

TOWN OF WISNER

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

ROZIER, MCKAY, AND WILLIS
Certified Public Accountants
Alexandria, Louisiana

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December 8, 2022

Independent Auditors' Report

The Honorable Mayor
and Members of the Town Council
Town of Wisner, Louisiana

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Wisner, as of and for the year ended June 30, 2022, 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 of Wisner, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Wisner'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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a

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material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Wisner'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 of Wisner'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 the information listed below to supplement the basic financial statements.

- Management's Discussion and Analysis
- Budgetary Comparison Information
- Schedule of Net Pension Liability Data
- Schedule of Employer Contributions

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The other supplemental information listed in the table of

contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2022 on our consideration of the Town of Wisner's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Wisner's internal control over financial reporting and compliance

ROZIER, MCKAY & WILLIS
Certified Public Accountants
Alexandria, LA

TOWN OF WISNER

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

This section of the Town of Wisner's annual financial report presents our discussion and analysis of the Town's financial performance during the fiscal year ended June 30, 2022.

Overview of Financial Statements

The basic financial statements include government-wide financial statements and fund financial statements. These two types of financial statements present the Town's financial position and results of operations from differing perspectives which are described as follows:

Government –Wide Financial Statements

The government-wide financial statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Town's assets (including infrastructure acquired after July 1, 2003) and all of the Town's liabilities (including long-term debt).

The government-wide financial statements are divided into two categories, which are described as follows:

- **Governmental Activities** – Expenses incurred in connection with providing basic services including police protection, fire protection, culture, recreation, public works, and general administration are reported as governmental activities. The governmental activities are financed by taxes, license fees, fines, court cost, interest, grants, and contributions.
- **Business-Type Activities** – Expenses associated with providing water and sewer services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with water and sewer services are reported as business type activities.

Fund Financial Statements

Fund financial statements provide detailed information regarding the Town's most significant activities and are not intended to provide information for the Town as a whole. Funds are accounting devices that are used to account for specific sources of funds. The Town has two types of funds that are described as follows:

- **Governmental Funds** – These funds are used to account for essentially the same functions that are reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, the governmental funds use a modified accrual basis of accounting that provides a short-term view of the Town's finances. Assets reported by governmental funds are limited to amounts that are available for current needs. In addition, liabilities are limited to amounts that are expected to be paid from currently available assets.
- **Proprietary Fund** – These funds are used to account for activities that function in a manner similar to commercial enterprises, including activities associated with the Town's water and sewer services. Proprietary fund financial statements typically provide a more detailed presentation of the information reported in the business-type activities portion of the government-wide financial statements.

Financial Analysis of the Town as a Whole

A comparative analysis of government-wide data is presented as follows:

TOWN OF WISNER

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

Net Position

A condensed version of the government-wide Statement of Net Position is presented as follows:

	<u>June 30, 2022</u>			
	<u>Govern- mental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	<u>For the Year Ended June 30, 2021</u>
<u>Assets:</u>				
Current and Other Assets	\$ 102,707	\$ 110,198	\$ 212,905	\$ 201,504
Capital Assets	755,917	1,701,384	2,457,301	2,561,699
Total Assets	<u>858,624</u>	<u>1,811,582</u>	<u>2,670,206</u>	<u>2,763,203</u>
<u>Deferred Outflows:</u>				
Pension Funding Deferrals	<u>21,672</u>	<u>13,330</u>	<u>35,002</u>	<u>53,603</u>
<u>Liabilities:</u>				
Current and Other Liabilities	17,589	81,871	99,460	178,796
Long-term Liabilities	12,324	913,216	925,540	989,515
Total Liabilities	<u>29,913</u>	<u>995,087</u>	<u>1,025,000</u>	<u>1,168,311</u>
<u>Deferred Inflows:</u>				
Pension Funding Deferrals	<u>18,453</u>	<u>14,112</u>	<u>32,565</u>	<u>2,302</u>
<u>Net Position:</u>				
Invested in Capital Assets (Net)	755,917	854,183	1,610,100	1,644,683
Restricted	----	39,137	39,137	21,489
Unrestricted	76,013	(77,607)	(1,594)	(19,979)
Total Net Position	<u>\$ 831,930</u>	<u>\$ 815,713</u>	<u>\$ 1,647,643</u>	<u>\$ 1,646,193</u>

As the presentation appearing above demonstrates, the largest portion of the Town's net position (97.6%) is invested in capital assets. Net position invested in capital assets consist of land, buildings, equipment, and infrastructure less any debt used to acquire the assets. The Town uses these capital assets to provide services to its citizens; consequently, these amounts are not available for future spending.

An additional portion of the net position represent resources that are subject to restrictions that are imposed by agreements with the Town's bondholders or requirements imposed by various revenue sources.

The Town's net position improved during the year due to prudent use of the Town's resources. The liabilities associated with providing retirement benefits have eliminated the Town's remaining net position. Despite the absence of net position, the Town has sufficient resources to meet these obligations for the foreseeable future.

Changes in Net Position

A condensed version of the government-wide Statement of Changes in Net Position is presented as follows:

TOWN OF WISNER

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

	For the Year Ended June 30, 2022			
	Gov- ern- men- tal Acti- vities	Busi- ness- Type Acti- vities	Total	For the Year Ended June 30, 2021
Revenues:				
Program Revenue:				
Charges for Services	\$ 248,100	\$ 327,859	\$ 575,959	\$ 485,177
Operating Grants and Contributions	30,308	6,728	37,036	7,688
Capital Grants and Contributions	----	----	----	----
General Revenue:				
Sales Taxes	99,420	----	99,420	101,495
Property Taxes	21,571	----	21,571	21,119
Insurance Premium Taxes	22,330	----	22,330	26,683
Franchise Taxes	23,225	----	23,225	15,190
Occupational Licenses	12,968	----	12,968	11,871
American Rescue Funds	166,434	----	166,434	----
Miscellaneous	6,481	44	6,525	15,521
Total Revenue	<u>630,837</u>	<u>334,631</u>	<u>965,468</u>	<u>684,744</u>
Program Expenses:				
General Government	125,896	----	125,896	114,113
Public Safety				
Police Department	239,443	----	239,443	171,318
Fire Department	9,984	----	9,984	19,318
Public Works	139,427	444,330	583,757	535,230
Recreation	22,580	----	22,580	6,657
Total Expenses	<u>537,330</u>	<u>444,330</u>	<u>981,660</u>	<u>846,636</u>
Increase (Decrease) in Net				
Position Before Transfers	93,507	(109,699)	(16,192)	(161,892)
Transfers	(38,911)	38,911	----	----
Change in Net Position	<u>54,596</u>	<u>(70,788)</u>	<u>(16,192)</u>	<u>(161,892)</u>
Net Position Beginning:				
As Originally Reported	759,692	886,501	1,646,193	1,808,085
Prior Period Adjustment	17,642	----	17,642	----
As Restated	<u>777,334</u>	<u>886,501</u>	<u>1,663,835</u>	<u>1,808,085</u>
Net Position Ending	<u>\$ 831,930</u>	<u>\$ 815,713</u>	<u>\$1,647,643</u>	<u>\$ 1,646,193</u>

Governmental activities before transfers experienced an increase of \$93,507. This increase is due to receipt of the American Rescue Plan Funds.

TOWN OF WISNER

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

Business-type activities before transfers experienced a decrease in net position of \$109,699. This decrease is due to the increase in expenses necessary to operate the water and sewer system.

Financial Analysis of the Town's Funds

An analysis of significant matters affecting the Town's funds is presented as follows:

- The Town's governmental funds reported combined fund balances of \$85,118, which represents an increase of \$36,328 in comparison to the previous balance.
- Amounts reported for business-type activities in the Town's individual funds are identical to the business-type activities reported in the government-wide presentation.

General Fund Budget Highlights

The general fund is the only fund required by law to adopt a budget and the budget is amended as necessary.

Capital Asset Administration

Current year assets additions included the purchase of new equipment with the American Rescue Funds.

Debt Administration

Debt activity was limited to the payment of principal and interest on current debt obligations.

Factors Expected to Affect Future Operations

The significant improvements to the water and sewer system will improve the utility system.

TOWN OF WISNER

Statement of Net Position

June 30, 2022

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS:</u>			
Cash and cash equivalents	\$ 70,015	\$ 25,310	\$ 95,325
Receivables (net)	26,164	45,751	71,915
Restricted assets			
Cash and cash equivalents	6,528	39,137	45,665
Capital Assets			
Non depreciable capital assets			
Land	57,000	13,200	70,200
Depreciable capital assets (net)	<u>698,917</u>	<u>1,688,184</u>	<u>2,387,101</u>
Total assets	<u>858,624</u>	<u>1,811,582</u>	<u>2,670,206</u>
<u>DEFERRED OUTFLOWS:</u>			
Pension funding deferrals	<u>21,672</u>	<u>13,330</u>	<u>35,002</u>
<u>LIABILITIES:</u>			
Accounts payable	17,589	11,067	28,656
Deposits due others	-	70,804	70,804
Long-term liabilities			
Notes Payable			
Due within one year	-	71,076	71,076
Due in more than one year	-	776,125	776,125
Net pension liability	<u>12,324</u>	<u>66,015</u>	<u>78,339</u>
Total liabilities	<u>29,913</u>	<u>995,087</u>	<u>1,025,000</u>
<u>DEFERRED INFLOWS:</u>			
Pension funding deferrals	<u>18,453</u>	<u>14,112</u>	<u>32,565</u>
<u>NET POSITION:</u>			
Invested in capital assets, net of related debt	755,917	854,183	1,610,100
Restricted:			
Capital Projects	-	-	-
Debt Service	-	39,137	39,137
Unrestricted	<u>76,013</u>	<u>(77,607)</u>	<u>(1,594)</u>
Total net position	<u>\$ 831,930</u>	<u>\$ 815,713</u>	<u>\$ 1,647,643</u>

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

TOWN OF WISNER

Statement of Activities

Year Ended June 30, 2022

	Expenses	Program Revenues			Net (Expenses) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	
<u>Governmental Activities:</u>					
General government	125,896	\$ -	\$ 5,837	\$ -	\$ (120,059)
Public safety					
Police department	239,443	239,950	9,180	-	9,687
Fire department	9,984	-	-	-	(9,984)
Public works	139,427	-	2,018	-	(137,409)
Recreation	22,580	8,150	13,273	-	(1,157)
Total governmental activities	<u>537,330</u>	<u>248,100</u>	<u>30,308</u>	<u>-</u>	<u>(258,922)</u>
<u>Business-Type Activities:</u>					
Water and sewer	444,330	327,859	6,728	-	(109,743)
Total Business-Type Activities	<u>444,330</u>	<u>327,859</u>	<u>6,728</u>	<u>-</u>	<u>(109,743)</u>
Total Primary Government	<u>\$ 981,660</u>	<u>\$ 575,959</u>	<u>\$ 37,036</u>	<u>\$ -</u>	<u>\$ (368,665)</u>

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

TOWN OF WISNER

Statement of Activities (Continued)

Year Ended June 30, 2022

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business- Type Activities	Net (Expenses) Revenue
Net (Expense) Revenues (Continued From Previous Page)	\$ (258,922)	\$ (109,743)	\$ (368,665)
<u>General Revenues:</u>			
Taxes:			
Sales Taxes	99,420	-	99,420
Ad Valorem	21,571	-	21,571
Insurance Premium Taxes	22,330	-	22,330
Franchise	23,225	-	23,225
American Rescue Funds	166,434	-	166,434
Occupational Licenses	12,968	-	12,968
Miscellaneous	6,481	44	6,525
Transfers	(38,911)	38,911	-
Total General Revenues and Transfers	313,518	38,955	352,473
Change in Net Position	54,596	(70,788)	(16,192)
Net Position Beginning			
As Originally Reported	759,692	886,501	1,646,193
Prior Period Adjustment	17,642	-	17,642
As Restated	777,334	886,501	1,663,835
Net Position Ending	\$ 831,930	\$ 815,713	\$ 1,647,643

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

TOWN OF WISNER

Balance Sheet

Governmental Funds - June 30, 2022

	<u>General</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 70,015
Receivables (net)	26,164
Restricted assets:	
Cash and cash equivalents	<u>6,528</u>
Total assets	<u>\$ 102,707</u>
<u>Liabilities and Fund Equity</u>	
<u>Liabilities:</u>	
Accounts and other payables	\$ <u>17,589</u>
Total liabilities	<u>17,589</u>
<u>Fund Balance:</u>	
Unassigned	85,118
Assigned	<u>-</u>
Total fund equity	<u>85,118</u>
Total liabilities and fund equity	<u>\$ 102,707</u>

Reconciliation of the Governmental Funds Balance Sheets to the Statement of Net Assets	
Total Fund Balances - Governmental Funds	\$ 85,118
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	755,917
Liabilities not due and payable in the current period are excluded from the Governmental Fund Balance Sheet	<u>(9,105)</u>
Net Assets of Governmental Activities	<u>\$ 831,930</u>

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

TOWN OF WISNER

Statement of Revenues, Expenditures, and Changes in Fund Balance Governmental Funds - Year Ended June 30, 2022

	Total Governmental General
	<hr/>
<u>Revenues:</u>	
Taxes:	
Ad valorem	\$ 21,571
Sales tax	99,420
Franchise	23,225
Insurance premium taxes	22,330
Licenses and permits:	12,968
Intergovernmental:	183,468
Bonds and fines	239,950
Rent	8,150
Miscellaneous:	<hr/> 19,756
Total revenues	<hr/> 630,838
<u>Expenditures:</u>	
General government	123,122
Public safety	
Police Department	243,268
Fire Department	9,955
Public works	126,392
Capital Expenditures	<hr/> 52,862
Total expenditures	<hr/> 555,599
Excess (deficiency) of revenues over expenditures	<hr/> 75,239
<u>Other financing sources (uses):</u>	
Operating transfers (net)	<hr/> (38,911)
Total other financing sources (uses)	<hr/> (38,911)
Net Change in Fund Balances	36,328
<u>Fund balance - beginning</u>	
As Originally Reported	31,148
Prior Period Adjustment	<hr/> 17,642
As Restated	<hr/> 48,790
Fund balance - ending	\$ 85,118

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

TOWN OF WISNER

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities

Year Ended June 30, 2022

Net change in fund balances of Governmental Funds \$ 36,328

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 estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays for the period.

Capital Purchases	(32,224)	
Depreciation	<u>52,862</u>	<u>20,638</u>

Governmental funds report pension expense based on contributions required for the current year; however, pension expense reported on the government wide basis is influenced by actuarial considerations (2,370)

Change in net position of governmental activities \$ 54,596

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

TOWN OF WISNER

Statement of Net Position

Proprietary Funds - Year Ended June 30, 2022

	Business-Type Activities
	<u>Utility System</u>
<u>ASSETS:</u>	
Current assets:	
Cash and cash equivalents	\$ 25,310
Receivables (net)	<u>45,751</u>
Total current assets	<u>71,061</u>
Restricted assets:	
Cash and cash equivalents	39,137
Noncurrent assets:	
Non-depreciable capital assets	
Land	13,200
Depreciable capital assets (net)	<u>1,688,184</u>
Total noncurrent assets	<u>1,701,384</u>
Total assets	<u>1,811,582</u>
<u>DEFERRED OUTFLOWS:</u>	
Pension funding deferrals	<u>13,330</u>
<u>LIABILITIES:</u>	
Current liabilities:	
Accounts payable	11,067
Deposits due others	70,804
Current portion of long-term debt	<u>71,076</u>
Total current liabilities	<u>152,947</u>
Noncurrent Liabilities:	
Long-Term Debt	776,125
Net Pension Liability	<u>66,015</u>
Total liabilities	<u>995,087</u>
<u>DEFERRED INFLOWS:</u>	
Pension funding deferrals	<u>14,112</u>
<u>NET POSITION</u>	
Invested in capital assets, net of related debt	854,183
Restricted for debt service	39,137
Unrestricted	<u>(77,607)</u>
Total net position	<u>\$ 815,713</u>

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

TOWN OF WISNER

Statement of Revenues, Expenditures, and Changes in Fund Net Position Proprietary Funds - Year Ended June 30, 2022

	Business-Type Activities
	<u>Utility System</u>
<u>Operating revenues:</u>	
Charges for services	
Water	\$ 181,449
Sewer	123,756
Other	<u>22,654</u>
Total operating revenues	<u>327,859</u>
<u>Operating expenses:</u>	
Payroll and related benefits	109,625
Repairs, maintenance, chemicals, and supplies	108,848
Utilities	25,832
Insurance	16,802
Fuel	11,175
Depreciation	125,035
Other	<u>18,496</u>
Total operating expenses	<u>415,813</u>
Operating income (loss)	(87,954)
<u>Non-operating revenues (expenses):</u>	
Grants	6,728
Interest revenue	44
Interest expense	<u>(28,517)</u>
Change in net position before contributions and transfers	(109,699)
<u>Contributions and transfers:</u>	
Operating transfers (net)	<u>38,911</u>
Change in net position	(70,788)
Total net position - beginning of year	<u>886,501</u>
Total net position - end of year	<u>\$ 815,713</u>

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

TOWN OF WISNER

Statement of Cash Flows (continued) **Proprietary Funds - Year Ended June 30, 2022**

Cash flow from operating activities:

Cash received from customers	\$ 332,922
Cash payments to suppliers of goods and services	(207,452)
Cash payments to employees for service	<u>(109,624)</u>
Net cash provided (used) by operating activities	<u>15,846</u>

Cash flows from non-capital financing activities:

Operating transfers in (out)	38,911
Grant Funds	<u>6,728</u>
Net cash provided (used) by non-capital financing activities	<u>45,639</u>

Cash flows from capital and related financing activities:

Principle paid on capital debt	(69,815)
Interest paid on capital debt	<u>(28,517)</u>
Net cash provided (used) by capital and related financing activities	<u>(98,332)</u>

Cash flows from investing activities:

Interest and other income	<u>44</u>
Net cash provided (used) by investing activities	<u>44</u>

Net increase (decrease) in cash	(36,803)
Beginning cash balance	<u>101,250</u>
Ending cash balance	64,447
Cash - restricted	<u>39,137</u>
Cash - unrestricted	<u>\$ 25,310</u>

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

TOWN OF WISNER

Statement of Cash Flows (Concluded) **Proprietary Funds - Year Ended June 30, 2022**

Reconciliation of operating income (loss) to net cash

Operating Income (loss)	\$ (87,954)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	125,035
(Increase) decrease in accounts receivable	-
(Decrease) increase in accounts payable	(14,633)
(Decrease) increase in meter deposits	5,064
(Decrease) increase in net pension liability	<u>(11,666)</u>
Net cash provided (used) by operating activities	<u>\$ 15,846</u>

There were no operating, investing, or financing activities during the year that did not result in cash receipts or payments.

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Basis of Presentation

The Town of Wisner (the Town) was incorporated under the provisions of the Lawrason Act and operates under a Mayor-Board of Aldermen form of government. The Town provides various services including public safety (police and fire protection), streets and drainage, recreation, utilities (water and sewerage), and general administrative services.

The accounting and reporting practices of the Town of Wisner, Louisiana conform to generally accepted accounting principles as applicable to governmental units on a consistent basis between periods.

The following is a summary of the more significant accounting policies.

Financial Reporting Entity

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

Governmental Accounting Standards Board (GASB) established criteria for determining which component units should be considered part of the Town of Wisner, Louisiana, for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the municipality to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent on the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based upon the above criteria, the Town of Wisner has no component units for the year ended June 30, 2022.

Basic Financial Statements

The basic financial statements include both government-wide and fund financial statements. Both government-wide and fund financial statements categorize activities as either governmental activities or business-type activities, which are described as follows:

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

- Governmental activities involve government services that are normally supported by taxes and intergovernmental revenues.
- Business-type activities rely on fees and charges for support and operate in a manner similar to private sector enterprises.

The government-wide and fund financial statements present the Town's financial position and results of operations from differing perspectives which are described as follows:

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the Town as a whole. The effect of most interfund activity is eliminated from these financial statements. Furthermore, government-wide financial statements exclude any fiduciary activities which are reported in the fund financial statements.

Program revenues reported in the Statement of Activities consist of amounts that are directly associated with a governmental service or business-type activity. Program revenues include charges for services, fines, court cost, contributions associated with a particular function, and most grants.

Fund Financial Statements

Funds are separate accounting entities that are designed to assist with demonstrating legal compliance and segregating transactions by activity. Separate financial statements are provided for governmental funds and proprietary funds. In addition, separate financial statements are presented for any fiduciary activities. Major individual funds are reported as separate columns in the fund financial statements. The Town's major funds are described as follows:

Governmental Funds

General Fund – The general fund is the primary operating fund and is used to account for all governmental activities.

Business-Type Funds

Utility System – This fund is used to account for the operations of the Town's Water System and Sewer System. Revenue earned in exchange for providing services is reported as operating income and revenue from other sources is reported as non-operating.

Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The basis of accounting and measurement focus used for various financial statement presentations are described below:

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

<u>Financial Statement Presentation</u>	<u>Basis of Accounting</u>	<u>Measurement Focus</u>
Government-Wide Financial Statements	Accrual Basis	Economic Resources
Fund Financial Statements:		
Governmental Funds	Modified Accrual Basis	Current Financial Resources
Proprietary Funds	Accrual Basis	Economic Resources
Fiduciary Funds	Accrual Basis	Economic Resources

Under the accrual basis of accounting and the economic resources measurement focus, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, compensated absences, claims, and judgments are recorded as expenses when payment is made. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt is reported as an other financing source and repayment of long-term debt is reported as an expenditure.

Non-Exchange Transactions

Revenue from certain non-exchange transactions cannot be properly measured prior to collection. Furthermore, it is not practical to determine the probability of collection resulting from certain non-exchange transactions such as traffic citations. Consequently, revenue from fines and court cost is not recognized until it is collected.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Restricted Assets

Restricted assets represent resources that must be expended in a specific manner. Restrictions of this nature are imposed by various contractual obligations including grant agreements and bond covenants. In situations where it is permissible to spend restricted resources, the Town typically depletes the available restricted resources before consuming unrestricted resources.

Budget Practices

The Mayor prepares an annual budget for the Town's general fund. This budget is submitted to the Town Council Members and an approved budget is adopted before the beginning of each fiscal year. Amended budgets are prepared prior to the conclusion of each fiscal year. The amended budgets are prepared and approved in the same manner as the original budget.

The general fund budget presents revenue and expenditures on a basis which is consistent with generally accepted accounting principles. No annual budget is required for the Town's Utility Fund.

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

Capital Assets

Infrastructure capital assets consisting of streets, bridges, sidewalks, and drainage systems acquired before July 1, 2003, are excluded from capital assets. Depreciation associated with capital assets is computed using the straight-line method over the estimated useful lives of the assets.

Capital assets, which include property, equipment, and infrastructure, are reported as assets in the applicable governmental or business-type columns in the government-wide financial statements and in the fund financial statements for proprietary funds. Assets reported in the fund financial statements for governmental funds exclude capital assets. Instead, the governmental funds report the acquisition of capital assets as expenditures rather than asset acquisitions.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Town.

Cash and Cash Equivalents and Investments

Amounts reported as cash and cash equivalents (restricted and unrestricted) include all cash on hand, cash in bank accounts, certificates of deposit, and highly liquid investments. Credit risk associated with bank deposits is limited by requiring fiscal agent banks to pledge securities as required by State Law. Furthermore, interest rate risk associated with certificates of deposits is typically mitigated by purchasing instruments that mature in one year or less.

Internal Balances

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without expectation of repayment, the transaction is reported as a transfer. Transfers are treated as a source of income by the recipient and as an expense or expenditure by the provider. If repayment is eventually expected to occur, interfund receivables and payables are recorded.

In preparing the government-wide financial statements, transfers are eliminated to present net transfers for governmental activities and business-type activities. In addition, interfund receivables and payables are eliminated to present a net internal balance for each type of activity.

Statement of Cash Flows

For the purpose of reporting cash flows, cash and cash equivalents includes all cash on hand, cash in banks, and certificates of deposit.

Compensated Absences

The Town does not accumulate any paid vacation, sick pay, or other employee benefit amounts because employees are not allowed to carry over significant amounts.

Fund Balance Classification:

Approval of the majority of the Board of Aldermen is required to approve the commitment of fund balances. In situations where it is permissible to spend restricted or committed resources, the Town typically depletes the available restricted or committed resources before consuming unrestricted resources.

TOWN OF WISNER

Notes To Financial Statements June 30, 2022

NOTE 2 - CASH AND CASH EQUIVALENTS

At June 30, 2022, cash and cash equivalents included the following amounts:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash Deposits	\$ 73,833	\$ 64,447	\$ 138,280
Cash on Hand	<u>2,710</u>	<u>----</u>	<u>2,710</u>
Total Cash	76,543	64,447	140,990
Restricted Cash	<u>6,528</u>	<u>39,137</u>	<u>45,665</u>
Cash and Cash Equivalents	<u>\$ 70,015</u>	<u>\$ 25,310</u>	<u>\$ 95,325</u>

Cash deposited in banks is stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At June 30, 2022, the Town has collected bank balance of \$146,677. These deposits are secured from risk by \$250,000 of federal deposit insurance.

NOTE 3 – TAXES

Ad Valorem Taxes

The Town bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Franklin Parish. Property taxes are limited to an assessment for general alimony as permitted by State Law. Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from ad valorem taxes are recognized as revenue in the year billed by the Town's General Fund. The revenues of the 7.14 mill property tax are secured by a limited tax bond. The property tax shall be used for any debt service that cannot be covered by the revenues of the utility system.

Sales Taxes

Sales taxes are collected by the Parish of Franklin and remitted to the Town. For the year ended June 30, 2022 the Town has levied a 1.0 % sales tax available for general corporate purposes. This sales tax has no expiration.

NOTE 4 - RECEIVABLES

The receivables at June 30, 2022, are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>Accounts Receivable</u>			
Utility Customers	\$ ----	\$ 67,579	\$ 67,579
Franchise Fees	11,550	----	11,550
Other	<u>86</u>	<u>----</u>	<u>86</u>
Total Accounts Receivables	<u>11,636</u>	<u>67,579</u>	<u>79,215</u>
<u>Due From Other Governmental Units</u>			
Sales Taxes	7,122	----	7,122
Fire Insurance Rebate	<u>7,406</u>	<u>----</u>	<u>7,406</u>

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

Total Due From Other Governments	14,528	---	14,528
Total Receivables	26,164	67,579	93,743
Allowance for Doubtful Accounts	----	(21,828)	(21,828)
Receivables, net of allowance	\$ 26,164	\$ 45,751	\$ 71,915

NOTE 5 – CAPITAL ASSETS

A summary of the property and equipment at June 30, 2022, consists of the following:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Governmental Activities</u>				
<u>Non-Depreciable Capital Assets</u>				
Land	\$ 57,000	\$ ----	\$ ----	\$ 57,000
<u>Capital Assets Being Depreciated</u>				
Buildings and improvements	926,455	----	----	926,455
Improvements other than buildings	81,557	----	----	81,557
Vehicles & Equipment	497,057	52,862	----	549,919
Total	1,505,069	52,862	----	1,557,931
Less Accumulated Depreciation	(826,790)	(32,224)	----	(859,014)
Total Net of Depreciation	678,279	20,638	----	698,917
Total Governmental Activities	\$ 735,279	\$ 20,638	\$ ----	\$ 755,917
	Beginning Balance	Additions	Deletions	Ending Balance
<u>Business-Type Activities</u>				
<u>Non Depreciable Capital Assets</u>				
Land	\$ 13,200	\$ ----	\$ ----	\$ 13,200
Total Non-Depreciable Capital Assets	13,200	----	----	13,200
<u>Capital Assets Being Depreciated</u>				
Water Distribution System	3,453,006	----	----	3,453,006
Wastewater System	960,870	----	----	960,870
Vehicles & Equipment	79,381	----	----	79,381
Total	4,493,257	----	----	4,493,257
Less Accumulated Depreciation	(2,680,038)	(125,035)	----	(2,805,073)
Total Net of Depreciation	1,813,219	(125,035)	----	1,688,184
Total Business-Type	\$ 1,826,419	\$ (125,035)	\$ ---	\$ 1,701,384

TOWN OF WISNER

Notes To Financial Statements June 30, 2022

Depreciation expense reported by various functions is presented as follows:

<u>Governmental Activities:</u>	
General Government	\$ 2,774
Police Department	816
Fire Department	29
Streets and Drainage	6,023
Recreation	22,582
Total Depreciation – Governmental Activities	<u>\$ 32,224</u>

NOTE 6 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Amounts payable to vendors at June 30, 2022 totaled \$17,589 and \$11,067 for governmental activities and business-type activities respectively.

NOTE 7 – LONG TERM DEBT

Long-term liabilities attributable to the acquisition of the Town’s utility system and the operation of the utility system are reported as an obligation of the Town’s business-type enterprise funds. The Town’s long-term liabilities are summarized as follows:

	<u>Business-Type Activities</u>
Revenue Bonds	\$ 794,201
Limited Tax Bonds-2020	53,000
Total Long-term Debt	847,201
Due Within One Year	(71,076)
Due in More Than One Year	<u>\$ 776,125</u>

Changes in the Town’s long-term debt activity for the year ended June 30, 2022, is summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Ending Balance</u>
<u>Business-Type Activities:</u>				
Limited Tax Bonds	\$ 62,000	\$ ----	\$ (9,000)	\$ 53,000
Revenue Bonds	855,016	----	(60,815)	794,201
Total Business-Type Activities	<u>\$ 917,016</u>	<u>\$ ----</u>	<u>\$ (69,815)</u>	<u>\$ 847,201</u>

Revenue Bonds

The Town has issued Utility Revenue bonds for the purpose of acquiring and constructing extensions and improvements to the waterworks system and to purchase the lines and connected fixtures of a neighboring water system.

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

\$367,000 Water Revenue Bonds, Series 2008, due in monthly installments of \$1,666, maturing October, 2048, bearing interest at a rate of 4.5%. Revenue generated by the Town's water system has been pledged to secure these bonds. \$ 309,201

\$540,000 Utility Revenue Bonds, dated June 1, 2021, due in annual installments ranging from \$20,000 to \$70,000 maturing June, 2031, bearing interest at a rate of 2.26%. Revenues generated by the Town's utility system has been pledged to secure these bonds. 485,000

Total \$ 794,201

Limited Tax Issue Bonds

The Town has issued Limited Tax Issue Bonds for the purpose of improvements to the waterworks and waste water system.

\$70,000 Limited Tax Bonds, dated April 1, 2020, due in annual installments from \$8,000 to \$11,000 maturing April 2027, bearing an interest rate of 3.45%. The Town intends to utilize revenues of the combined utility system to make required payments subject to the restrictions detailed in Note 3. \$ 53,000

Annual Requirements to Retire Debt Obligations

The annual aggregate maturities for the years subsequent to June 30, 2022, are as follows:

	Principal Payments	Interest
2023	\$ 71,076	\$ 26,716
2024	76,350	24,844
2025	82,635	22,846
2026	82,934	20,704
2027	83,246	18,547
2028-2032	216,425	66,343
2033-2037	51,623	48,347
2038-2042	64,332	35,639
2043-2047	80,170	19,801
2048-2051	38,410	2,694
Total Business-Type	<u>\$ 847,201</u>	<u>\$ 286,481</u>

Total interest charged to expense for the year ended June 30, 2022 is \$28,517 for business type activities.

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

NOTE 8 - RISK MANAGEMENT

The Town of Wisner is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks of loss are covered by a comprehensive commercial insurance policy and participation in a public entity risk pool that operates as a common insurance program. Claims resulting from these risks have historically not exceeded insurance coverage.

NOTE 9- PENSION PLAN

All full-time Town employees, except police officers, are eligible to be members of a statewide retirement system. These systems are cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. A summary of amounts reported in connection with participation in this plan is summarized as follows:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Municipal Employees' Retirement System	\$ 78,339	\$ 35,002	\$ 32,565
Portion Applicable to Business Type Activities	<u>66,015</u>	<u>13,330</u>	<u>14,112</u>
Portion Applicable to Government Type Activities	<u>\$ 12,324</u>	<u>\$ 21,672</u>	<u>\$ 18,453</u>

Municipal Employees' Retirement System of Louisiana:

Plan Description - The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan B. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final average salary. Final average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Funding Policy - Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the Town of New Llano is required to contribute at an actuarially determined rate. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of New Llano are established and may be amended by state statute.

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

As provided by State Law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the plan were equal to the required contributions for the year.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available standalone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at mersla.com. The plans net pension liability was determined at June 30, 2021 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$	277,663,255
Plan Fiduciary Net Position		219,732,397
Net Pension Liability		<u>57,930,858</u>
Town's Proportionate Share (Percentage)		0.135215%
Town's Proportionate Share (Amount)	\$	<u>78,339</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2021 are provided as follows:

Beginning Net Pension Liability	\$	136,499
Employer Contributions		(16,212)
<u>Pension Expense</u>		
Proportionate Share of Plan Pension Expense	11,657	
Changes in Proportion	5,550	
Employee Contributions	<u>(3,379)</u>	13,828
Changes in Deferred Outflows of Resources		(25,514)
Changes in Deferred Inflows of Resources		<u>(30,262)</u>
Ending Net Pension Liability	\$	<u>78,339</u>

There were no changes between June 30, 2021 and the Plan's measurement date that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences Between Expected and Actual Experience	\$ ----	\$ 3,232	\$ (3,232)
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	----	21,167	(21,167)
Changes of Assumptions	3,170	----	3,170
Changes in Proportion	6,864	8,166	(1,302)
Employer Contributions Made After the Measurement Date	20,725	----	20,725
Total Deferrals	30,759	32,565	(1,806)
Deferrals That Will be Recorded as a Reduction in Net Pension			
Liability in the Subsequent Reporting Period	(20,725)	----	(20,725)
Deferrals Subject to Amortization	<u>\$ 10,034</u>	<u>\$ 32,565</u>	<u>\$ (22,531)</u>

Deferrals that will be amortized as a component of pension expense in future periods are summarized as follows:

<u>For the Year Ending:</u>	
June 30, 2022	\$ (947)
June 30, 2023	(8,655)
June 30, 2024	(5,490)
June 30, 2025	<u>(7,439)</u>
Total	<u>\$ (22,531)</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of the measurement date are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	6.85%, net of pension plan investment expense, including inflation
Projected Salary Increases	1 to 4 years of service 7.4% More than 4 years of service 4.9%
Inflation rate	2.5%
Annuitant and beneficiary mortality	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 mortality	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 mortality	PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.
Expected Remaining Service Lives	3 years

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimated 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 and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Public Equity	53%	2.31%
Public Fixed Income	38%	1.65%
Alternatives	9%	0.39%
Totals	100%	4.35%
Inflation		2.60%
Expected Arithmetic Nominal Return		6.95%

The discount rate used to measure the total pension liability was 6.85% for the year ended June 30, 2021. 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 which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System'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.

Sensitivity to changes in the discount has been determined by measuring net pension liability at a discount rate that is one percentage point lower and one percentage point higher than the current rate. The results are presented as follows:

	<u>1% Decrease 5.85% Discount Rate</u>	<u>Current Discount Rate 6.85%</u>	<u>1% Increase 7.85% Discount</u>
Net Pension Liability	\$ 120,176	\$ 78,339	\$ 76,850

NOTE 10 – RESTRICTIONS AND COMMITMENTS

Bond covenants require the Town to establish bank accounts which serve as debt service and depreciation reserves. Funds may be disbursed from these accounts only under specific circumstances described by the bond covenants. Amounts on deposit in these accounts are reported as restricted cash. In addition the corresponding amounts of net position are also presented as restricted net position.

NOTE 11 – TRANSFERS

In the ordinary course of business, the Town routinely transfers resources between its funds to cover

TOWN OF WISNER

Notes To Financial Statements

June 30, 2022

payroll, related liabilities, and other expenses. A description of the transfers is presented below:

	<u>Operating Transfers In/(Out)</u>
<u>Governmental Funds</u>	
General Fund	\$ (38,911)
<u>Business Type Funds</u>	
Utility System	<u>38,911</u>
Total	<u>\$ ----</u>

NOTE 12 – CONTINGENCIES

Existing conditions that may have financial consequences in the future are referred to as contingencies. Contingencies existing at June 30, 2022, are described as follows:

Litigation

Like most governmental units with extensive and diverse operations, the Town is occasionally named as a defendant in litigation. Based on consultation with Town Attorney, there are no anticipated claims that are expected to exceed available insurance coverage.

Grant Compliance

The Town receives state and federal assistance through various grant programs. Management is confident that all significant grant conditions have been met; however, grantor agencies routinely review grant activity and could request reimbursement if a dispute occurs regarding compliance with grant conditions.

NOTE 13 – PRIOR PERIOD ADJUSTMENT

Management has determined that adjustments were needed to correct prior period net assets and fund balances. The adjustments are summarized as follows:

	Governmental Activities	Governmental Funds
As Originally Reported	\$ 759,692	\$ 31,148
Correct Understatement of Sales Tax Receivable	8,688	8,688
Correct Understatement of Franchise Tax Receivable	<u>8,954</u>	<u>8,954</u>
As Restated	<u>\$ 777,334</u>	<u>\$ 48,790</u>

Sales Taxes and Franchise Taxes Receivable

Based on analysis of sales and franchise tax collections, management has determined that both tax receivables for the previous period were understated. The effect of the change in net position for the previous year has not been determined.

TOWN OF WISNER

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances

Budget and Actual

Year ended June 30, 2022

	Budget Amounts		Actual Budgetary Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Total revenues	\$ 294,400	\$ 501,171	\$ 630,838	\$ 129,667
Expenditures:				
General government	3,600	84,796	123,122	(38,326)
Public safety				
Police Department	11,000	84,885	243,268	(158,383)
Fire Department	200,000	141,096	9,955	131,141
Public works	2,500	8,862	126,392	(117,530)
Recreation	4,000	10,859	52,862	(42,003)
Capital Expenditures	-	-	52,862	(52,862)
Total expenditures	<u>221,100</u>	<u>330,498</u>	<u>555,599</u>	<u>(225,101)</u>
Excess (deficiency) of revenues over expenditures	<u>73,300</u>	<u>170,673</u>	<u>75,239</u>	<u>(95,434)</u>
Other financing sources (uses):				
Operating transfers (net)	-	(16,717)	(38,911)	(22,194)
Total other financing sources (uses)	<u>-</u>	<u>(16,717)</u>	<u>(38,911)</u>	<u>(22,194)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other uses	73,300	153,956	36,328	(117,628)
Fund balance - beginning of year	<u>31,148</u>	<u>31,148</u>	<u>48,790</u>	<u>17,642</u>
Fund balance - end of year	<u>\$ 104,448</u>	<u>\$ 185,104</u>	<u>\$ 85,118</u>	<u>\$ (99,986)</u>

Town of Wisner

Schedule of Net Pension Liability Data Cost Sharing Retirement Systems

Retirement System / Measurement Date	Share of Collective Net Pension Liability		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of Total Pension Liability
	Percent	Amount		Payroll	Liability
Municipal Employees' Retirement System					
June 30, 2016	0.12%	101,005	72,108	140.1%	63.34%
June 30, 2017	0.10%	84,470	72,108	117.1%	63.49%
June 30, 2018	0.10%	94,868	81,788	116.0%	65.60%
June 30, 2019	0.12%	108,319	94,647	114.4%	66.14%
June 30, 2020	0.15%	136,499	116,799	116.9%	66.26%
June 30, 2021	0.13%	78,339	103,916	75.4%	79.00%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

Town of Wisner

Schedule of Employer Contributions Cost Sharing Retirement Systems

Retirement System / Fiscal Year Ending	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
Municipal Employees' Retirement System					
June 30, 2016	7,932	8,505	(573)	72,108	11.79%
June 30, 2017	7,932	8,505	(573)	72,108	11.79%
June 30, 2018	10,837	7,993	2,844	81,788	9.77%
June 30, 2019	13,251	11,078	2,173	94,647	11.70%
June 30, 2020	15,772	13,247	2,525	116,799	11.34%
June 30, 2021	14,563	16,530	(1,967)	103,916	15.91%

Notes to Schedule:

At the present time, management has not identified any factors that are expected to significantly affect trends in the amounts reported above.

Town of Wisner

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer Year Ended June 30, 2022

	<u>Agency Head (Mayor) Marc McCarty</u>
Compensation	\$ 1,800
Benefits	-
Reimbursements	<u>5,275</u>
	<u>\$ 7,075</u>

Town of Wisner

Schedule of Compensation Paid to Board Members Year Ended June 30, 2022

<u>Name</u>	<u>Position</u>	<u>Compensation</u>
Marc McCarty	Mayor	\$ 1,800
Jo Caldwell	Council Member	1,200
Nettie B. Brown	Council Member	1,100
Roger Hilliard	Council Member	1,100
Debra Lemle	Council Member	300
Thomas Lemle	Council Member	800
Elliot Britt	Council Member	1,200
		<u>\$ 7,500</u>

Town of Wisner

Justice System Funding Schedule - Collecting / Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session -
Cash Basis Presentation
For the Year Ended June 30, 2022

	First Six Month Period Ended December 31, 2021	Second Six Month Period Ended June 30, 2022
Beginning Balance of Amounts Collected	\$ -	\$ -
Add: Collections		
Criminal Criminal/Costs/Fees	123,773	107,021
Subtotal Collections	123,773	107,021
Less: Disbursements to Governments & Nonprofits		
CMIS Collections	543	545
DHH- TH/SCI T.F.	2,275	1,865
Louisiana Commission On Law Enforcement	1,258	935
Louisiana Supreme Court	272	239
Less: Amounts Retained by the Town		
Self Disbursed Court Cost	119,425	103,437
Subtotal Disbursements / Retainage	119,425	103,437
Ending Balance of Amounts Collected but not Disbursed	\$ -	\$ -



December 8, 2022

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

The Honorable Mayor
And the Board of Alderman
Town of Wisner, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wisner, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town of Wisner's basic financial statements, and have issued our report thereon dated December 8, 2022.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 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 material weaknesses. However, material weaknesses may exist that have not been identified.

-Members-

American Institute of Certified Public Accountants • Society of Louisiana CPAs

Compliance and other matters

As part of obtaining reasonable assurance about whether the Town of Wisner's financial statements are free from 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and as item 2022-001 and 2022-002.

Town of Wisner's Response to Findings

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

Purpose of this Report

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



ROZIER, MCKAY & WILLIS
Certified Public Accountants
Alexandria, LA

Town of Wisner, Louisiana
Schedule of Findings
For the Year Ended June 30, 2022

Part I - Summary of Auditor's Results:

- The Independent Auditor's Report on the financial statements for the Town of Wisner as of June 30, 2022, and for the year then ended expressed an unmodified opinion.
- Noncompliance material to the financial statements was reported, see Part II for details.
- The results of the audit disclosed did not disclose any instances of material weaknesses that are considered to be material to the financial statements of the Town of Wisner.

Part II - Findings Relating to the Financial Statements Which are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards:

2022-001: Budget Violation

- **Criteria:** Louisiana Revised Statutes prohibit unfavorable variances from exceeding 5% of budgeted amounts.
- **Condition:** In the current year, unfavorable variances exceeded 5%.
- **Cause:** The Town didn't make sufficient amendments to the budget once the Town realized that unfavorable variances exceeded 5% of budgeted amounts.
- **Effect:** The Town was not in compliance with the Louisiana Government Budget Act.
- **Recommendation:** The Town should implement policies and procedures to ensure that the budget is amended whenever variances exceed amounts allowed by the Louisiana Government Budget Act.

2022-002: Non Compliance with Bond Covenants

- **Criteria:** In exchange for fees, the Town provides residents with utility service including water and sewage disposal.
- **Condition:** Operation of the utility system has not produced sufficient income to recover the costs of operations and service debt incurred to construct the utility system.
- **Cause:** Due to the age of the utility system, repair and maintenance costs have been significant.
- **Effect:** Without an adequate rate structure, the Town is not in compliance with debt covenants.
- **Recommendation:** In order to provide income necessary to sustain operations and repay creditors, we suggest altering the Town's utility rate structure to provide additional revenue needed to meet the utility system's obligations.

**Town of Wisner, Louisiana
Management's Corrective Action Plan
For the Year Ended June 30, 2022**

**SECTION I - INTERNAL CONTROL AND COMPLIANCE
MATERIAL TO THE FINANCIAL STATEMENTS**

2022-002: Budget Violation

The Town's General Fund expenditures exceeded budgeted appropriations by more than the variances allowed by law. This variance occurred due to management failing to properly budget salaries, related expenses, and other various operating expenditures. Management should review the budget to actual expenditures each month and amend the budget when actual expenditures exceed budgeted expenditures by more than 5%. This will allow management to closely monitor the Town's expenditures and reduce the risk of purchases that were not properly authorized.

2022-001: Response

We will closely monitor the Town's budget and amend as necessary.

2022-002: Non Compliance with Bond Covenants

In exchange for fees, the Town provides residents with utility service including water and sewage disposal. Operation of the utility system has not produced sufficient income to recover the costs of operations and service debt incurred to construct the utility system.

2022-002: Response

There has been substantial improvement in our utility revenues. We have cut costs and will continue to review the possibility of a utility rate increase.

**SECTION II – INTERNAL CONTROL AND
COMPLIANCE MATERIAL TO FEDERAL AWARDS**

Finding - N/A – There were no findings in this area.

Response - N/A

SECTION III – MANAGEMENT LETTER

Finding - N/A – There were no findings in this area.

Response - N/A

**Town of Wisner, Louisiana
Schedule of Prior Year Findings
For the Year Ended June 30, 2022**

**SECTION I - INTERNAL CONTROL AND COMPLIANCE
MATERIAL TO THE FINANCIAL STATEMENTS**

2021-001: Budget Violation

The Town's General Fund expenditures exceeded budgeted appropriations by more than the variances allowed by law. This variance occurred due to management failing to properly budget salaries, related expenses, and other various operating expenditures. Management should review the budget to actual expenditures each month and amend the budget when actual expenditures exceed budgeted expenditures by more than 5%. This will allow management to closely monitor the Town's expenditures and reduce the risk of purchases that were not properly authorized.

2021-001: Unresolved

2021-002: Non Compliance with Bond Covenants

In exchange for fees, the Town provides residents with utility service including water and sewage disposal. Operation of the utility system has not produced sufficient income to recover the costs of operations and service debt incurred to construct the utility system.

2021-002: Unresolved.

**SECTION II – INTERNAL CONTROL AND
COMPLIANCE MATERIAL TO FEDERAL AWARDS**

Finding - N/A – There were no findings in this area.

Response - N/A

SECTION III – MANAGEMENT LETTER

Finding - N/A – There were no findings in this area.

Response - N/A

APPENDIX A
Statewide Agreed-Upon Procedures



Independent Accountant's Report
On Applying Agreed-Upon Procedures

To the Town of Wisner and
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Town of Wisner (the Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The Entity's management is responsible for those C/C areas identified in the SAUPs.

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

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

We are required to be independent of the entity 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.

Rozier, McKay & Willis
Certified Public Accountants
Alexandria, Louisiana
December 8, 2022



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Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Written Policies and Procedures		
Agreed-Upon Procedure	Results	Managements' Response
<p>1 Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories.</p> <ul style="list-style-type: none"> • Budgeting • Purchasing • Disbursements • Receipts • Payroll/Personnel • Contracting • Credit Cards • Travel and expense reimbursements • Ethics • Debt Service • Disaster Recovery / Business Continuity • Sexual Harassment 	<p>Exceptions are listed as follows:</p> <ul style="list-style-type: none"> • Budgeting • Purchasing • Disbursements • Receipts • Contracting • Credit Cards • Travel • Debt Service • Information Technology <p>Ethics and sexual harassment are included as part of the personnel policy.</p>	<p><i>Despite the absence of formal written procedures we have an established process for addressing the relevant matters and we will consider documenting the process as part of our written procedures.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>2 Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:</p> <p>a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.</p> <p>b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. <i>Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.</i></p>	<p>Meetings were held with the necessary frequency.</p> <p>Budget to actual comparisons are not referenced in the minutes.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>We will begin providing the board with budget to actual comparisons.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, 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.	For the previous year the general fund reported a positive unrestricted fund balance.	<i>No findings or criticisms were reported.</i>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Bank Reconciliations		
Agreed-Upon Procedure	Results	Managements' Response
<p>3 Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:</p> <p>a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);</p> <p>b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and</p> <p>c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.</p>	<p>Reconciliations were completed within a 2 month period.</p> <p>Evidence of review by an appropriate party was present.</p> <p>No items were outstanding for more than 12 months.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
<p>4 Obtain a listing of <u>deposit sites</u> for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).</p> <p>5 For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:</p> <p style="padding-left: 20px;">a) Employees that are responsible for cash collections do not share cash drawers/registers.</p>	<p>The list was provided and deposits were selected.</p> <p>Drawers are used exclusively by a single person.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.	Duties are appropriately segregated.	<i>No findings or criticisms were reported.</i>
c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.	Duties are appropriately segregated.	<i>No findings or criticisms were reported.</i>
d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.	Duties are appropriately segregated.	<i>No findings or criticisms were reported.</i>
6 Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.	Appropriate coverage has been maintained.	<i>No findings or criticisms were reported.</i>
7 Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day) . Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as		

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and: a. Observe that receipts are sequentially pre-numbered. b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip. c. Trace the deposit slip total to the actual deposit per the bank statement. d. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100). e. Trace the actual deposit per the bank statement to the general ledger.	Prenumbered receipts are issued as applicable. Receipts and system reports agree with the deposit slip. Deposit slips agreed with the bank statements. Deposits were remitted within a single business day. Deposits appearing on the bank statement agree with the general ledger.	<i>No findings or criticisms were reported.</i> <i>No findings or criticisms were reported.</i> <i>No findings or criticisms were reported.</i> <i>No findings or criticisms were reported.</i> <i>No findings or criticisms were reported.</i>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
<p>8 Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).</p>	<p>All transactions are processed at the Town's Municipal Complex.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>9 For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:</p> <p>a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.</p> <p>b) At least two employees are involved in processing and approving payments to vendors.</p> <p>c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.</p>	<p>Multiple employees are involved.</p> <p>Multiple employees are involved.</p> <p>Due to the nature of the accounting system, it is not practical to limit access to particular components.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>This limitation is mitigated by requiring each check to be signed by two parties.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
<p>d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.</p> <p>10 For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:</p> <p>a. Observe that the disbursement matched the related original invoice/billing statement.</p> <p>b. Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.</p>	<p>The employee with signature responsibility is also responsible for mailing.</p> <p>Disbursements selected were supported by documentation.</p> <p>Evidence of segregation of duties was present.</p>	<p><i>Due to the limited staff we are unable to segregate this function. This is mitigated by the Mayor and one Council member signing each check.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
<p>11 Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.</p>	<p>The requested information was provided.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>12 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:</p> <p>a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.</p>	<p>The monthly statements are reviewed and approved by a council member.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>b. Observe that finance charges and late fees were not assessed on the selected statements.</p>	<p>No finance charges or late fees were assessed.</p>	<p><i>No findings or criticisms were reported.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
13 Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).	For each of the items selected: <ul style="list-style-type: none">• Supporting documentation was available.• Business purpose was apparent.• None of the selected items involved meals.	<i>No findings or criticisms were reported.</i>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
<p>14 Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:</p> <p>a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).</p> <p>b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.</p> <p>c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).</p>	<p>N/A – None of the reimbursements were for per diem.</p> <p>Reimbursed using actual costs were fully supported with invoices.</p> <p>The business purpose was apparent.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.	Reimbursements were properly approved.	<i>No findings or criticisms were reported.</i>

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Schedule of Procedures, Results and Managements' Response (Continued)

Contracts		
Agreed-Upon Procedure	Results	Managements' Response
<p>15 Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:</p> <p>a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.</p> <p>b. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).</p> <p>c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.</p> <p>d. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.</p>	<p>Contracts were limited to professional services that do not require bidding.</p> <p>N/A – Approval was not required.</p> <p>N/A – No amendments were present</p> <p>Payments agree with supporting documentation.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
<p>16 Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.</p>	<p>The list was provided and a selection has been performed.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>17 Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:</p> <p>a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).</p> <p>b. Observe that supervisors approved the attendance and leave of the selected employees/officials.</p> <p>c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.</p> <p>d. Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.</p>	<p>Attendance was properly documented.</p> <p>Approval was documented.</p> <p>Leave taken was properly reported in the accounting records.</p> <p>Rates of pay were consistent with documentation in the personnel files.</p>	<p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p> <p><i>No findings or criticisms were reported.</i></p>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
18 Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.	Termination payments were determined to be consistent with leave records and established rates of pay.	<i>No findings or criticisms were reported.</i>
19 Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.	Management has asserted that all relevant payments have been made.	<i>No findings or criticisms were reported.</i>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Ethics		
Agreed-Upon Procedure	Results	Managements' Response
20 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and: a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period. b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.	Evidence of ethics training was present for each employee selected. Signature verification of the ethics policy was demonstrated.	<i>No findings or criticisms were reported.</i> <i>No findings or criticisms were reported.</i>

Town of Wisner

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Schedule of Procedures, Results and Managements' Response (Continued)

Debt Service		
Agreed-Upon Procedure	Results	Managements' Response
21 Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.	Not Applicable: No new debt was issued.	<i>Not Applicable</i>
22 Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.	The Town is not in compliance with the debt covenants.	<i>This is reported as a finding in the report.</i>

Town of Wisner

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Schedule of Procedures, Results and Managements' Response (Continued)

Fraud Notice		
Agreed-Upon Procedure	Results	Managements' Response
23 Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.	No misappropriations were reported.	<i>No findings or criticisms were reported.</i>
24 Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.	The necessary postings were present in Town Hall.	<i>No findings or criticisms were reported.</i>

Town of Wisner

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Information Technology Disaster Recovery /Business Continuity		
Agreed-Upon Procedure	Results	Managements' Response
<p>25 Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."</p> <p>a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.</p> <p>b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.</p> <p>c. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.</p>	<p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p>	<p>N/A</p> <p>N/A</p> <p>N/A</p>

Town of Wisner

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Schedule of Procedures, Results and Managements' Response (Continued)

Sexual Harassment		
Agreed-Upon Procedure	Results	Managements' Response
<p>26 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.</p>	<p>Documentation that each employee selected completed the required training.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>27 Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).</p>	<p>Documentation demonstrates that the policy has been communicated to employees.</p>	<p><i>No findings or criticisms were reported.</i></p>
<p>28 Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:</p> <ul style="list-style-type: none"> a. Number and percentage of public servants in the agency who have completed the training requirements; b. Number of sexual harassment complaints received by the agency; c. Number of complaints which resulted in a finding that sexual harassment occurred; d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and e. Amount of time it took to resolve each complaint. 	<p>The report was not completed.</p>	<p><i>We will complete the report in the future.</i></p>