non-depreciable	251,701	210,031	461,732
Depreciable, net	8,054,889	6,184,291	14,239,180
Total assets	15,823,294	6,217,854	22,041,148
DEFERRED OUTFLOWS OF RESOURCES			
Other postemployment benefits	133,902	1,785	135,687
Pensions	397,860	4,769	402,629
Asset retirement obligation	-	251,267	251,267
Total deferred outflows of resources	531,762	257,821	789,583
Total assets and deferred outflows of resources	16,355,056	6,475,675	22,830,731
LIABILITIES			
Accounts payable and other current liabilities	48,328	55,239	103,567
Non-current liabilities:			
Due in more than one year	2,049,426	297,145	2,346,571
Total liabilities	2,097,754	352,384	2,450,138
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - ad valorem taxes	203,767	-	203,767
Other postemployment benefits	53,218	710	53,928
Pensions	113,339	2,782	116,121
Total deferred inflows of resources	370,324	3,492	373,816
Total liabilities and deferred inflows of resources	2,468,078	355,876	2,823,954
NET POSITION (DEFICIT)			
Net investment in capital assets	8,306,590	6,394,322	14,700,912
Restricted for:			
Drainage and levees	117,669	-	117,669
Streets and highways	208,742	-	208,742
Unrestricted	5,253,977	(274,523)	4,979,454
Total net position	\$ 13,886,978	\$ 6,119,799	\$ 20,006,777

See notes to financial statements.

STATEMENT OF ACTIVITIES

Town of Golden Meadow Golden Meadow, Louisiana

For the year ended December 31, 2023

		<u>Program Revenue</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
Governmental activities:				
General government	\$ 685,116	\$123,468	\$ 595,000	\$ 41,485
Public safety	865,976	672,093	34,053	-
Streets and highways	434,773	-	31,118	-
Drainage and levee	265,907	-	-	-
Culture and recreation	255,628	8,876	-	-
Sanitation	14,917	-	-	-
Total governmental activities	<u>2,522,317</u>	<u>804,437</u>	<u>660,171</u>	<u>41,485</u>
Business-type activities:				
Sewerage	<u>229,595</u>	<u>132,626</u>	<u>-</u>	<u>102,541</u>
Total primary government	<u><u>\$ 2,751,912</u></u>	<u><u>\$937,063</u></u>	<u><u>\$660,171</u></u>	<u><u>\$144,026</u></u>
General revenues (expenses):				
Taxes:				
Property				
Sales taxes				
Franchise taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Miscellaneous				
Loss on disposal of asset				
Total general revenues (expenses) and transfers				
Change in net position				
Net position				
Beginning of year				
Ending of year				
See notes to financial statements.				

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ 74,837	\$ -	\$ 74,837
(159,830)	-	(159,830)
(403,655)	-	(403,655)
(265,907)	-	(265,907)
(246,752)	-	(246,752)
(14,917)	-	(14,917)
(1,016,224)	-	(1,016,224)
<u>-</u>	<u>5,572</u>	<u>5,572</u>
(1,016,224)	5,572	(1,010,652)
229,872	-	229,872
1,168,567	-	1,168,567
73,473	-	73,473
12,598	-	12,598
198,384	83	198,467
7,496	42,334	49,830
(918)	-	(918)
<u>1,689,472</u>	<u>42,417</u>	<u>1,731,889</u>
673,248	47,989	721,237
<u>13,213,730</u>	<u>6,071,810</u>	<u>19,285,540</u>
<u>\$ 13,886,978</u>	<u>\$ 6,119,799</u>	<u>\$ 20,006,777</u>

BALANCE SHEET
GOVERNMENTAL FUNDS

Town of Golden Meadow
Golden Meadow, Louisiana

December 31, 2023

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 6,259,422
Investments	340,000
Receivables (net, where applicable of allowances for uncollectibles):	
Taxes	299,895
Accounts	5,306
Due from other funds	369,417
Due from other governmental units	180,415
	<u>180,415</u>
Total assets	<u><u>\$ 7,454,455</u></u>
Liabilities	
Accounts payable and accrued expenditures	\$ 48,328
Deferred Inflows of Resources	
Unavailable revenue - ad valorem taxes	203,767
	<u>203,767</u>
Total liabilities and deferred inflows of resources	<u>252,095</u>
Fund Balances	
Restricted:	
Levee maintenance	161,208
Drainage maintenance	96,821
Streets	274,946
Unassigned	6,669,385
	<u>6,669,385</u>
Total fund balances	<u>7,202,360</u>
Total liabilities and fund balances	<u><u>\$ 7,454,455</u></u>

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

Town of Golden Meadow
Golden Meadow, Louisiana

December 31, 2023

Fund Balances - Governmental Funds		\$ 7,202,360
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	\$ 14,027,061	
Accumulated depreciation	<u>(5,720,471)</u>	8,306,590
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Prepaid insurance		62,249
Deferred outflows of resources are not available to current expenditures and, therefore not reported in governmental funds.		
Other postemployment benefits	133,902	
Pensions	<u>397,860</u>	531,762
Non-current obligations are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(2,989)	
Other postemployment benefits	(534,303)	
Net pension liability	<u>(1,512,134)</u>	(2,049,426)
Deferred inflows of resources are not recognized in the current period and, therefore not reported in governmental funds.		
Other postemployment benefits	(53,218)	
Pensions	<u>(113,339)</u>	<u>(166,557)</u>
Net Position of Governmental Activities		<u><u>\$ 13,886,978</u></u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

	General Fund
Revenues	
Taxes	\$ 1,398,439
Fines and forfeitures	672,093
Intergovernmental	707,931
Licenses and permits	87,921
Franchise fees	73,473
Charges for services	44,423
Investment income	198,384
Miscellaneous	56,153
Total revenues	3,238,817
Expenditures	
Current:	
General government	629,972
Public safety	729,563
Streets and highways	368,569
Sanitation	10,936
Drainage and levee	125,547
Culture and recreation	180,924
Capital outlay	762,765
Total expenditures	2,808,276
Excess of revenues over expenditures	430,541
Other Financing Sources (Uses)	
Operating transfers out	(42,334)
Net Change in Fund Balances	388,207
Fund Balances	
Beginning of year	6,814,153
End of year	\$ 7,202,360
See notes to financial statements.	

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

Net Change in Fund Balance - Total Governmental Funds		\$388,207
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures.		
However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	\$762,765	
Depreciation expense	<u>(385,516)</u>	377,249
The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins and dispositions, is to decrease net position.		
		(918)
Some expenditures are reported in the governmental funds which do not affect net position.		
Increase in prepaid insurance		9,833
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net assets.		
Increase in the liability for other postemployment benefits	(42,129)	
Decrease in net pension liability	237,555	
Increase in the liability for compensated absences	<u>(1,453)</u>	193,973
Deferred outflows and inflows of resources related to other postemployment benefits and pensions are applicable to future periods and, therefore are not reported in the funds.		
Decrease in deferred outflows of resources related to other postemployment benefits	(19,353)	
Decrease in deferred outflows of resources related to pensions	(209,444)	
Decrease in deferred inflows of resources related to other postemployment benefits	29,132	
Increase in deferred inflows of resources related to pensions	<u>(95,431)</u>	<u>(295,096)</u>
Change in Net Position of Governmental Activities		<u><u>\$ 673,248</u></u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND**

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Ad valorem	\$ 228,439	\$ 225,800	\$ 229,872	\$ 4,072
Sales	775,000	896,120	1,168,567	272,447
Fines and forfeitures	602,006	638,698	672,093	33,395
Intergovernmental:				
Federal Government:				
Federal Emergency Management Agency	200,000	427,209	474,704	47,495
State of Louisiana:				
Video poker	5,000	1,910	2,210	300
Beer taxes	3,800	3,087	3,711	624
Appropriations from State	35,000	42,485	41,485	(1,000)
State supplemental pay	33,000	31,400	34,053	2,653
Parish Transportation Fund	22,000	25,474	27,618	2,144
Maintenance agreement	7,000	7,000	3,500	(3,500)
Lafourche Parish Council:				
Off track betting	1,000	369	354	(15)
Lafourche Housing Authority	8,000	7,115	7,115	-
Lafourche Parish Drainage District No. 1	5,000	249,257	113,181	(136,076)
Licenses and permits - occupational licenses	90,000	86,196	87,921	1,725
Franchise fees	76,000	62,159	73,473	11,314
Charges for services	45,001	39,470	44,423	4,953
Investment income	31,200	182,111	198,384	16,273
Miscellaneous:				
Donations	7,000	5,000	5,000	-
Mineral royalties	15,000	7,045	6,323	(722)
Other	21,000	111,271	44,830	(66,441)
Total revenues	<u>2,210,446</u>	<u>3,049,176</u>	<u>3,238,817</u>	<u>189,641</u>

**Exhibit G
(Continued)**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
General government	550,286	657,338	629,972	27,366
Public safety	639,497	707,432	729,563	(22,131)
Streets and highways	265,741	331,485	368,569	(37,084)
Sanitation	17,564	12,335	10,936	1,399
Drainage and levee	137,530	135,424	125,547	9,877
Culture and recreation	169,324	166,418	180,924	(14,506)
Debt service:				
Principal retirement	13,283	13,283	-	13,283
Capital outlay	116,717	1,000,993	762,765	238,228
Total expenditures	<u>1,909,942</u>	<u>3,024,708</u>	<u>2,808,276</u>	<u>216,432</u>
Excess of revenues over expenditures	300,504	24,468	430,541	406,073
Other Financing Uses				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(42,334)</u>	<u>(42,334)</u>
Net Change in Fund Balance	<u>\$ 300,504</u>	<u>\$ 24,468</u>	<u>\$ 388,207</u>	<u>\$ 363,739</u>

See notes to financial statements.

STATEMENT OF NET POSITION
PROPRIETARY FUND

Town of Golden Meadow
Golden Meadow, Louisiana

December 31, 2023

	<u>Sewerage Fund</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current	
Cash and cash equivalents	\$ 115,281
Receivables:	
Accounts (net, allowances for uncollectibles)	<u>77,668</u>
Total current assets	<u>192,949</u>
Capital Assets	
Non-depreciable	210,031
Depreciable, net	<u>6,184,291</u>
Total capital assets	<u>6,394,322</u>
Total assets	<u>6,587,271</u>
Deferred Outflows of Resources	
Other postemployment benefits	1,785
Pensions	4,769
Asset retirement obligation	<u>251,267</u>
Total deferred outflows of resources	<u>257,821</u>
Total assets and deferred outflows of resources	<u>6,845,092</u>

Sewerage
Fund

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Current

Payable from current assets:	
Accounts payable and accrued expenses	55,239
Due to other funds	369,417
	<hr/>
Total current liabilities	424,656
	<hr/>

Non-Current

Other postemployment benefits	7,124
Net pension liability	20,521
Asset retirement obligation	269,500
	<hr/>
Total non-current liabilities	297,145
	<hr/>
Total liabilities	721,801
	<hr/>

Deferred Inflows of Resources

Other postemployment benefits	710
Pensions	2,782
	<hr/>
Total deferred inflows of resources	3,492
	<hr/>
Total liabilities and deferred inflows of resources	725,293
	<hr/>

NET POSITION (DEFICIT)

Net investment in capital assets	6,394,322
Unrestricted	(274,523)
	<hr/>
Total net position	\$ 6,119,799
	<hr/> <hr/>

See notes to financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION PROPRIETARY FUND

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

	<u>Sewerage Fund</u>
Operating Revenues	
Sales and service charges	<u>\$ 132,626</u>
Operating Expenses	
Salaries	16,272
Payroll taxes	1,245
Retirement	(9,301)
Hospitalization insurance	(4,439)
Utilities and telephone	23,091
Repairs and maintenance	20,312
Truck	3,118
Other insurance	9,603
Travel	-
Depreciation and amortization	169,588
Miscellaneous	106
Total operating expenses	<u>229,595</u>
Operating loss	<u>(96,969)</u>
Non-Operating Revenues (Expenses)	
Investment income	83
Intergovernmental grants	102,541
Total non-operating revenues (expenses)	<u>102,624</u>
Other Financing Sources (Uses)	
Transfers in	<u>42,334</u>
Change in Net Position	47,989
Net Position	
Beginning of year	<u>6,071,810</u>
End of year	<u><u>\$ 6,119,799</u></u>

See notes to financial statements.

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

	<u>Sewerage Fund</u>
Cash Flows from Operating Activities	
Cash received from customers and users	\$ 156,103
Cash payments to suppliers	(8,282)
Cash payments to employees for services and benefits	<u>(16,038)</u>
Net cash provided by operating activities	<u>131,783</u>
Cash Flows from Noncapital Financing Activities	
Interfund lending	<u>(66,588)</u>
Cash Flows from Capital and Financing Activities	
Acquisition and construction of capital assets	(138,267)
Proceeds from intergovernmental capital grants	<u>102,541</u>
Net cash used in capital and financing activities	<u>(35,726)</u>
Cash Flows from Investing Activities	
Investment income	<u>83</u>
Net Increase in Cash and Cash Equivalents	29,552
Cash and Cash Equivalents	
Beginning of year	<u>85,729</u>
End of year	<u><u>\$ 115,281</u></u>

Sewerage
Fund

**Reconciliation of Operating Loss to Net Cash
Provided by Operating Activities:**

Operating loss	<u>\$ (96,969)</u>
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation and amortization	169,588
Other postemployment benefits	(6,653)
Pensions	(12,605)
Decrease in assets:	
Receivables	23,477
Increase in liabilities:	
Accounts payable and accrued expenses	<u>54,945</u>
Total adjustments	<u>228,752</u>
Net cash provided by operating activities	<u><u>\$ 131,783</u></u>

See notes to financial statements.

CONTENTS OF NOTES TO FINANCIAL STATEMENTS

Town of Golden Meadow Golden Meadow, Louisiana

December 31, 2023

	<u>Page Numbers</u>
Note 1 - Summary of Significant Accounting Policies:	
a) Financial Reporting Entity	28 - 29
b) Basis of Presentation	29 - 31
c) Basis of Accounting and Measurement Focus	31 - 33
d) Assets, Liabilities, and Equity	33 - 39
e) Accounting Estimates	39
f) New GASB Statements	40 - 42
Note 2 - Stewardship, Compliance, and Accountability	43
Note 3 - Property Taxes	44
Note 4 - Deposits and Investments	44 - 47
Note 5 - Receivables	47 - 48
Note 6 - Due From Other Governmental Units	48
Note 7 - Reconciliation of Due From (To) Other Funds	48
Note 8 - Change in Capital Assets	49 - 51
Note 9 - Accounts Payable and Other Current Liabilities	51
Note 10 - Non-Current Liabilities	52
Note 11 - Risk Management	52
Note 12 - Postemployment Healthcare Benefits	52 - 55
Note 13 - Pension Plans	56 - 65
Note 14 - On-Behalf Payments for Supplemental Pay	66
Note 15 - Contingencies	66
Note 16 - Subsequent Events	66

NOTES TO FINANCIAL STATEMENTS

Town of Golden Meadow
Golden Meadow, Louisiana

December 31, 2023

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Golden Meadow (the “Town”) complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

a. Financial Reporting Entity

The Town of Golden Meadow, Louisiana was incorporated July 17, 1950, under the provisions of Act 136 (Lawrason Act) of 1898, State of Louisiana. The Town operates under a Mayor-Town Council form of government and provides the following services as authorized by its charter: public safety, streets and highways, drainage, levee maintenance, sanitation, culture-recreation, sewerage, planning and zoning, and general administrative services.

As the governing authority of the township, the Town of Golden Meadow is the financial reporting entity for the Town of Golden Meadow, Louisiana. The financial reporting entity consists of (a) the primary government (the Town of Golden Meadow), (b) organizations for which the Town of Golden Meadow is financially accountable and (c) other organizations for which nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

GASB Statement No. 14, “*The Financial Reporting Entity*,” GASB Statement No. 39, “*Determining Whether Certain Organizations Are Component Units-an amendment of GASB Statement No. 14*”, and GASB Statement No. 61, “*The Financial Reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34*” established the criterion for determining which component units should be considered part of the Town for financial reporting purposes. The basic criteria are as follows:

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Financial Reporting Entity (Continued)

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued and the right to buy, sell and lease property in its own name.
2. Whether the governing authority appoints a majority of the board members of the potential component unit.
3. Fiscal interdependency between the Town and the potential component unit.
4. Imposition of will by the Town on the potential component unit.
5. Financial benefit/burden relationship between the Town and the potential component unit.

Based on the previous criteria, the Town of Golden Meadow, Louisiana determined it has no component units.

b. Basis of Presentation

The Town's financial statements consist of the government-wide statements on all of the non-fiduciary activities of the primary government and the fund financial statements (individual major funds).

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for the primary government. For the most part, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the Town as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Governmental Activities represent programs, which normally are supported by taxes and intergovernmental revenues.

Business-Type Activities are financed in whole or in part by fees charged to external parties for goods and services.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses 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. Indirect costs are not allocated by function for financial reporting in this statement; however, certain indirect costs have been directly allocated as administrative fees to grants and programs.

Program revenue 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. This includes internally dedicated resources such as a restricted property tax.

Fund Financial Statements

Separate financial statements are provided for governmental funds and a proprietary fund. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements.

The daily accounts and operations of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues, expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds of the primary government are grouped, into generic fund types and two broad fund categories as follows:

Governmental Funds

Governmental activities presented as governmental funds in the fund financial statements:

General Fund - the General Fund is the general operating fund of the Town. The General Fund accounts for and reports all financial resources except those required to be accounted for and reported in other funds. The General Fund is always a major fund.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Proprietary Funds

Enterprise funds - are used to account for operations: (a) that are financed and operated similarly to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The enterprise fund is presented in the business-type activities column in government-wide financial statements and the major funds section of the basic financial statements, the enterprise fund reported as a major fund in the fund financial statements is as follows:

Sewerage Fund - to account for and report sewer services to residents within the Sewer Service District of the Town. All activities necessary to provide such services are accounted for and reported in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service. Billing and collection activities are contracted with the Lafourche Parish Waterworks District No. 1.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

c. Basis of Accounting and Measurement Focus

Government-Wide Financial Statements

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 in the year for which they are levied.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Accounting and Measurement Focus (Continued)

Fund Financial Statements

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing resources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For this purpose, the Town considers revenue to be available if collected within 60 days of the end of the current fiscal year. Charges for services and fines and forfeitures are recorded as earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the Town because they are generally not measurable or available until actually received.

Nonexchange transactions, in which the Town receives value without directly giving value in return, include sales tax, property tax, grants and donations. Ad valorem taxes are recognized as revenue of the period for which levied. The current year property taxes are being levied to finance the subsequent year's budgeted expenditures by Town ordinance and legally are not available for funding current year expenditures, accordingly property taxes levied in 2023 shall be recognized as revenue in 2024. The 2023 tax levy is recorded as the deferred inflows of resources in the Town's 2023 fund financial statements. Sales and use taxes are considered "measurable" when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include purpose and timing requirements, which specify the use and period when the resources can be used.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due and (2) claims and judgments, compensated absences, other postemployment benefits and net pension expense are recorded as expenditures in the governmental fund type when paid with expendable financial resources. Allocations of cost such as depreciation and amortization are not recognized in the governmental funds.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Accounting and Measurement Focus (Continued)

Fund Financial Statements (Continued)

All proprietary funds are accounted for on a flow of economic resources measurement focus. Proprietary funds are maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Revenues resulting from transactions, in which each party gives and receives essentially equal value, is recorded on an accrual basis when the exchange takes place.

d. Assets, Liabilities, and Equity

Cash, Cash Equivalents, and Investments

Cash includes amounts in regular and money market accounts.

Investment policies are governed by state statutes and bond covenants. Additional details on authorized investments of the Town are disclosed in Note 4.

For purposes of the Statement of Cash Flows, cash and cash equivalents include the investment in the Louisiana Asset Management Pool (LAMP), certificates of deposit and other securities with maturities of three months or less from date purchased.

Investments are stated at fair value as established by the open market, except for the LAMP investment, which is a local government 2a7-like pool administered by a non-profit corporation organized under State of Louisiana law, which is permitted to be carried at amortized cost.

Securities traded in a national or international exchange are valued at the last reported sales price at current exchange rates. There are no investments without an established market. Unrealized gains and losses on investments recorded at fair value are included in investment income.

Accounts Receivable

All trade receivables are shown net of an allowance for uncollectables. The allowance for uncollectable is based on aging and specific identification. As of December 31, 2023, management considered all receivables to be fully collectible.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Interfund Transactions

In the financial statements, interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables (due from) and payables (due to) as appropriate. Transfers represent a permanent reallocation of resources between funds. In other words, they are not expected to be repaid. For reporting purposes, all interfund transactions between individual governmental funds have been eliminated in the government-wide financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”.

Capital Assets

Capital assets, which include land, construction in progress, buildings and improvements, equipment and infrastructure assets (streets, roads, bridges, canals and sewer and drainage systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an estimated useful life in excess of one year and initial, individual cost of more than \$500. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Capital assets with an estimated cost amounted to \$191,076 or 1.36% of the cost of capital assets used in governmental activities.

The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects at completion of construction. At this point, the project costs are moved out of construction-in-progress and capitalized. Interest incurred during the construction phase of capital assets of business activities is expensed as incurred. During the year ended December 31, 2023, the Town did not incur interest expense on capital construction projects in the business activities.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Capital Assets (Continued)

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

Type of Capital Assets	No. of Years
Buildings and improvements	7 - 40
Seawall	50
Christmas fixtures	10
Protection levee	40
Swimming pool and related equipment	5 - 20
Vehicles	5 - 10
Sidewalks, streets and drainage	5 - 40
Oakridge Park	5 - 40
Office furniture and fixtures	5 - 7
Departmental equipment	5 - 20

All infrastructure assets purchased by the Town since 1984 are recorded as capital assets and depreciated accordingly. All donated infrastructure accepted into the Town's maintenance program since 1984 has been capitalized and depreciated in accordance with the above capitalization policy.

In accordance with Louisiana Department of Environmental Quality regulations the Town is legally required to dispose of its North and South Sewerage Treatment Plants. GASB Statement No. 83 "*Certain Asset Retirement Obligations*", requires the Town to record estimated future asset retirement obligations at fair value. GASB Statement No. 83 requires the Town to record the fair value of a liability for an asset retirement obligation in the period in which it is incurred with a corresponding increase in deferred outflows of resources. Subsequent to initial measurement, the asset retirement obligation is required to be measured each period to its fair value. Deferred outflows of resources are amortized using the straight line method over 40 years for the North Sewer Treatment Plant and 36 years for the South Sewer Treatment Plant (the average remaining asset useful life at implementation of GASB Statement No. 83). Deferred outflows of resources for newly acquired assets are amortized over the asset's estimated useful life at acquisition. The Town's asset retirement obligation consists of the costs related to the removal of facilities and equipment and site restoration at the North Sewer Treatment Plant, \$190,000 and the South Sewer Treatment Plant, \$79,500. Payments of the asset retirement obligations are to be made using the unrestricted assets of the Sewerage Fund. As of December 31, 2023 no assets were restricted for payment of the liability.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position reports separate financial statement elements for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The Town's deferred outflows of resources relate to asset retirement obligation, other postemployment benefits and pensions. Deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. The Town has two items that qualify for reporting as deferred inflows of resources: other postemployment benefits and pensions.

Non-Current Liabilities

Non-current liabilities consist of asset retirement obligation, compensated absences, other postemployment benefits and net pension liability.

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

In the government-wide Statement of Net Position and in the proprietary fund types financial statements, long-term debt and other long-term obligations are reported as liabilities.

Compensated Absences

GASB Statement No. 16, "*Accounting for Compensated Absences*", requires governments to accrue compensated absences only to the extent it is probable that the employer will compensate employees for benefits through cash payments conditioned on the employees' termination or retirement.

In the government-wide financial statements and the proprietary fund type statements, the total compensated absences liability for earned and unused annual leave and earned compensatory time is recorded as an expense, allocated on a functional basis, and a long-term obligation. In accordance with GASB Interpretation No. 6, "*Recognition and Measurement of Certain Liabilities and Expenditures*" in Governmental Fund Financial Statements, no compensated absence liabilities are recorded as of December 31, 2023 in the governmental fund-type fund financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Compensated Absences (Continued)

Employees with one year or more of service earn a total of five to ten days annual leave and ten days sick leave per year. Employees may not carry over or accumulate annual leave. Any sick leave not used during any calendar year can be carried over and accumulated without limit. Any sick leave accumulated at the time of termination of employment by the Town shall not be paid. The Town can award compensation time for participation in events outside of normal work duties, which can be used as sick leave or annual leave days and is payable upon termination of employment with the Town.

Other Postemployment Benefits

GASB Statement No. 75, “*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*” requires governments to accrue postemployment benefits to the extent it is probable the employer will provide benefits conditioned on the employees’ retirement. The Town has recorded liabilities for postemployment health care benefits as of December 31, 2023.

In the government-wide financial statements and the proprietary fund type fund statements, the other postemployment benefits liability is recorded as long-term obligations and allocated to expenses on a functional basis.

In the governmental fund type fund financial statements other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) and the Municipal Police Employees Retirement System (MPERS) and additions to/deductions from MERS and MPERS fiduciary net position have been determined on the same basis as they are reported by MERS and MPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Equity

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a) Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b) Restricted net position - consists of assets and deferred outflows of resources less liabilities and deferred inflow of resources (net position) with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or other enabling legislation.
- c) Unrestricted net position - all other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources as they are needed. The Town’s restricted net position results from the assessment and collection of dedicated ad valorem taxes.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- a) Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to maintain intact.
- b) Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Fund Financial Statements (Continued)

- c) Committed - amounts that can be used only for specific purposes determined by a formal action of the Town Council. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Town Council.
- d) Assigned - amounts that do not meet the criteria to be classified as either restricted or committed but are intended to be used for specific purposes. Amounts may be assigned by a majority vote of the Town Council or by the Town Clerk under the authorization of the Mayor.
- e) Unassigned - all other spendable amounts.

For the classification of governmental fund balances, the Town considers an expenditure to be made from the most restrictive first when more than one classification is available. The Town's fund balance was classified as restricted and unassigned as of December 31, 2023.

e. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. New GASB Statements

During the year ending December 31, 2023, the Town implemented the following GASB Statement:

Statement No. 94, “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*” improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. This Statement did not affect the Town’s financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. New GASB Statements (Continued)

Statement No. 96, “*Subscription-Based Information Technology Arrangements*” provides guidance on accounting and financial reporting for subscription-based information technology arrangements (SBITA) for government end users. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87 “*Leases*”, as amended. Under this Statement a government should recognize a right to use subscription asset and a corresponding subscription liability at the commencement of the subscription term. The subscription liability should be measured at the present value of subscription payments. Future subscription payments should be discounted using the interest rate the vendor charges the government or the government’s incremental borrowing rate. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example interest expense) in future financial reporting periods. Activities associated with SBITAs, other than subscription payments, should be grouped into three stages and costs meeting specific capitalization criteria, including costs necessary to place the subscription asset in service, should be capitalized in the subscription asset, otherwise, costs should be expensed as incurred. This Statement provides an exception for short-term SBITAs of 12 months or less, including options to extend. Subscription payments for short-term SBITAs should be expensed as incurred. This Statement requires disclosure of descriptive information about SBITAs other than short-term SBITAs. This Statement did not affect the Town’s financial statements.

The GASB has issued the following Statements which will become effective in future years as follows:

Statement No. 99, “*Omnibus 2022*” provides objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial report for financial guarantees. The requirements of this Statement apply to all financial statements at dates varying from upon issuance to fiscal periods beginning after June 15, 2023. Management has yet to determine the effect of this Statement on the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. New GASB Statements (Continued)

Statement No. 100, “*Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62*” provides guidance to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 101, “*Compensated Absences*” provides guidance to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 102, “*Certain Risk Disclosures*” defines concentrations and constraints. The Statement also requires governments to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact and whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. Additional disclosures are to be included if reporting criteria is met which will provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. Management has yet to determine the effect of this Statement on the financial statements.

Note 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund. All annual appropriations lapse at year-end. The Capital Projects Fund presents budgets by project as opposed to annual budgets and are therefore not reported in the accompanying financial report. The Town Council approves each project budget and maintains effective controls of costs.

The Town does not employ encumbrance accounting; under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

The Town adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- a) Not later than December 16th, a proposed operating budget for the year commencing the following January 1st shall be submitted to the Town Council. The operating budget includes proposed expenditures and the means of financing them.
- b) The Town Council conducts public hearings to obtain taxpayer comments.
- c) All actions necessary to adopt and otherwise finalize and implement the budget for an ensuing year are taken prior to the end of the year in progress.
- d) The level of budgetary control is at the fund, department or project level and any amendment involving the transfer of monies from one fund, department or project to another or any amendment for amounts exceeding any current expenditure amount budgeted must be approved by the Town Council.
- e) All budgeted amounts, which are not expended, or obligated through contracts, lapse at year end.
- f) Budgets for all governmental fund types are adopted on a basis consistent with GAAP, except for cash transfers. Cash transfers between bank accounts are charged to other financing sources and (uses).
- g) The budget was amended once during the year.

Note 3 - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Town. Assessed values are established by the Lafourche Parish Assessor’s Office and the State Tax Commission at percentages of actual value as specified by Louisiana Law. A reevaluation of all property is required to be completed no less than every four years. Taxes are due and payable December 31st with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The assessed value, upon which the 2023 levy was based, was \$9,634,440.

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which are valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to the review and certification by the Louisiana Tax Commission.

The Town has levied property taxes for maintenance of levees, drainage and streets and for general corporate purposes. The various tax rates for the year ended December 31, 2023 were as follows:

Description	Tax Rate Per \$1,000
Levee maintenance	\$5.09
Drainage maintenance	\$5.09
Street maintenance	\$5.00
General	\$5.97

As indicated in Note 1c, property taxes are recorded as revenue by the Town in the year the taxes finance budgeted expenditures. Property taxes, which are paid under protest, are recorded as revenue in the year the taxes are settled.

Note 4 - DEPOSITS AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Note 4 - DEPOSITS AND INVESTMENTS (Continued)

Bank Deposits

State law requires deposits (cash and certificates of deposits) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision, or with an unaffiliated bank, or with a trust company for the account of the political subdivision.

The year end balances of deposits are as follows:

	Bank Balance	Reported Amount
Cash	\$2,795,983	\$2,670,262
Certificates of deposit	340,000	340,000
Totals	\$3,135,983	\$3,010,262

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town has a written policy for custodial credit risk, which reflects state law. As of December 31, 2023, \$2,408,531 of the Town's bank balance of \$3,135,983 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent and are deemed to be held in the Town's name by state statutes.

As of December 31, 2023, cash was adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of the Town. The GASB, which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

State statutes authorize the Town to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and LAMP.

Note 4 - DEPOSITS AND INVESTMENTS (Continued)

Bank Deposits (Continued)

As a means of limiting its exposure to fair value losses arising from interest rates, the Town's investment policy emphasizes maintaining liquidity to match specific cash flows.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Town's investment policy requires the application of the prudent-investor rule. The policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affair, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed upon the safety of principal secondly to maintain liquidity to meet operating requirements and finally to obtain the most favorable rate of return.*

Investments

The Town's investment policy limits investments to those discussed earlier in this note. LAMP has a Standard & Poor's Rating of AAAM.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable-rate investments. The fair value of investments is determined on a weekly basis to monitor any variances between amortized

Note 4 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of participant's position is the same as the value of the pool shares. Because LAMP as of December 31, 2023, had a weighted average maturity of 53 days, it was presented as investment with a maturity of less than one year. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Investments in LAMP as of December 31, 2023 amounted to \$3,703,630 and are reported as cash equivalents.

Reconciliation

A reconciliation of deposits and investments as shown on the Statement of Net Position is as follows:

Cash on hand	\$	811
Reported amount of cash deposits		2,670,262
Reported amount of investments - certificates of deposit		340,000
Reported amount of investments - LAMP		<u>3,703,630</u>
Total		<u>\$6,714,703</u>
Cash and cash equivalents		\$6,374,703
Investments		<u>340,000</u>
Total		<u>\$6,714,703</u>

Note 5 - RECEIVABLES

Receivables and the applicable allowances for doubtful accounts as of December 31, 2023 were as follows:

	<u>Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Receivables</u>
Governmental activities:			
General Fund:			
Sales taxes	<u>\$ 305,201</u>	<u>\$ -</u>	<u>\$ 305,201</u>
Business-type activities:			
Sewerage Fund:			
Accounts	<u>\$ 77,668</u>	<u>\$ -</u>	<u>\$ 77,668</u>

Note 5 - RECEIVABLES (Continued)

An allowance based upon past experience has been established for customers' sewerage fees. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as reductions to revenue at the time information becomes available which would indicate the uncollectability of the particular receivable.

Note 6 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units as of December 31, 2023 consisted of the following:

	<u>Federal</u>	<u>Lafourche Parish School Board</u>	<u>Total</u>
Governmental activities:			
General Fund	<u>\$92,380</u>	<u>\$88,035</u>	<u>\$180,415</u>

Note 7 - RECONCILIATION OF DUE FROM (TO) OTHER FUNDS

A reconciliation of due from (to) other funds as of December 31, 2023 is as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund:		
Sewerage Fund	\$369,417	\$ -
Sewerage Fund:		
General Fund	<u>-</u>	<u>369,417</u>
Totals	<u>\$369,417</u>	<u>\$369,417</u>

Note 8 - CHANGE IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Balance January 1, 2023	Additions	Deletions	Balance December 31, 2023
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 126,528	\$ -	\$ -	\$ 126,528
Construction in progress	13,896	126,717	(15,440)	125,173
Total capital assets not being depreciated	140,424	126,717	(15,440)	251,701
Capital assets being depreciated:				
Buildings and improvements	2,515,426	68,664	-	2,584,090
Seawall	5,002,635	-	-	5,002,635
Christmas fixtures	16,904	-	-	16,904
Protection levee	148,214	-	-	148,214
Swimming pool	465,672	-	-	465,672
Autos and trucks	308,262	195,028	(36,340)	466,950
Sidewalks, streets and drainage	2,871,627	88,000	-	2,959,627
Oakridge Park	1,408,253	187,241	(4,855)	1,590,639
Office furniture and fixtures	83,279	8,929	(23,042)	69,166
Equipment:				
Street department	339,818	54,225	-	394,043
Sanitation department	11,400	-	-	11,400
Police department	50,344	49,401	(33,725)	66,020
Total capital assets being depreciated	13,221,834	651,488	(97,962)	13,775,360
Less accumulated depreciation for:				
Buildings and improvements	(678,231)	(76,114)	-	(754,345)
Seawall	(795,001)	(100,053)	-	(895,054)
Christmas fixtures	(16,904)	-	-	(16,904)
Protection levee	(148,214)	-	-	(148,214)
Swimming pool	(344,005)	(10,461)	-	(354,466)
Autos and trucks	(212,930)	(39,667)	36,340	(216,257)
Sidewalks, streets and drainage	(2,098,073)	(80,237)	-	(2,178,310)
Oakridge Park	(796,395)	(53,601)	4,208	(845,788)
Office furniture and fixtures	(81,745)	(1,168)	23,042	(59,871)
Equipment:				
Street department	(201,451)	(19,332)	-	(220,783)
Sanitation department	(11,400)	-	-	(11,400)
Police department	(47,650)	(4,883)	33,454	(19,079)
Total accumulated depreciation	(5,431,999)	(385,516)	97,044	(5,720,471)
Total capital assets being depreciated, net	7,789,835	265,972	(918)	8,054,889
Total governmental activities capital assets, net	\$ 7,930,259	\$ 392,689	\$ (16,358)	\$ 8,306,590

As of December 31, 2023, construction in progress of governmental activities consisted primarily of cost to rebuild the Pumping Station following Hurricane Ida damages.

Note 8 - CHANGE IN CAPITAL ASSETS (Continued)

	<u>Balance January 1, 2023</u>	<u>Addition</u>	<u>Deletions</u>	<u>Balance December 31, 2023</u>
Business type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 71,764	\$ 138,267	\$ -	\$ 210,031
Capital assets being depreciated:				
Sewer System Phase I	858,581	-	-	858,581
Sewer System Phase II	1,077,725	-	-	1,077,725
Sewer System Phase III	984,834	-	-	984,834
Sewer System Phase IV	2,161,959	-	-	2,161,959
Sewer System Phase V	1,021,041	-	-	1,021,041
Sewer System Phase VI	1,351,452	-	-	1,351,452
Buildings - sewer system	484,762	-	-	484,762
Furniture and fixtures	4,354	-	(1,193)	3,161
Equipment and machinery	56,006	-	-	56,006
Total capital assets being depreciated	<u>8,000,714</u>	<u>-</u>	<u>(1,193)</u>	<u>7,999,521</u>
Less accumulated depreciation for:				
Sewer System Phase I	(522,628)	(16,496)	-	(539,124)
Sewer System Phase II	(529,050)	(19,731)	-	(548,781)
Sewer System Phase III	(183,753)	(19,697)	-	(203,450)
Sewer System Phase IV	(115,304)	(43,239)	-	(158,543)
Sewer System Phase V	(71,473)	(20,421)	-	(91,894)
Sewer System Phase VI	(42,796)	(27,029)	-	(69,825)
Buildings-sewer system	(145,179)	(12,119)	-	(157,298)
Furniture and fixtures	(4,354)	-	1,193	(3,161)
Equipment and machinery	(39,295)	(3,859)	-	(43,154)
Total accumulated depreciation	<u>(1,653,832)</u>	<u>(162,591)</u>	<u>1,193</u>	<u>(1,815,230)</u>
Total capital assets being depreciated, net	<u>6,346,882</u>	<u>(162,591)</u>	<u>-</u>	<u>6,184,291</u>
Total business-type activities capital assets, net	<u>\$6,418,646</u>	<u>\$ (24,324)</u>	<u>\$ -</u>	<u>\$6,394,322</u>

As of December 31, 2023, construction in progress of business activities consisted primarily of planning, design, engineering, and construction for the Town's North Sewer Treatment Plant, Sewer System Phase VII, and Sewer System Phase VIII projects.

Note 8 - CHANGE IN CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions of the Town as follows:

Governmental activities:	
General government	\$ 55,596
Public safety	39,053
Culture and recreation	77,393
Streets and highways	68,461
Drainage and levee	141,435
Sanitation	<u>3,578</u>
Total depreciation expense - governmental activities	<u>\$ 385,516</u>
Business type activities:	
Sewerage	<u>\$ 162,591</u>

Note 9 - ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

Accounts payable and other current liabilities of December 31, 2023 consisted of the following:

	Vendors	Payroll and Related Costs	Court Bonds Posted	Liability for work Completed on Contracts	Totals
Governmental activities:					
General Fund	<u>\$8,602</u>	<u>\$17,507</u>	<u>\$22,219</u>	<u>\$ -</u>	<u>\$48,328</u>
Business-type activities:					
Sewerage Fund	<u>\$ 61</u>	<u>\$ 235</u>	<u>\$ -</u>	<u>\$54,943</u>	<u>\$55,239</u>

Note 10 - NON-CURRENT LIABILITIES

The following is a summary of the non-current liabilities for the year ended December 31, 2023:

	Payable January 1, 2023	Obligations Retired	New Issues	Payable December 31, 2023
Governmental activities:				
Compensated absences payable	\$ 1,536	\$ -	\$ 1,453	\$ 2,989
Net pension liability	1,749,689	237,555	-	1,512,134
Other postemployment benefits	492,174	-	42,129	534,303
Total governmental activities	<u>\$2,243,399</u>	<u>\$237,555</u>	<u>\$ 43,582</u>	<u>\$2,049,426</u>
Business-type activities:				
Net pension liability	\$ 45,054	\$ 24,533	\$ -	\$ 20,521
Other postemployment benefits	14,673	7,549	-	7,124
Asset retirement obligation	145,000	-	124,500	269,500
Total business-type activities	<u>\$ 204,727</u>	<u>\$ 32,082</u>	<u>\$124,500</u>	<u>\$ 297,145</u>

Note 11 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to workers compensation; torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and group health benefits for which the Town carries commercial insurance. The Town is covered under a general liability contract for claims. Any claims in excess of \$500,000 are to be paid by the Town. There are lawsuits pending against the Town, its insurers and others. The Town has not provided for estimated losses from the aforementioned pending lawsuits in its financial statements because the Town believes the ultimate settlement costs will not materially exceed the amounts provided by commercial insurance.

Note 12 - POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description

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

Note 12 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Plan Description (Continued)

Medical benefits are provided through a comprehensive medical plan and are made available upon actual retirement. The employees are covered by a retirement system and eligibility requirement to receive retiree medical benefits is age 60 and 10 years of service; or any age and 25 years of service.

Life insurance is not provided by the Plan.

Employees Covered by Benefit Terms

Inactive employees currently receiving benefit payments	4
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>15</u>
Total	<u><u>19</u></u>

The Town's total OPEB liability of \$541,427 (\$534,303 governmental activities and \$7,124 business activities) was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability as of December 31, 2023 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	December 31, 2023
Actuarial valuation date	January 1, 2022
Inflation	3.00%
Salary increases, including inflation	3.00%
Discount rate	3.26%
Healthcare cost trend rates	5.5% until 2028 then 4.14%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation Municipal Bond Index.

120% of Pub-2010 for General Employees and Healthy Retirees with MP-2021 scale.

The actuarial assumptions used in the January 1, 2022 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2012 through December 31, 2022.

Note 12 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>	<u>Activities</u>	
		<u>Governmental</u>	<u>Business</u>
Balance as of December 31, 2022	<u>\$506,847</u>	<u>\$492,174</u>	<u>\$ 14,673</u>
Changes for the year:			
Reclassification of employees	-	8,004	(8,004)
Service cost	13,739	13,558	181
Interest	19,110	18,859	251
Difference between expected and actual experience	(8,823)	(8,707)	(116)
Changes in assumptions or other inputs	21,837	21,550	287
Benefit payments	<u>(11,283)</u>	<u>(11,135)</u>	<u>(148)</u>
Net changes	<u>34,580</u>	<u>42,129</u>	<u>(7,549)</u>
Balance as of December 31, 2023	<u><u>\$541,427</u></u>	<u><u>\$534,303</u></u>	<u><u>\$ 7,124</u></u>

Sensitivity to the Total OPEB Liability to Change in the Discount Rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or higher than the current discount rate.

	<u>1.00% Decrease (2.26%)</u>	<u>Current Discount Rate (3.26%)</u>	<u>1.00% Increase (4.26%)</u>
Total OPEB liability	<u>\$603,106</u>	<u>\$541,427</u>	<u>\$490,909</u>

Note 12 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Sensitivity to the total OPEB Liability to Changes in the Health Cost Trend Rates

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or higher than healthcare cost trend rates.

	<u>1.00% Decrease (4.50%)</u>	<u>Current Trend Rate (5.50%)</u>	<u>1.00% Increase (6.50%)</u>
Total OPEB liability	<u>\$495,867</u>	<u>\$541,427</u>	<u>\$596,265</u>

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

For the year ended December 31, 2023, the Town recognized OPEB expense of \$25,697. As of December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 77,873	\$(21,704)
Change in assumptions	<u>57,784</u>	<u>(32,224)</u>
Totals	<u>\$135,657</u>	<u>\$(53,928)</u>

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

<u>Year Ending December 31,</u>	
2024	\$ 4,161
2025	22,492
2026	8,144
2027	8,144
2028	5,541
Thereafter	<u>33,247</u>
Total	<u>\$81,729</u>

Note 13 - PENSION PLANS

Employees of the Town, with the exception of the policemen, are members of the Municipal Employees' Retirement System of Louisiana. Full-time policemen, not participating in the Federal Social Security System, are members of the Municipal Police Employees' Retirement System of Louisiana.

a) Municipal Employees' Retirement System

Plan Description. The Town contributes to the Municipal Employees Retirement System of Louisiana - Plan A (MERS), a cost-sharing, multiple-employer defined benefit pension plan that is administered by a Board of Trustees. MERS was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana. MERS provides benefits to employees of all incorporated villages, towns and cities within the State who do not have their own retirement system, and who elect to become members of MERS. Effective June 30, 1970, the State Legislature provided an optional method for municipalities to cancel Social Security and come under the supplementary benefits in the MERS "Supplementary Plan". Effective, October 1, 1978, the "Regular" and "Supplementary" Plans were replaced and are now known as Plans "A" and "B". Plan A combines the original and supplementary plan for those municipalities participating in both plans, while Plan B participates in only the original plan. MERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809.

Membership. Membership is mandatory as a condition of employment beginning on the date employed for permanent employees working at least 35 hours per week.

Benefits Provided. MERS provides retirement, deferred retirement, disability and death benefits. Retirement benefits are generally equal to 3.0% of the member's monthly average final compensation multiplied by the years of creditable service. Members hired before January 1, 2013 can retire providing the member meets one of the following criteria: any age with 25 years of creditable service, age 60 with a minimum of ten years of creditable service, any age with five years of creditable service eligible for disability benefits, or survivor's benefits at the death of member. Also, a member may receive actuarially reduced benefits at any age with 20 years of creditable service. Members hired on or after January 1, 2013 may retire providing the member meets one of the following: age 67 with seven or more years of creditable service, age 62 with ten or more years of creditable service, age 55 with 30 or more years of creditable service. A member may receive an actuarially reduced benefit at any age with 25 years of creditable service. Members with ten or more years of service who become disabled may receive retirement benefits determined in the same manner

Note 13 - PENSION PLANS (Continued)

a) Municipal Employees' Retirement System (Continued)

as retirement benefits. Death benefits are payable to eligible surviving dependents based on the deceased member's compensation and the dependent's relationship to the deceased member. The State Legislature authorized MERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP their status changes from active to retired even though they continue to work, draw their salary and defer the receipt of benefits for up to three years. During participation in DROP, employer contributions are paid into the DROP fund, but employee contributions cease. The election to participate in DROP is irrevocable once participation begins. The monthly retirement benefits are paid in an interest earning DROP account. Upon termination of employment or the end of the specified period a member may elect a lump sum equal to his payments into the DROP account, an annuity equal to the balance in his DROP account or any method approved by the Board of Trustees. MERS provides permanent benefit increases, cost of living adjustments (COLA) as approved by the State Legislature.

Contributions. According to state statute, contribution requirements for all employers are actuarially determined each year. The actual employer contribution rate is determined July 1st each year and was 29.50% for both the six months ended June 30, and the six months ended December 31, 2023.

In accordance with state statute, MERS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations.

Contributions to MERS from the Town were \$135,328 for the year ended December 31, 2023.

Note 13 - PENSION PLANS (Continued)

a) Municipal Employees' Retirement System (Continued)

Actuarial Assumptions. A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2023 are as follows:

Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Expected Remaining Service Lives	3 years
Investment Rate of Return	6.850%, net of investment expense
Inflation Rate	2.500%
Projected Salary Increases	
1 to 4 years of service	6.400%
More than 4 years of service	4.500%
Mortality Rates	
Annuitant and Beneficiary	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Employee	PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Disabled Lives	PubG-2010(B) Disabled Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by MERS and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

Note 13 - PENSION PLANS (Continued)

a) Municipal Employees' Retirement System (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.50% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 6.85% for the year ended December 31, 2023. Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as of December 31, 2023 are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	56.00%	2.44%
Public fixed income	29.00%	1.26%
Alternatives	15.00%	0.65%
Totals	100.00%	4.35%
Inflation		2.50%
Expected arithmetic nominal return		6.85%

Discount Rate. The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by Public Retirement System Actuarial Committee taking into consideration the recommendation of System's actuary. Based on those assumptions, MERS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 13 - PENSION PLANS (Continued)

a) Municipal Employees' Retirement System (Continued)

Sensitivity of the Town's Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate. The following presents the Town's proportionate share of the collective net pension liability using the discount rate of 6.85%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.85%) or one percentage-point higher (7.85%) than the current rate:

	1.00% Decrease (5.85%)	Current Discount Rate (6.85%)	1.00% Increase (7.85%)
Town's proportionate share of the net pension liability	\$1,165,922	\$840,988	\$566,516

Pension Plan Fiduciary Net Position. The Municipal Employees Retirement System of Louisiana has issued a stand-alone audit report on their financial statements for the year ended June 30, 2023. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lla.state.la.us.

b) Municipal Police Employees' Retirement System

Plan Description. The Town contributes to the Municipal Police Employees Retirement System of Louisiana (MPERS), a cost-sharing, multiple-employer defined benefit pension plan. MPERS was established by Act 189 of the 1973 regular session of the Legislature of the State of Louisiana. MPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the MPERS website: www.lampers.org or on the Office of the Louisiana Legislative auditor's website: lla.state.la.us.

Membership. MPERS is mandatory for any eligible full time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests and not paying social security.

Benefits Provided. MPERS provides retirement, deferred retirement, disability and death benefits. Members hired before January 1, 2013 can retire providing the member meets one of the following criteria: any age with 25 years of creditable service, age 50 with a minimum of 20 years of creditable service, or 12 years of creditable service at age 55. Upon the death of an active member, or disability retiree, MPERS benefits

Note 13 - PENSION PLANS (Continued)

b) Municipal Police Employees' Retirement System (Continued)

to the surviving spouse range from 40% to 60% of the member's average final compensation. Each surviving child under the age of 18 receives benefits equal to the greater of 10% of the member's average final compensation or \$200 per month. Retirement benefits are generally equal to 3.33% of the member's monthly average final compensation (average monthly earnings during the highest 36 consecutive months or joined months) multiplied by the years of creditable service, not to exceed 100% of final salary. Members hired on or after January 1, 2013 are eligible for regular retirement, early retirement and survivor benefits are based on Hazardous Duty or Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan member meets eligibility requirements in one of the following: at any age with 25 years of creditable service or at age 55 with 12 years of creditable service. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after being a member of MPERS and has 30 years of creditable service at any age or has 25 years of creditable service at age 55, or ten years of creditable service at age 60. Under each sub plan a member is eligible for early retirement at age 55 and 20 years of credible service. Under the Hazardous and Non-Hazardous sub plans, the benefit rates are 3% and 2.5%, respectively, of the average final compensation during the highest 60 consecutive months per number of years of creditable service. Upon the death of an active member, or disability retiree the surviving spouse benefits range from 25% to 55% of the member's average final compensation. Each surviving child under the age of 18 receives the same benefit as members hired before January 1, 2013. The State Legislature authorized MPERS to establish a Deferred Retirement Option Plan (DROP). A member has the option to enter DROP upon regular retirement. When a member enters DROP the employer and employee contributions cease. The amount deposited into the DROP account is equal to the benefit computed under MPERS. The duration of DROP is up to three years. If employment is terminated after the DROP period the participant may receive his benefit as lump sum or an annuity. If employment is not terminated, active contributing membership in MPERS shall resume and additional retirements benefits based on the additional service shall be available. MPERS provides an Initial Benefit Option to members who are eligible for regular retirement and have not participated in DROP. The program provides both a one-time single sum payment of up to 36 months of regular retirement benefit however the regular monthly retirement benefit is reduced for life. MPERS provides permanent benefit increases, cost of living adjustments (COLA) not to exceed 3% to all regular retirees, disability, survivors and beneficiaries. An additional 2% COLA is available to all who are 65 years old.

Note 13 - PENSION PLANS (Continued)

b) Municipal Police Employees' Retirement System (Continued)

Contributions. According to state statute, contribution requirements for all employers are actuarially determined each year. The actual employer contribution rate is determined July 1st each year and was 31.25% for the six month period ended June 30, 2023 and 33.925% for the six months period ended December 31, 2023.

In accordance with state statute, MPERS receives insurance premium tax monies as employer contributions. The tax is considered support from non-contributing entities.

Contributions to MPERS from the Town were \$64,010 for the year ended December 31, 2023.

Actuarial Assumptions. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2023 are as follows:

Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions:	
Expected Remaining Service Lives	4 years
Investment Rate of Return	6.750%, net of investment expense
Inflation Rate	2.500%
Projected Salary Increases	
1-2 years of service	12.300%
More than 2 years of service	4.700%
Mortality Rates	
Annuitant and Beneficiary	Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019.
Employee	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019.
Disabled Lives	Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019.
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

Note 13 - PENSION PLANS (Continued)

b) Municipal Police Employees' Retirement System (Continued)

Estimates of arithmetic nominal rates of return for each major asset class based included in MPERS' target allocation as of June 30, 2023 are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	52.00%	3.29%
Fixed income	34.00%	1.12%
Alternatives	14.00%	0.95%
Totals	100.00%	5.36%
Inflation		2.54%
Expected arithmetic nominal return		7.90%

Discount Rate. The discount rate used to measure the collective pension liability was 6.750%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by Public Retirement Systems' Actuarial Committee (PRSAC) of the Town taking into consideration the recommendation of the Fund's actuary. Based on those assumptions, MPERS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 13 - PENSION PLANS (Continued)

b) Municipal Police Employees' Retirement System (Continued)

Sensitivity of the Town's Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate. The following presents the Town's proportionate share of the collective net pension liability using the discount rate of 6.750%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.750%) or one percentage-point higher (7.750%) than the current rate:

	1.00% Decrease (5.750%)	Current Discount Rate (6.750%)	1.00% Increase (7.750%)
Town's proportionate share of the net pension liability	\$973,231	\$691,667	\$456,458

Pension Plan Fiduciary Net Position. The Municipal Employees Retirement System of Louisiana has issued a stand-alone audit report on their financial statements for the year ended June 30, 2023. Access to the report can be found at the Louisiana Legislative Auditor's website, www.la.state.la.us.

c) Combined

Pension Liabilities. As of December 31, 2023, the Town reported a liability of \$1,532,655 (\$1,512,134 in governmental activities and \$20,521 in business-type activities) for its proportionate share of the net pension liabilities. The net pension liability was measured as of June 30, 2023 for the MERS and MPERS plans, 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 long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2023, the Town's proportion was .230101% of MERS, which was a decrease of .04646% from its proportion measured as of June 30, 2022. At June 30, 2023, the Town's proportion was .065468% of MPERS, which was an increase of .00226% from its proportion measured as of June 30, 2022.

Pension Expense. For the year ended December 31, 2023, the Town recognized pension expense of \$254,054, (\$263,355 governmental activities and a credit of \$9,301 in business type activities).

Note 13 - PENSION PLANS (Continued)

c) Combined (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. As of December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 49,285	\$ (7,981)
Net difference between projected and actual earnings on pension plan investments	171,308	-
Changes in proportion	73,936	(108,140)
Changes in assumptions	11,542	-
Town contributions subsequent to the measurement date	<u>96,557</u>	<u>-</u>
	<u><u>\$402,628</u></u>	<u><u>\$(116,121)</u></u>

The Town reported \$96,557 as deferred outflows of resources related to pensions resulting from the Town's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>
2024	\$ 58,933
2025	(8,295)
2026	149,176
2027	<u>(9,864)</u>
Total	<u><u>\$189,950</u></u>

Note 14 - ON-BEHALF PAYMENTS FOR SUPPLEMENTAL PAY

The Town recognizes as revenues and expenditures salary supplements, which includes the police, which the State of Louisiana has paid directly to the Town's employees. As of December 31, 2023, the total on-behalf payments made amounted to \$34,053.

Note 15 - CONTINGENCIES

The Town received funding under grants from various Federal and state governmental agencies. The agency grants specify the purpose for which the grant monies are to be used; the grants are subject to audit by the granting agency or its representative.

As of December 31, 2023, the Town was defendant to lawsuits. In the opinion of Town management, the ultimate outcome of these legal matters will not have a material adverse effect on the Town's financial position (see Note 11).

Note 16 - CONSTRUCTION COMMITMENTS

As of December 31, 2023, the Town has a contract for the construction of the North Sewer Treatment Plant of approximately \$305,000 and has spent approximately \$35,000 for the construction and has a remaining commitment of approximately \$270,000.

Note 17 - SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through April 17, 2024, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN THE TOWN'S
TOTAL OPEB LIABILITY AND RELATED RATIOS**

**Town of Golden Meadow
Golden Meadow, Louisiana**

For the six years ended December 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability						
Service cost	\$ 13,739	\$ 19,619	\$ 18,842	\$ (16,440)	\$ 16,616	\$ 19,705
Interest	19,110	9,090	9,330	14,050	17,290	14,574
Difference between expected and actual experience	(8,823)	92,095	(8,375)	(95,985)	60,896	10,064
Changes in assumptions or other inputs	21,837	(34,704)	2,597	11,551	50,262	(25,278)
Benefit payments	(11,283)	(10,695)	(21,606)	(20,480)	(20,518)	(19,448)
Net change in total OPEB liability	34,580	75,405	788	(107,304)	124,546	(383)
Total OPEB liability, beginning of year	<u>506,847</u>	<u>431,442</u>	<u>430,654</u>	<u>537,958</u>	<u>413,412</u>	<u>413,795</u>
Total OPEB liability, end of year	<u>\$541,427</u>	<u>\$506,847</u>	<u>\$431,442</u>	<u>\$430,654</u>	<u>\$537,958</u>	<u>\$413,412</u>
Covered employee payroll	<u>\$667,606</u>	<u>\$648,161</u>	<u>\$876,819</u>	<u>\$851,281</u>	<u>\$789,358</u>	<u>\$766,367</u>
Total OPEB liability, as a percentage of covered employee payroll	<u>81.10%</u>	<u>78.20%</u>	<u>49.21%</u>	<u>50.59%</u>	<u>68.15%</u>	<u>53.94%</u>
Notes to schedule						
Changes in benefit terms:	None	None	None	None	None	None
Changes of assumptions and other inputs reflected the effects of changes in the discount rate each period - discount rate	<u>3.26%</u>	<u>3.72%</u>	<u>2.06%</u>	<u>2.12%</u>	<u>2.74%</u>	<u>4.10%</u>

The schedule is provided beginning with the Town's year ended December 31, 2018 and is intended to show a ten year trend. Additional years will be reported as they become available.

**SCHEDULE OF THE TOWN'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - MERS**

**Town of Golden Meadow
Golden Meadow, Louisiana**

For the nine years ended December 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	<u>0.230101%</u>	<u>0.276564%</u>	<u>0.251768%</u>	<u>0.231987%</u>	<u>0.226663%</u>	<u>0.258214%</u>	<u>0.248596%</u>	<u>0.234037%</u>	<u>0.227073%</u>
Town's proportionate share of the net pension liability	<u>\$840,988</u>	<u>\$1,148,635</u>	<u>\$700,294</u>	<u>\$1,002,975</u>	<u>\$947,148</u>	<u>\$1,069,181</u>	<u>\$1,039,982</u>	<u>\$959,250</u>	<u>\$811,140</u>
Town's covered employee payroll	<u>\$469,273</u>	<u>\$530,046</u>	<u>\$496,313</u>	<u>\$443,401</u>	<u>\$419,597</u>	<u>\$471,429</u>	<u>\$453,547</u>	<u>\$418,071</u>	<u>\$387,559</u>
Town's proportionate share of the net pension liability as a percentage of its covered employee payroll	<u>179.211%</u>	<u>216.705%</u>	<u>141.099%</u>	<u>226.200%</u>	<u>225.728%</u>	<u>226.796%</u>	<u>229.300%</u>	<u>229.447%</u>	<u>209.295%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>72.46%</u>	<u>67.87%</u>	<u>77.82%</u>	<u>64.52%</u>	<u>64.68%</u>	<u>65.60%</u>	<u>62.49%</u>	<u>62.11%</u>	<u>66.18%</u>

The schedule is provided beginning with the Town's year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

**SCHEDULE OF THE TOWN'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - MPERS**

Town of Golden Meadow
Golden Meadow, Louisiana

For the nine years ended December 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	<u>0.065468%</u>	<u>0.063209%</u>	<u>0.054928%</u>	<u>0.055777%</u>	<u>0.035071%</u>	<u>0.036080%</u>	<u>0.036591%</u>	<u>0.033803%</u>	<u>0.023926%</u>
Town's proportionate share of the net pension liability	<u>\$691,667</u>	<u>\$646,108</u>	<u>\$292,796</u>	<u>\$515,509</u>	<u>\$318,503</u>	<u>\$305,023</u>	<u>\$319,455</u>	<u>\$316,829</u>	<u>\$187,435</u>
Town's covered employee payroll	<u>\$224,170</u>	<u>\$191,464</u>	<u>\$168,186</u>	<u>\$172,281</u>	<u>\$104,044</u>	<u>\$106,477</u>	<u>\$109,235</u>	<u>\$94,689</u>	<u>\$63,998</u>
Town's proportionate share of the net pension liability as a percentage of its covered employee payroll	<u>308.546%</u>	<u>337.457%</u>	<u>174.091%</u>	<u>299.226%</u>	<u>306.123%</u>	<u>286.468%</u>	<u>292.447%</u>	<u>334.600%</u>	<u>292.876%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>71.30%</u>	<u>70.80%</u>	<u>84.09%</u>	<u>70.94%</u>	<u>71.01%</u>	<u>71.89%</u>	<u>70.08%</u>	<u>66.04%</u>	<u>70.73%</u>

The schedule is provided beginning with the Town's year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

SCHEDULE OF THE TOWN'S CONTRIBUTIONS - MERS

Town of Golden Meadow
Golden Meadow, Louisiana

For the nine years ended December 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 135,328	\$ 149,690	\$ 145,062	\$ 144,733	\$ 112,135	\$ 114,762	\$ 109,177	\$ 93,354	\$ 78,300
Contributions in relation to the contractually required contribution	<u>135,328</u>	<u>149,690</u>	<u>145,062</u>		<u>112,135</u>	<u>114,762</u>	<u>109,177</u>	<u>93,354</u>	<u>78,300</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 144,733</u>	<u>\$ -</u>				
Town's covered employee payroll	<u>\$ 458,740</u>	<u>\$ 507,425</u>	<u>\$ 491,735</u>	<u>\$ 504,353</u>	<u>\$ 417,022</u>	<u>\$ 452,851</u>	<u>\$ 459,410</u>	<u>\$ 438,340</u>	<u>\$ 396,455</u>
Contributions as a percentage of covered employee payroll	<u>29.50%</u>	<u>29.50%</u>	<u>29.50%</u>	<u>0.00%</u>	<u>26.89%</u>	<u>25.34%</u>	<u>23.76%</u>	<u>21.30%</u>	<u>19.75%</u>

The schedule is provided beginning with the Town's year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

SCHEDULE OF THE TOWN'S CONTRIBUTIONS - MPERS

Town of Golden Meadow
Golden Meadow, Louisiana

For the nine years ended December 31, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 64,010	\$ 63,491	\$ 54,181	\$ 52,798	\$ 48,341	\$ 31,990	\$ 34,533	\$ 32,971	\$ 22,378
Contributions in relation to the contractually required contribution	<u>64,010</u>	<u>63,491</u>	<u>54,181</u>		<u>48,341</u>	<u>31,990</u>	<u>34,533</u>	<u>32,971</u>	<u>22,378</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,798</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered employee payroll	<u>\$ 196,401</u>	<u>\$ 208,276</u>	<u>\$ 170,626</u>	<u>\$ 159,276</u>	<u>\$ 149,154</u>	<u>\$ 101,566</u>	<u>\$ 110,512</u>	<u>\$ 107,632</u>	<u>\$ 73,663</u>
Contributions as a percentage of covered employee payroll	<u>32.59%</u>	<u>30.48%</u>	<u>31.75%</u>	<u>0.00%</u>	<u>32.41%</u>	<u>31.50%</u>	<u>31.25%</u>	<u>30.63%</u>	<u>30.38%</u>

The schedule is provided beginning with the Town's year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

SUPPLEMENTARY INFORMATION

COMPENSATION PAID TO MEMBERS OF THE TOWN COUNCIL**Town of Golden Meadow**
Golden Meadow, Louisiana

For the year ended December 31, 2023

<u>Name</u>	<u>Office</u>	<u>Compensation</u>	<u>Per Diem*</u>
Joey Bouziga	Mayor	\$ 55,664	\$ -
Jody Cheramie	Councilman	-	5,785
Kip Plaisance	Councilman	-	6,612
Laci Latiolais	Councilwoman	-	6,612
Mike Billiot	Councilman	-	6,612
Willis Toups	Councilman	-	6,612
Totals		<u>\$ 55,664</u>	<u>\$ 32,233</u>

* Per diem paid at the rate of \$551 for the regular monthly meeting. There are no additional per diem fees paid for attendance at special meetings of the Town.

In 2022, the Council adopted an ordinance to allow board members to receive per diem for attending events representing the Town in substitute of meetings they are unable to attend.

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

Agency Head Name: Joey Bouziga, Mayor

Purpose

Salary	\$ 55,664
Benefits - insurance	363
Benefits - retirement	16,421
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
	<hr/>
	\$ 72,448
	<hr/> <hr/>

JUSTICE SYSTEM FUNDING SCHEDULE -
COLLECTING/DISBURSING ENTITY AS REQUIRED
BY ACT 87 OF THE 2020 REGULAR LEGISLATIVE SESSION

Town of Golden Meadow
Golden Meadow, Louisiana

December 31, 2023

	<u>First Six Month Period Ended June 30, 2023</u>	<u>Second Six Month Period Ended December 31, 2023</u>
Beginning balance of amounts collected	\$ -	\$ -
Collections:		
Bond fees	400	400
Criminal Court Costs - fees	309,581	298,377
Criminal Court Fines - contempt	32,143	24,852
Civil Court Fines - other	3,225	3,114
Total collections	<u>345,349</u>	<u>326,743</u>
Disbursements to Governments and Nonprofits:		
Louisiana Traumatic Head and Spine Cord Injury Trust Fund - fees from criminal fines	2,830	3,817
Louisiana Commission on Law Enforcement - fees from criminal fines	1,821	3,998
Louisiana Judicial College - fees from criminal fees	459	689
Treasurer, State of Louisiana - case management information system	1,886	2,538
Crimestoppers - fees from criminal fines	1,840	2,750
Southeast LA Regional Criminalistic Laboratory - fees from criminal fines	-	150
Amounts Retained By Collecting Agency:		
Amounts "self-disbursed" to collecting agency:		
Bond fees	400	400
Criminal Court Costs - fees	300,745	284,435
Criminal Fines - contempt	32,143	24,852
Criminal Fees - other	3,225	3,114
Total disbursements to governments and nonprofits	<u>345,349</u>	<u>326,743</u>
Ending balance of amounts collected but not disbursed/retained	<u>\$ -</u>	<u>\$ -</u>

JUSTICE SYSTEM FUNDING SCHEDULE -
RECEIVING ENTITY AS REQUIRED BY ACT 87
OF THE 2020 REGULAR LEGISLATIVE SESSION

Town of Golden Meadow
Golden Meadow, Louisiana

December 31, 2023

	<u>First Six Month Period Ended June 30, 2023</u>	<u>Second Six Month Period Ended December 31, 2023</u>
Receipts from:		
Lafourche Parish Sheriff - bond fees	\$ 1,700	\$ 5,800
Department of Motor Vehicles - Criminal Court costs/fees	<u>650</u>	<u>1,075</u>
Total receipts	<u><u>\$ 2,350</u></u>	<u><u>\$ 6,875</u></u>

STATISTICAL INFORMATION SECTION
(UNAUDITED)

Table 1

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

Town of Golden Meadow
Golden Meadow, Louisiana

Last Ten Years
(Unaudited)

<u>Year</u>	<u>General Government</u>	<u>Public Safety Police</u>	<u>Streets and Highways</u>	<u>Sanitation</u>	<u>Drainage and Levee</u>	<u>Culture and Recreation</u>	<u>Debt Service</u>	<u>Totals</u>
2014	\$357,176	\$590,497	\$256,058	\$14,290	\$157,039	\$133,899	\$31,714	\$1,540,673
2015	\$361,372	\$616,383	\$211,608	\$13,475	\$191,114	\$147,890	\$271,706	\$1,813,548
2016	\$388,930	\$640,895	\$244,840	\$16,654	\$175,335	\$153,087	\$24,816	\$1,644,557
2017	\$384,995	\$666,613	\$243,600	\$12,550	\$179,739	\$152,002	\$24,612	\$1,664,111
2018	\$425,646	\$715,293	\$251,508	\$16,412	\$148,888	\$135,663	\$24,612	\$1,718,022
2019	\$423,684	\$701,513	\$236,131	\$14,389	\$115,973	\$155,822	\$24,612	\$1,672,124
2020	\$481,002	\$700,968	\$273,908	\$12,112	\$137,710	\$150,921	\$12,304	\$1,768,925
2021	\$639,727	\$730,289	\$220,465	\$7,934	\$147,087	\$128,256	-	\$1,873,758
2022	\$610,525	\$721,773	\$231,073	\$13,902	\$119,172	\$141,231	-	\$1,837,676
2023	\$629,972	\$729,563	\$368,569	\$10,936	\$125,547	\$180,924	-	\$2,045,511

Note:
Includes General, Debt Service, and Capital Projects Funds (amounts do not include the Capital Outlay expenditures of the funds).

GENERAL GOVERNMENTAL REVENUE BY SOURCE

Town of Golden Meadow
Golden Meadow, Louisiana

Last Ten Years
(Unaudited)

<u>Year</u>	<u>Taxes</u>	<u>Fines and Forfeitures</u>	<u>Intergovernmental Revenues</u>	<u>License, Permits, and Franchises</u>	<u>Charges for Services</u>	<u>Investment Income</u>	<u>Miscellaneous Revenues</u>	<u>Totals</u>
2014	\$1,253,213	\$516,041	\$828,899	\$197,099	\$66,227	\$3,374	\$38,985	\$2,903,838
2015	\$1,100,132	\$902,182	\$703,371	\$223,042	\$53,440	\$5,634	\$71,550	\$3,059,351
2016	\$986,562	\$603,041	\$1,593,350	\$182,833	\$49,325	\$12,796	\$30,078	\$3,457,985
2017	\$816,086	\$770,925	\$688,454	\$164,595	\$57,589	\$24,783	\$57,041	\$2,579,473
2018	\$913,069	\$925,526	\$119,916	\$159,045	\$47,004	\$56,513	\$34,987	\$2,256,060
2019	\$1,000,069	\$660,531	\$434,997	\$170,181	\$53,944	\$74,932	\$28,793	\$2,423,447
2020	\$821,515	\$404,935	\$214,123	\$160,395	\$31,832	\$31,362	\$23,604	\$1,687,766
2021	\$956,510	\$585,167	\$453,532	\$162,546	\$26,990	\$5,342	\$26,586	\$2,216,673
2022	\$1,281,914	\$624,545	\$906,726	\$148,539	\$32,081	\$58,211	\$81,889	\$3,133,905
2023	\$1,398,439	\$672,093	\$707,931	\$161,394	\$44,423	\$198,384	\$56,153	\$3,238,817

Note:

Includes General, Debt Service, and Capital Projects Fund.

PROPERTY TAX LEVIES AND COLLECTIONS**Town of Golden Meadow**
Golden Meadow, LouisianaLast Ten Years
(Unaudited)

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Tax Levy</u>
2014	\$195,138	\$144,060	73.8%	\$44,781	\$188,841	96.8%	\$6,297	3.2%
2015	\$213,815	\$172,037	80.5%	\$37,161	\$209,198	97.8%	\$4,617	2.2%
2016	\$200,884	\$120,911	60.2%	\$78,573	\$199,484	99.3%	\$1,400	0.7%
2017	\$193,202	\$146,154	75.6%	\$44,298	\$190,452	98.6%	\$2,750	1.4%
2018	\$192,901	\$98,222	50.9%	\$93,257	\$191,479	99.3%	\$1,422	0.7%
2019	\$192,707	\$147,152	76.4%	\$42,823	\$189,975	98.6%	\$2,732	1.4%
2020	\$203,286	\$127,425	62.7%	\$73,711	\$201,136	98.9%	\$2,150	1.1%
2021 ⁽¹⁾	\$146,103	\$128,752	88.1%	\$10,737	\$139,489	95.5%	\$6,614	4.5%
2022	\$228,440	\$111,805	48.9%	\$111,693	\$223,498	97.8%	\$4,942	2.2%
2023	\$203,767	\$147,597	72.4%	\$0	\$147,597	72.4%	\$56,170	27.6%

Note:

⁽¹⁾ 2021 property assessments were delayed until March 2022 due to Hurricane Ida. Taxes are considered delinquent if not paid by May 31, 2022.

PRINCIPAL TAXPAYERS**Town of Golden Meadow**
Golden Meadow, LouisianaDecember 31, 2023
(Unaudited)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2023 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
State Bank & Trust Co.	Bank	\$ 719,360	7.47%
Texas Petroleum Investments	Oil and Gas	694,810	7.21%
Bigge Crane and Rigging	Leased Equipment	565,950	5.87%
United Community Bank	Bank	536,770	5.57%
Bigge Holding Company	Leased Equipment	378,370	3.93%
Lafourche Telephone Co.	Telephone	311,200	3.23%
JRE Lafourche Investment	Real Estate	277,300	2.88%
Gaubert Oil Co. Inc.	Oil and Gas	180,650	1.88%
Rouse's Market	Supermarket	158,330	1.64%
The Vindez Corporation (Dollar General)	Retail	<u>115,250</u>	<u>1.20%</u>
Totals		<u>\$ 3,937,990</u>	<u>40.88%</u>

Table 5

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA**

**Town of Golden Meadow
Golden Meadow, Louisiana**

Last Ten Years
(Unaudited)

<u>Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Debt Service Monies Available</u>	<u>Net Bonded Debt</u>	<u>Percent of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capital</u>
2014	2,076	\$9,226,370	\$245,305	\$14,400	\$230,905	2.50%	111.23
2015	2,060	\$10,109,430	-	-	-	0.00%	-
2016	2,038	\$9,497,770	-	-	-	0.00%	-
2017	2,000	\$9,134,570	-	-	-	0.00%	-
2018	2,000	\$9,056,370	-	-	-	0.00%	-
2019	2,000	\$9,041,100	-	-	-	0.00%	-
2020	2,000	\$9,611,730	-	-	-	0.00%	-
2021	1,986	\$6,863,680	-	-	-	0.00%	-
2022	1,761	\$10,801,040	-	-	-	0.00%	-
2023	1,761	\$9,634,440	-	-	-	0.00%	-

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**

**Town of Golden Meadow
Golden Meadow, Louisiana**

Last Ten Years
(Unaudited)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures*</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
2014	\$2,954	\$11,102	\$14,056	\$1,540,673	0.9%
2015	\$245,305	\$3,933	\$249,238	\$1,813,548	13.7%
2016	-	-	-	\$1,644,557	0.0%
2017	-	-	-	\$1,664,111	0.0%
2018	-	-	-	\$1,718,022	0.0%
2019	-	-	-	\$1,672,124	0.0%
2020	-	-	-	\$1,768,925	0.0%
2021	-	-	-	\$1,873,758	0.0%
2022	-	-	-	\$1,837,676	0.0%
2023	-	-	-	\$2,045,511	0.0%

* Includes General Fund and Debt Service Fund (amounts do not include the Capital outlay expenditures of the funds).

MISCELLANEOUS STATISTICS**Town of Golden Meadow**
Golden Meadow, LouisianaDecember 31, 2023
(Unaudited)

Date of incorporation	July 17, 1950
Form of government	Mayor - Council
Area	4 square miles
Miles of street	11.5
Number of street lights	409
Fire protection: (volunteer firemen)	
Number of stations	2
Number of firemen	30
Police protection:	
Number of stations	1
Number of policemen and officers	5
Municipal sewer department:	
Number of consumers - December 31, 2023	418
Recreation and culture:	
Number of parks	1 with 40 acres
Employees:	
Excluding policemen and summer pool workers	7

INSURANCE IN FORCE**Town of Golden Meadow**

Golden Meadow, Louisiana

December 31, 2023

(Unaudited)

Name of Insurer	Policy Period		Details of Coverage	Amount
	From	To		
Great Lakes Insurance	7/21/2023	7/21/2024	Commercial property Multi-Purpose Building and Emergency Center	\$1,900,000
Continental Insurance Company	12/21/2022	12/21/2025	Public Employee's Blanket Bond	\$10,000
Travelers Casualty and Surty	1/1/2023	1/1/2024	Public Official's Bond - Chief of Police	\$5,000
CNA Surety	12/1/2023	12/1/2024	Official Bond and Oath-Town Clerk	\$10,000
Western Surety Company	10/1/2022	10/1/2025	Public Official's Bond - Mayor and Town Council Members	\$10,000
Louisiana Municipal Risk Management Agency	1/1/2023	1/1/2024	Workmen's Compensation	LA Statutes
Lloyd's/Lane & Associates	3/6/2023	3/6/2024	Automobile Collision/Comprehension - Various Autos Total (actual CV for cost of repair/ replacement, whichever is less) Deductible - specified perils Deductible - collision	\$242,466 \$250 \$250
Scottsdale Insurance Company	2/11/2023	2/11/2024	Commercial Inland Marine Coverage - Equipment total Physical damage Deductible	\$223,881 \$1,000
Great Lakes Insurance	11/20/2023	11/20/2024	DMV Building 80% Replacement Cost 80% Contents Deductible Wind and Hail - 5% deductible	\$151,700 \$52,000 \$2,500
Wright National Flood Insurance	12/19/2023	12/19/2024	Flood Insurance DMV Building Contents Deductible	\$200,000 \$100,000 \$1,250
Wright National Flood Insurance	8/20/2023	8/20/2024	Flood Insurance Town Hall-Building Town Hall-Contents Deductible	\$500,000 \$100,000 \$2,000

**Table 8
(Continued)**

Name of Insurer	Policy Period		Details of Coverage	Amount
	From	To		
Wright National Flood Insurance	8/26/2023	8/26/2024	Flood Insurance Senior Citizen-Building Senior Citizen-Contents Deductible	\$100,000 \$50,000 \$1,000
St. Paul Travelers P&C	1/7/2023	1/7/2024	Water Pumping Station - Dursette Street Limit per accident Spoilage Deductible	\$2,500,000 \$25,000 \$2,500
Louisiana Citizens Property	8/25/2023	8/25/2024	Commercial Fire, Wind and Hail - 80% Deductible 80% Co-Insurance Wind and Hail - 5% deductible Town Maintenance Building Pumping Station Park - Dressing/Restrooms Senior Citizens Building Senior Citizens Ceramic Shop Pavilion	\$2,500 \$45,000 \$15,000 \$40,000 \$90,000 \$15,000 \$60,000
Louisiana Municipal Risk Management Agency Liability Pool	5/1/2023	5/1/2024	Comprehensive Liability Coverage under the LMA Plan: 1 Comprehensive General Liability Medical Payments: Deductible - per person Deductible - per accident Deductible - per occurrence 2 Automobile Liability Deductible 3 Law Enforcement Officers' Comprehensive Liability Deductible 4 Public Official's Errors and Omissions Liability Deductible	\$500,000 \$1,000 \$10,000 \$50,000 \$500,000 \$ - \$500,000 \$1,000 \$500,000 \$1,000
Louisiana Citizens Property Insurance Corporation	11/12/2023	11/12/2024	Commercial Wind & Hail Coverage Maintenance Building Cover Over Fuel Tank 80% Co-Insurance Wind and Hail - 5% deductible	\$100,000 \$30,000
Lloyd's/Lane & Associates	11/12/2023	11/12/2024	Metal Buildings Building 1 Building 2 Deductible	\$340,000 \$80,000 \$2,500

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

**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**

To the Honorable Joey Bouziga, Mayor
and Members of the Town Council,
Town of Golden Meadow,
Golden Meadow, Louisiana.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Golden Meadow, Louisiana (the “Town”) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements and have issued our report thereon dated April 17, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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 Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
April 17, 2024.

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

To the Honorable Joey Bouziga, Mayor
and Members of the Town Council,
Town of Golden Meadow,
Golden Meadow, Louisiana.

Report on Compliance for Each Major Federal Program

Opinion of Each Major Federal Program

We have audited Town of Golden Meadow’s (the “Town”) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town’s major federal programs for the year ended December 31, 2023. The Town’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 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 of the year end December 31, 2023.

Basis for Opinion of 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 the Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Our responsibility 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 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town'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 on 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 that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is 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'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 judgement 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 risk. Such procedures include examining, on a test basis, evidence regarding the Town'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's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section 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 those limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weakness, 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 expression on 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
April 17, 2024.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**Town of Golden Meadow**
Golden Meadow, Louisiana

For the year ended December 31, 2023

<u>Federal Grantor/ Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing</u>	<u>Federal Award/ Pass-Through Entity Identifying Number</u>	<u>Subrecipients</u>	<u>Federal Expenditures</u>
U.S. Department of Homeland Security:				
Pass-through:				
State of Louisiana				
Department of Homeland Security				
Disaster Grants- Public Assistance				
Hurricane Ida				
	97.036	4611-DR-LA		<u>\$474,704</u>
U.S. Department of the Treasury				
Department of Treasury:				
COVID-19 - Coronavirus State and Local Fiscal				
Recovery Funds				
	21.027			<u>343,016</u>
U.S. Environmental Protection Agency				
Pass-through:				
State of Louisiana				
Department of Environmental Quality				
Clean Water State Revolving Fund				
	66.458			<u>70,486</u>
U.S. Department of Housing and Urban Development:				
Pass-through:				
State of Louisiana				
Division of Administration				
Office of Community Development				
Community Development Block Grants				
	14.228	B-19-DC-22-0001		<u>15,649</u>
Totals			<u>\$ -</u>	<u>\$903,855</u>

See notes to schedule of expenditures of federal awards.

**NOTES TO SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

Note 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the SEFA) includes the federal award activity of the Town under programs of the federal government for the year ended December 31, 2023. The information in this SEFA is presented in accordance with the requirements of Uniform Guidance. Because the SEFA presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- (1) Expenditures reported on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) The Town has elected not to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 - FINDINGS OF NONCOMPLIANCE

There were no Federal award findings or questioned costs reported during the audit for the year ended December 31, 2023.

Note 4 - RECONCILIATION TO FINANCIAL STATEMENTS

Total federal expenditures reported	\$ 903,855
Federal revenue recognized in the prior year	<u>(343,016)</u>
Federal revenue in current year	<u>\$ 560,839</u>

Note 5 - SUBRECIPIENTS

The Town did not pass-through any of its federal awards to a subrecipient during the fiscal year.

Note 6 - NON-CASH ASSISTANCE

No Federal awards were expended in the form of non-cash assistance during the fiscal year.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

Section I - Summary of Auditor's Results

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be a material weakness? Yes None reported

Noncompliance material to financial statements noted? Yes No

b) Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be a material weakness? Yes None reported

Type of auditor's report issued on compliance for major programs: unmodified

- Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance Requirements? Yes No

Section I - Summary of Auditor's Results (Continued)

a) Identification of Major Programs:

<u>Federal Assistance Listing</u>	<u>Name of Federal Program</u>
66.458	U.S. Environmental Protection Agency Clean Water State Revolving Fund
21.027	U.S. Department of the Treasury COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish
between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? Yes No

Section II - Financial Statement Findings

No financial statement findings were reported during the audit for the year ended December 31, 2023.

Section III - Federal Award Findings and Questioned Costs

There were no Federal award findings or questioned costs reported during the audit for the year ended December 31, 2023.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Town of Golden Meadow Golden Meadow, Louisiana

For the year ended December 31, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit for the year ended December 31, 2022.

No significant deficiencies were reported during the audit for year ended December 31, 2022.

Compliance and Other Matters

No compliance findings material to the basic financial statements were reported during the audit for the year ended December 31, 2022.

Section II - Internal Control and Compliance Material to Federal Awards

There were no federal award findings or questioned cost reported during the audit for the year ended December 31, 2022.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2022.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit for the year ended December 31, 2023.

No significant deficiencies were reported during the audit for year ended December 31, 2023.

Compliance and Other Matters

No compliance findings material to the basic financial statements were reported during the audit for the year ended December 31, 2023.

Section II - Internal Control and Compliance Material to Federal Awards

There were no federal award findings or questioned costs reported during the audit for the year ended December 31, 2023.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2023.

STATEWIDE AGREED-UPON PROCEDURES

INDEPENDENT ACCOUNTANT’S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Honorable Joey Bouziga, Mayor
and Members of the Town Council,
Town of Golden Meadow,
Golden Meadow, Louisiana.

We have performed the procedures described in Schedule 6 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor’s (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2023 through December 31, 2023. Town of Golden Meadow (the “Town”) 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 the LLA’s SAUPs for the fiscal period January 1, 2023 through December 31, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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 responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 6.

We were engaged by the Town to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the 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 these 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.

Bourgeois Bennett, L.L.C.

Certified Public Accountants

Houma, Louisiana,
April 17, 2024.

SCHEDULE OF PROCEDURES AND ASSOCIATED FINDINGS
OF THE STATEWIDE AGREED-UPON PROCEDURES

Town of Golden Meadow
Golden Meadow, Louisiana

For the year ended December 31, 2023

The required procedures and our findings are as follows:

1) Procedures Performed on the Town's Written Policies and Procedures:

A. Obtain and inspect the Town's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the Town's operations:

i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

Performance: Obtained and read the written policy for budgeting and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

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.

Performance: Obtained and read the written policy for purchasing and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

iii. **Disbursements**, including processing, reviewing, and approving.

Performance: Obtained and read the written policy for disbursements and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of each type of revenue or Town 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).

Performance: Obtained and read the written policy for receipts and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

1) **Procedures Performed on the Town's Written Policies and Procedures: (Continued)**

- 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.
Performance: Obtained and read the written policy for payroll and personnel and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- 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.
Performance: Obtained and read the purchasing handbook for contracting and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Performance: Obtained and read the written policy for travel and expense reimbursement and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- 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).
Performance: Obtained and read the written policy for credit cards and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- 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 Town's ethics policy.
Performance: Obtained and read the written policy for ethics and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

1) Procedures Performed on the Town's Written Policies and Procedures: (Continued)

- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Performance: Obtained and read the written policy for debt service and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- 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.
Performance: Obtained and read the written policy for information technology disaster recovery/business continuity and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
- 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.
Performance: Obtained and read the written policy for sexual harassment.
Exceptions: There was an exception noted due to the Town not including annual reporting in their policy.

2) Procedures Performed on the Town's 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 met with a quorum at least monthly, or on a frequency in accordance with the board/finance committee's enabling legislation, charter, bylaws, or other equivalent document.
Performance: Obtained and read the written minutes of the Board meetings.
Exceptions: There was an exception noted due to a cancelled meeting not being rescheduled.
 - 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 comparisons, at a minimum, on all proprietary funds, and semi-annual budget-to-actual comparisons, at a minimum, on all special revenue funds.
Performance: Obtained and read the written minutes of the board meetings and observed that monthly budget-to-actual comparisons were included.
Exceptions: There were no exceptions noted.

2) Procedures Performed on the Town's Board or Finance Committee: (Continued)

- 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 unrestricted fund balance in the general fund.

Performance: Obtained the prior year's audit report and observed the unassigned fund balance in the General Fund. The General Fund did not have a negative ending unassigned fund balance.

Exceptions: There were no exceptions noted.

- 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.

Performance: The Town did not have any findings in the prior year's audit report.

Exceptions: There were no exceptions noted.

3) Procedures Performed on the Town's Bank Reconciliations:

- A. Obtain a listing of the Town's bank accounts from management and management's representation that the listing is complete. Ask management to identify the Town's main operating account. Select the Town'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:

Performance: Obtained the listing of bank accounts from management and received management's representation in a separate letter.

Exceptions: There were no exceptions noted.

- 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):

Performance: Obtained monthly bank reconciliation for the month of December for the main operating bank account and 4 additional accounts. Inspected management's documentation for timely preparation of the bank reconciliations.

Exceptions: There were no exceptions noted.

- 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 within one month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and

Performance: Inspected the Town's documentation for the December bank reconciliation for the 5 bank accounts selected.

Exceptions: There were no exceptions noted.

3) Procedures Performed on the Town's Bank Reconciliations: (Continued)

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

Performance: Inspected documents for items outstanding for more than 12 months.

Exceptions: There were no exceptions noted.

4) Procedures Performed on the Town's Collections (Excluding Electronic Funds Transfers):

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/check/money order (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).

Performance: Obtained the listing of deposit sites from management and received management's representation in a separate letter. The Town has only one deposit site.

Exceptions: There were no exceptions noted.

- 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:

Performance: Obtained the listing of collection locations from management and received management's representation in a separate letter. The Town has one deposit site with one collection location.

Exceptions: There were no exceptions noted.

- i. Employees responsible for cash collections do not share cash drawers/registers.
 - Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

- ii. Each employee responsible for collecting cash is also not responsible for preparing/making bank deposits, unless other employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

**4) Procedures Performed on the Town's Collections (Excluding Electronic Funds Transfers):
(Continued)**

- 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

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Performance: Inspected policy manuals, inquired of client as to all of the requirements.

Exceptions: There were no exceptions noted.

- 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.

Performance: Obtained a copy of the insurance policy for theft and a listing of all employees covered by the policy. The policy was in force during the fiscal period.

Exceptions: There were no exceptions noted.

- D. Randomly select 2 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 randomly select a deposit if multiple deposits are made on the same day). 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.

Performance: Obtained supporting documentation for the selected deposits and observed that receipts were sequentially pre-numbered.

Exceptions: There were no exceptions noted.

- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Performance: Traced supporting documentation to the deposit slip.

Exceptions: There were no exceptions noted.

**4) Procedures Performed on the Town's Collections (Excluding Electronic Funds Transfers):
(Continued)**

- iii. Trace the deposit slip total to the actual deposit per the bank statement.
Performance: Traced deposit slip total to the actual deposit per the bank statement.
Exceptions: There were no exceptions noted.
- 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).
Performance: Observed that the deposits tested were made within one business day of receipt.
Exceptions: There were no exceptions noted.
- v. Trace the actual deposit per the bank statement to the general ledger.
Performance: Traced the actual deposit per the bank statement to the general ledger.
Exceptions: There were no exceptions noted.

5) Procedures Performed on the Town's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, And Petty Cash Purchases):

- A. Obtain a listing of locations that process payments for the fiscal period from management, and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
Performance: Obtained a listing of locations that process payments for the fiscal period from management and received management's representation in a separate letter. The Town only has one location that processes payments.
Exceptions: There were no exceptions noted.
- B. For each location selected under procedure #5A, 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 Town has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
Performance: Obtained a listing of employees involved in non-payroll purchasing and payment functions and reviewed written policies and procedures related to employee job duties. Observed if the job duties were properly segregated.
Exceptions: There were exceptions noted.
- i. At least 2 employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase.
Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.
Exceptions: There were no exceptions noted.

5) Procedures Performed on the Town's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

- ii. At least 2 employees are involved in processing and approving payments to vendors.
Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.
Exceptions: There were no exceptions noted.
 - 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.
Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.
Exceptions: There was an exception noted due to the same employee being responsible for processing payments and adding/modifying 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.
Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.
Exceptions: There were no exceptions noted.
 - 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.
Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.
Exceptions: There were no exceptions noted.
- C. For each location selected under procedure #5A, obtain the Town'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:
Performance: Obtained the Town's non-payroll disbursement transaction population and management's representation that the population is complete.
Exceptions: There were no exceptions noted.

5) Procedures Performed on the Town's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the Town.

Performance: Observed that the 5 disbursements matched the related original invoice/billing statements.

Exceptions: There were no exceptions noted.

- ii. Observe whether that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B, as applicable.

Performance: Observed the 5 disbursements included evidence of segregation of duties.

Exceptions: There were no exceptions noted.

- D. Using the Town'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 Town's policy, and (b) approved by the required number of authorized signers per the Town's policy.

Performance: Observed the 5 disbursements being processed electronically included evidence of the required number of approvals (two approvals) by persons authorized to disburse funds and authorized signers.

Exceptions: There were no exceptions noted.

6) Procedures Performed on the Town's 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.

Performance: Obtained all active cards for the fiscal period, including the card numbers and the names of the persons who maintain possession of the cards, and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

- 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:

6) Procedures Performed on the Town's Credit Cards Debit Cards Fuel Cards, Purchase Cards (Cards): (Continued)

- 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
Performance: Observed evidence that the statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.
Exceptions: There were no exceptions noted.
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
Performance: Observed that finance charges and/or late fees were not assessed on the selected statements.
Exceptions: There were no exceptions noted.
- C. Using the monthly statements or combined statements selected under procedure #6B, 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, report whether the transaction is supported by:
- i. An original itemized receipt that identifies precisely what was purchased.
Performance: Observed that the transactions from the monthly statements were supported by original itemized receipts that identifies precisely what was purchased.
Exceptions: There were no exceptions noted.
 - ii. Written documentation of the business/public purpose.
Performance: Observed that the transactions from the monthly statements were supported with written documentation of the business/public purpose.
Exceptions: There were no exceptions noted.
 - iii. Documentation of the individuals participating in meals (for meal charges only).
Performance: Observed transactions for any meal charges and documentation of the individuals participating in meals.
Exceptions: There were no exceptions noted.

7) Procedures Performed on the Town's 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:

Performance: Obtained a list of all travel and travel-related expense reimbursements, and received management's representation in a separate letter that the listing is completed.
Exceptions: There were no exceptions noted.

- 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).

Performance: Agreed per diem reimbursements to the rates established by the U.S. General Services Administration.

Exceptions: There were no exceptions noted.

- ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

Performance: Observed that the reimbursements for actual costs were supported by original itemized receipts that identified precisely what was purchased.

Exceptions: There were no exceptions noted.

- 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).

Performance: Observed that each reimbursement had evidence of documentation of the business/public purpose and other documentation required by written policy.

Exceptions: There were no exceptions noted.

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

Performance: Observed that each reimbursement was reviewed and approved by someone other than the person receiving the reimbursement.

Exceptions: There were no exceptions noted.

8) Procedures Performed on the Town's 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:

Performance: Observed the listing of contracts in effect during the fiscal year from management and received management's representation in a separate letter that the listing is complete.

Exceptions: There were no exceptions noted.

- 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.

Performance: Inspected supporting contract documentation and inquired of client about any contracts subject to Louisiana Public Bid Law.

Exceptions: There were no exceptions noted.

- 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).

Performance: Inspected whether the contracts needed board approval.

Exceptions: There were no exceptions noted.

- 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).

Performance: Inspected contracts and inquired of client about any amendments to contracts in the fiscal year. Amendments were made in compliance of grant terms.

Exceptions: There were no exceptions noted.

- 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.

Performance: Observed the supporting invoices for the 5 contracts selected, agreed the invoice to the contract terms, and observed if the invoices and related payment agreed to the terms and conditions of the contract.

Exceptions: There were no exceptions noted.

9) Procedures Performed on the Town's 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.

Performance: Obtained the listing of employees and their related salaries from management and management's representations that the listing is complete.

Exceptions: There were no exceptions noted.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A, 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).

Performance: Inspected all daily attendance and leave records for proper documentation.

Exceptions: There were no exceptions noted.

- ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials.

Performance: Inspected the approval of attendance and leave by the supervisors for the selected employee/officials.

Exceptions: There were no exceptions noted.

- iii. Observe that any leave accrued or taken during the pay period is reflected in the Town's cumulative leave records.

Performance: Inspected any leave accrued or taken during the pay period was reflected in the cumulative leave records.

Exceptions: There were no exceptions noted.

- iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Performance: Inspected and agreed the rate paid to employees to the authorized pay rate in the personnel files.

Exceptions: There were no exceptions noted.

9) Procedures Performed on the District's Payroll and Personnel: (Continued)

- 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, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the Town's policy on termination payments. Agree the hours to the employees' or officials' cumulative leave records, agree the pay rates to the employees'/officials' authorized pay rates in the employees'/officials' personnel files, and agree the termination payment to the Town's policy.

Performance: Obtained a listing of those employees/officials that terminated during the fiscal period and management's representation that the list is complete. Agreed the hours to the employees' cumulative leave records, agreed the pay rates to the employees' authorized rates in the employees' personnel file, and agreed the termination payment to the Town's policy.

Exceptions: There were no exceptions noted.

- 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.

Performance: Inspected payroll reporting forms to confirm that all payments were submitted to the applicable agencies by the required deadlines and obtained management's representation in a separate letter.

Exceptions: There were no exceptions noted.

10) Procedures Performed on the Town's 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.

Performance: Observed ethics course completion certificates for the 5 employees tested.

Exceptions: There were no exceptions noted.

- ii. Observe whether the Town maintains documentation which demonstrates that each employee and official were notified of any changes to the Town's ethics policy during the fiscal period, as applicable.

Performance: There were no changes to the ethics policy during the year.

Exceptions: There were no exceptions noted.

- B. Inquire and/or observe whether the Town has appointed an ethics designee as required by R.S. 42:1170.

Performance: We inquired as to whether the Town appointed an ethics designee.

Exceptions: There were no exceptions noted.

11) Procedures Performed on the Town's 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.

Performance: Inquired of management regarding a listing of bonds/notes issued during the fiscal period, none were noted.

Exceptions: There were no exceptions noted.

- 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).

Performance: Inquired of management regarding a listing of bonds/notes outstanding at the end of the fiscal period. The Town did not issue any bonds/notes during the fiscal year.

Exceptions: There were no exceptions noted.

12) Procedures Performed on the Town's 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 Town reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the Town is domiciled as required by R.S. 24:523.

Performance: Inquired of management of any misappropriations of public funds and assets during the fiscal period; none were noted.

Exceptions: There were no exceptions noted.

- B. Observe that the Town 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.

Performance: Inspected the fraud notice posted on the premises and website concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions: There were no exceptions noted.

**13) Procedures Performed on the Town's 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 Town's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personal responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the Town's local server or network, and (c) was encrypted.

Performance: We performed the procedure and discussed the results with management.

ii. Obtain and inspect the Town's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

Performance: We performed the procedure and discussed the results with management.

iii. Obtain a listing of the Town'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.

Performance: We performed the procedure and discussed the results with management.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using a list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

Performance: We performed the procedure and discussed the results with management.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267. The requirements are as follows:

- Hired before June 9, 2020 - completed the training; and
- Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Performance: We performed the procedure and discussed the results with management.

14) Procedures Performed on the Town's Prevention of Sexual Harassment:

- A. Using the 5 randomly selected employees/officials from "Procedures Performed on the Town's Payroll and Personnel procedure" #9A, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

Performance: Observed sexual harassment training documentation for the employees selected.

Exceptions: There were no exceptions noted.

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

Performance: Observed the sexual harassment policy and complaint procedure was posted on the Town's website.

Exceptions: There were no exceptions noted.

- C. Obtain the Town'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:

Performance: Obtained the Town's annual sexual harassment report.

Exceptions: There were no exceptions noted.

- i. Number and percentage of public servants in the agency who have completed the training requirements.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

- ii. Number of sexual harassment complaints received by the agency.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

- iii. Number of complaints which resulted in a finding that sexual harassment occurred.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

14) Procedures Performed on the Town's Prevention of Sexual Harassment: (Continued)

v. Amount of time it took to resolve each complaint.

Performance: Obtained the annual sexual harassment report to observe it contained the above requirement.

Exceptions: There were no exceptions noted.

Management's Overall Response to Exceptions:

1)A(xii) Management will consider adding the required provision to the sexual harassment policy.

2)A(i) Management will ensure that the board meets twice a month.

5)B(iii) Management will consider having another employee reviewing changes to vendor files.