Town of Lutcher

2025 Financial Statements

TOWN OF LUTCHER
Lutcher, Louisiana

FINANCIAL STATEMENTS

APRIL 30, 2025

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EisnerAmper

EisnerAmper LLP
8550 United Plaza Blvd.
Suite 1001
Baton Rouge, LA 70809
T 225.922.4600
F 225.922.4611
www.eisneramper.com

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Board of Aldermen
Town of Lutcher, Louisiana

Report on the Audit of 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 Lutcher, Louisiana, (the Town) as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10, the schedule of the Town of Lutcher's proportionate share of the net pension liability for the retirement systems on page 49, the schedule of contributions to each retirement system (defined benefit cost sharing plans only) on page 50, the notes to required supplementary information on pages 51 through 52, and the budgetary comparison schedule on pages 53 through 55 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 accompanying schedule of principal officials and salaries, the schedule of compensation, benefits and other payments to agency head or chief executive officer, and the justice system funding schedule – collecting/disbursing entity as required by Act 87 of 2020 Regular Legislative Session – cash basis presentation are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare basic the 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 schedule of principal officials and salaries, the schedule of compensation, benefits and other payments to agency head or chief executive officer, and the justice system funding schedule – collecting/disbursing entity as required by Act 87 of 2020 Regular Legislative Session – cash basis presentation are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the insurance-in-force (without audit) and the public utility system operations (without audit) but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER, LLP
Baton Rouge, Louisiana
October 17, 2025

TOWN OF LUTCHER
LUTCHER, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

This section of the annual financial report of the Town of Lutcher, Louisiana (the Town) presents our discussion and analysis of the Town's financial performance during the fiscal year that ended on April 30, 2025. Please read it in conjunction with the Town's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $8,876,387 (net position). Of this amount, $2,323,319 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.

- During the year, the Town's governmental activities revenues generated from charges for services, taxes, grants, and transfers were $300,960 more than the $2,349,746 in expenses. In the Town's business-type activities, expenses and transfers were $89,311 more than the $3,571,596 generated in revenues.

- The general fund reported a $1,053,817 fund balance for the year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents supplemental statements and schedules. The basic financial statements include two kinds of statements that present different views of the Town:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Town's overall financial status and economic condition.

- The remaining statements are fund financial statements that focus on individual parts of the Town's government, reporting the Town's operations in more detail than the government-wide statements.

    - The governmental fund statements tell how general government services, like public safety, were financed in the short term as well as what remains for future spending.

    - Proprietary fund statements offer *short* and *long-term* financial information about the activities the government operates *like businesses*, such as the water and sewer system.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1
Major Features of the Town's Government and Fund Financial Statements

		Fund Statements	
	Government-wide Statements	**Governmental Funds**	**Proprietary Funds**
Scope	Entire Town government	The activities of the Town that are not proprietary, such as police, drainage, and streets	Activities the Town operates similar to private businesses: the water and sewer system
Required financial statements	• Statement of Net Position • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances	• Statement of Net Position • Statement of Revenues, Expenses, and Changes in Net Position • Statement of Cash Flows
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

TOWN OF LUTCHER
LUTCHER, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Government-wide Statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two government-wide statements report the Town's net position and how they have changed. Net position - the difference between the Town's assets and deferred outflows of resources and liabilities and deferred inflows of resources - is one way to measure the Town's financial health, or position.

- Over time, increases or decreases in the Town's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Town you need to consider additional non-financial factors such as changes in the Town's property tax base and the condition of the Town's roads.

The government-wide financial statements of the Town are divided into two categories:

- Governmental activities - Most of the Town's basic services are included here, such as the police, streets and drainage, sanitation, and general administration. Property taxes, sales taxes, and franchise fees finance most of these activities.
- Business-type activities - The Town charges fees to customers to help it cover the costs of certain services it provides. The Town's water and sewer system are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's most significant funds - not the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.

The Town has two kinds of funds:

- Governmental funds - Most of the Town's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental fund statements, or on the subsequent page, that explains the relationship (or differences) between them. The Town's major governmental funds are the General Fund and Debt Service Fund.

- Proprietary funds - Services for which the Town charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information. In fact, the Town's enterprise funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows. The Town has two major proprietary funds which are the Sewer Fund and the Water Fund.

TOWN OF LUTCHER
LUTCHER, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Net position. The Town's combined net position increased between fiscal years ended April 30, 2024 and April 30, 2025 to $8,876,387. (See Table A-1.)

Table A-1
Town's Net Position

	Governmental Activities		Business-Type Activities	
	2025	**2024**	**2025**	**2024**
Current and other assets	$ 1,189,417	$ 915,178	$ 3,287,131	$ 3,811,194
Capital assets	3,570,229	3,568,253	3,940,767	3,363,996
Restricted assets	13,322	14,442	395,284	383,720
Total assets	**4,772,968**	**4,497,873**	**7,623,182**	**7,558,910**
Deferred outflows of resources	214,378	351,719	72,087	121,606
Total assets and deferred outflows of resources	**4,987,346**	**4,849,592**	**7,695,269**	**7,680,516**
Current liabilities	150,834	227,214	1,304,269	965,277
Long term liabilities	380,826	398,441	985,401	1,132,219
Net pension liability	607,014	699,745	305,421	416,363
Total liabilities	**1,138,674**	**1,325,400**	**2,595,091**	**2,513,859**
Deferred inflows of resources	32,975	9,455	39,488	16,656
Total liabilities and deferred inflows of resources	**1,171,649**	**1,334,855**	**2,634,579**	**2,530,515**
Net position				
Invested in capital assets, net of related debt	3,528,564	3,506,263	2,327,570	2,376,162
Restricted	463,322	474,442	233,612	238,220
Unrestricted	(176,189)	(465,968)	2,535,619	2,535,619
Total net position	**$ 3,815,697**	**$ 3,514,737**	**$ 5,060,690**	**$ 5,150,001**

Net position of the Town's governmental activities increased 8.6 percent to $3,815,697. Net position of the Town's business-type activities decreased 1.7 percent to $5,060,690.

Changes in net position. The Town's total revenues for the year ended April 30, 2025 decreased by $2,119,427 to $5,422,302. Approximately 61.2 percent of the Town's revenue is derived from charges for services, approximately 13.0 percent is derived from grants and contributions, and approximately 21.4 percent is derived from tax collections.

The Town's total expenses for the year ended April 30, 2025 increased by $446,023 to $5,210,653. Approximately 54.9 percent of the Town's expenses are the result of its business-type activities and 45.1 percent are the result of its governmental activities. (See Table A-2)

Table A-2
Changes in the Town's Net Position

	Governmental Activities		Business-Type Activities	
	2025	**2024**	**2025**	**2024**
Revenues				
Program revenues				
Charges for services	$ 334,220	$ 241,645	$ 2,985,594	$ 4,166,099
Operating grants and contributions	220,829	365,799	4,030	198,664
Capital grants and contributions	-	861,970	477,834	253,533
General revenues				
Taxes	975,022	986,399	74,255	83,086
Franchise taxes	108,873	110,040	-	-
Licenses and permits	180,943	151,965	-	-
Fines and forfeitures	1,397	4,465	-	-
Other revenues	29,422	48,414	29,883	69,690
Total revenues	**1,850,706**	**2,770,697**	**3,571,596**	**4,771,032**
Expenses				
General government	764,269	689,222	-	-
Streets and drainage	960,749	761,330	-	-
Public safety	239,657	471,691	-	-
Sanitation	370,541	315,136	-	-
Interest	14,530	21,571	-	-
Water	-	-	1,111,036	1,177,761
Sewer	-	-	1,749,871	1,327,919
Total expenses	**2,349,746**	**2,258,950**	**2,860,907**	**2,505,680**
Other financing resources (uses)				
Transfers in	837,074	890,670	200,000	333,400
Transfers out	(37,074)	-	(1,000,000)	(1,224,070)
Total other financing resources (uses)	**800,000**	**890,670**	**(800,000)**	**(890,670)**
Increase (decrease) in net position	**300,960**	**1,402,417**	**(89,311)**	**1,374,682**
Beginning net position	3,514,737	2,112,320	5,150,001	3,775,319
Ending net position	**$ 3,815,697**	**$ 3,514,737**	**$ 5,060,690**	**$ 5,150,001**

Governmental Activities

Revenues for the Town's governmental activities decreased by $919,991, or 33.2 percent. Approximately 58.6 percent of these revenues are derived from ad valorem, sales, and franchise taxes. An additional 18.1 percent is derived from charges for services. A decrease in grants and contributions contributed to an overall decrease in revenues. The decrease in contributions is a result of the St. James Parish Government assisting with the Buddy Whitney Drainage upgrade in 2024.

Expenses for the Town's governmental activities increased by $90,796, or 4.0 percent. Increase is a result of standard cost-of-living increases.

TOWN OF LUTCHER
LUTCHER, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Business-type Activities

Revenues for the Town's business-type activities decreased by $1,199,436 or approximately 25.1 percent. Charges for services provide for approximately 83.6 percent of business-type revenues.

Expenses for the Town's business-type activities increased by $355,227 or 14.2 percent. Approximately 38.8 percent of these expenses result from water activities and approximately 61.2 percent are the result of sewer activities.

FINANCIAL ANALYSIS OF THE TOWN'S GOVERNMENTAL FUNDS

As the Town completed the year, its governmental funds reported a combined fund balance of $1,067,139, an increase of $359,262, or 50.8 percent, from last year.

General Fund Budgetary Highlights

The Town amended its original budget for the fiscal year. The amendments to the original budget were directly related to a reduction in the anticipated capital outlay. This contributed to an over $750,000 decrease in anticipated expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At the end of April 30, 2025, the Town had invested $7,510,996 in a broad range of capital assets, including police equipment, buildings, vehicles, and water and sewer systems. (See Table A-3) This amount represents a net increase (including additions and deductions) of $578,747, or 8.4 percent, compared to last year.

More information about the Town's capital assets is presented in Note 7 to the financial statements.

Table A-3
Town's Capital Assets

	Governmental Activities		Business-Type Activities	
	2025	**2024**	**2025**	**2024**
Land and Improvements	$ 49,005	$ 49,005	$ 114,855	$ 114,855
Buildings and Improvements	375,654	375,654	-	-
Lutcher Park	345,635	345,635	-	-
Streets	2,306,606	2,286,212	-	-
Drainage	2,490,089	1,997,363	-	-
Equipment	496,143	422,625	791,532	794,167
Construction in Progress	-	351,502	-	-
Water and Sewer Facility and System	-	-	11,577,495	10,671,542
Less: Accumulated Depreciation	(2,492,903)	(2,259,743)	(8,543,115)	(8,216,568)
Total	**$ 3,570,229**	**$ 3,568,253**	**$ 3,940,767**	**$ 3,363,996**

Current year depreciation expense was approximately $568,000.

This year's major capital asset additions included:

- Sewer Pond Improvements - $713,000
- Drainage upgrade - $140,000
- Board Room Upgrade - $40,000
- Police Equipment - $30,000

Construction in progress consists of engineering and project costs relating to the 2nd and 3rd Street Canal Drainage work in fiscal year 2024 which was completed in 2025.

MANAGEMENT'S DISCUSSION AND ANALYSIS
APRIL 30, 2025

Long-term debt. At the end of the current fiscal year, the Town had bonded debt outstanding of $1,277,608 as compared to $1,392,283 in the prior year, a decrease of $114,675 or 8.2 percent. (See Table A-4) More information about the Town's long-term liabilities is presented in Note 9 to the financial statements.

Table A-4
Town's Outstanding Debt

	Governmental Activities		Business Activities	
	2025	**2024**	**2025**	**2024**
General Obligation Bonds, Series 2012A	$ 40,000	$ 59,000	$ -	$ -
Hurricane Recovery Bonds, Series 2022	342,325	350,000	-	-
General Obligation Bonds, Series 2012	-	-	514,000	578,000
Taxable Limited Bond, Series 2016	-	-	262,000	281,000
Utilities Revenue Bonds, Series 2022	-	-	36,413	38,413
Utilities Revenue Bonds, Series 2023	-	-	82,870	85,870
Total	**$ 382,325**	**$ 409,000**	**$ 895,283**	**$ 983,283**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Town's major sources of revenue for the general fund are comprised from taxes (sales, franchise & property), intergovernmental grants, and garbage fees at 34.2 percent, 49.4 percent, and 10.7 percent of total revenues, respectively. Grant revenues anticipated are for the purpose of completing the 2nd phase of a street project. The economy is not expected to generate any significant growth. Expenditures are expected to increase due to additional drainage and street projects.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Kevin Criddle, Town Clerk, PO Box 456, Lutcher, LA 70071.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
STATEMENT OF NET POSITION
APRIL 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash	$ 724,840	$ 2,885,022	$ 3,609,862
Receivables:			
Taxes	3,852	2,553	6,405
Other	28,096	-	28,096
Accounts, net	54,865	504,276	559,141
Internal balances	125,000	(125,000)	-
Due from other governmental units	241,580	-	241,580
Other current assets	11,184	20,280	31,464
Restricted assets:			
Cash	13,322	395,284	408,606
Capital assets (net)	3,570,229	3,940,767	7,510,996
Total assets	4,772,968	7,623,182	12,396,150
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	214,378	72,087	286,465
Total deferred outflows of resources	214,378	72,087	286,465
LIABILITIES			
Accounts payable	96,811	847,503	944,314
Accrued payables	16,141	19,454	35,595
Accumulated leave due within one year	10,998	77,103	88,101
Bonds due within one year	20,000	90,575	110,575
Unearned revenues	17,882	269,634	287,516
Long-term liabilities:			
Accumulated leave	7,503	59,543	67,046
Customer service meter deposits	-	121,150	121,150
Bonds payable	362,325	804,708	1,167,033
Net pension liability	607,014	305,421	912,435
Total liabilities	1,138,674	2,595,091	3,733,765
DEFERRED INFLOWS OF RESOURCES			
Pension related	32,975	39,488	72,463
Total deferred inflows of resources	32,975	39,488	72,463
NET POSITION			
Net investment in capital assets	3,528,564	2,327,570	5,856,134
Restricted for:			
Debt retirement	13,322	233,612	246,934
Road maintenance	450,000	-	450,000
Unrestricted	(176,189)	2,499,508	2,323,319
Total net position	**$ 3,815,697**	**$ 5,060,690**	**$ 8,876,387**

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions:							
Governmental activities:							
General government	$ 764,269	$ -	$ 220,829	$ -	$ (543,440)	$ -	$ (543,440)
Streets and drainage	960,749	-	-	-	(960,749)	-	(960,749)
Public safety	239,657	-	-	-	(239,657)	-	(239,657)
Sanitation	370,541	334,220	-	-	(36,321)	-	(36,321)
Interest	14,530	-	-	-	(14,530)	-	(14,530)
Total governmental activities	2,349,746	334,220	220,829	-	(1,794,697)	-	(1,794,697)
Business-type activities:							
Sewer	1,749,871	2,348,017	24	477,834	-	1,076,004	1,076,004
Water	1,111,036	637,577	4,006	-	-	(469,453)	(469,453)
Total business-type activities	2,860,907	2,985,594	4,030	477,834	-	606,551	606,551
Total primary government	$ 5,210,653	$ 3,319,814	$ 224,859	$ 477,834	(1,794,697)	606,551	(1,188,146)
		General revenues					
		Taxes:					
		Ad valorem			130,927	74,255	205,182
		Sales taxes			844,095	-	844,095
		Franchise taxes			108,873	-	108,873
		Licenses and permits			180,943	-	180,943
		Fines and forfeitures			1,397	-	1,397
		Transfers (to)/from other funds			800,000	(800,000)	-
		Other revenue			29,422	29,883	59,305
		Total general revenues and transfers			2,095,657	(695,862)	1,399,795
		Change in net position			300,960	(89,311)	211,649
		Net position, April 30, 2024			3,514,737	5,150,001	8,664,738
		Net position, April 30, 2025			$ 3,815,697	$ 5,060,690	$ 8,876,387

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
GOVERNMENTAL FUNDS
BALANCE SHEET
APRIL 30, 2025

	General	Debt Service	Total Governmental Funds
ASSETS			
Cash	$ 724,840	$ -	$ 724,840
Receivables:			
Taxes	3,852	-	3,852
Other	28,096	-	28,096
Due from other funds	125,000	-	125,000
Accounts, net	54,865	-	54,865
Due from other governmental units	241,580	-	241,580
Prepaid insurance	11,184	-	11,184
Restricted assets:			
Cash	-	13,322	13,322
Total assets	**$ 1,189,417**	**$ 13,322**	**$ 1,202,739**
LIABILITIES			
Accounts payable	$ 96,811	$ -	$ 96,811
Accrued payables	18,235	-	18,235
Unearned revenues	17,882	-	17,882
Total liabilities	132,928	-	132,928
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - ad valorem taxes	2,672	-	2,672
Total deferred inflows of resources	2,672	-	2,672
FUND BALANCES			
Nonspendable	11,184	-	11,184
Restricted for debt retirement	-	13,322	13,322
Restricted for road maintenance	450,000	-	450,000
Unassigned	592,633	-	592,633
Total fund balance	1,053,817	13,322	1,067,139
Total liabilities, deferred inflows and fund balances	**$ 1,189,417**	**$ 13,322**	**$ 1,202,739**

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
APRIL 30, 2025

Total fund balances - governmental funds		$ 1,067,139
Cost of capital assets at April 30, 2025	6,063,132	
Less: accumulated depreciation as of April 30, 2025	(2,492,903)	3,570,229
Deferred outflows of resources at April 30, 2025		
Deferred outflows - pension related		214,378
Ad valorem tax revenues that were collected more than sixty days after year-end and, therefore, are not available soon enough to pay current period expenditures		2,672
Long-term liabilities and deferred inflows of resources at April 30, 2025		
Bonds payable	(382,325)	
Accrued interest payable	(8,904)	
Accrued sick leave payable	(6,445)	
Accrued compensatory time payable	(1,058)	
Net pension liability	(607,014)	
Deferred inflows - pension related	(32,975)	(1,038,721)
Total net position at April 30, 2025 - governmental activities		$ 3,815,697

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED APRIL 30, 2025

	General	Debt Service	Total Governmental Funds
REVENUES			
Ad valorem taxes	$ 144,774	$ -	$ 144,774
Sales taxes	844,095	-	844,095
Franchise taxes	108,873	-	108,873
Garbage fees	334,220	-	334,220
Licenses and permits	180,943	-	180,943
Intergovernmental revenue:			
Grants	220,829	-	220,829
Fines and forfeitures	1,397	-	1,397
Other revenue	7,677	-	7,677
Total revenues	1,842,808	-	1,842,808
EXPENDITURES			
Current:			
General government	764,939	2,903	767,842
Streets and drainage	630,433	-	630,433
Public safety	238,219	-	238,219
Sanitation	370,541	-	370,541
Capital outlay	241,220	-	241,220
Debt service:			
Principal retirement	-	26,675	26,675
Interest	-	8,616	8,616
Total expenditures	2,245,352	38,194	2,283,546
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(402,544)	(38,194)	(440,738)
OTHER FINANCING SOURCES			
Transfers in	800,000	37,074	837,074
Transfers out	(37,074)	-	(37,074)
Total other financing sources	762,926	37,074	800,000
NET CHANGE IN FUND BALANCE	360,382	(1,120)	359,262
FUND BALANCE			
Beginning of year	693,435	14,442	707,877
End of year	$ 1,053,817	$ 13,322	$ 1,067,139

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER

LUTCHER, LOUISIANA

RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED APRIL 30, 2025

Total net changes in fund balance - governmental funds		$	359,262
Capital assets:			
Capital outlay capitalized	241,220		
Loss on disposal	(661)		
Depreciation expense for the year ended April 30, 2025	(238,583)		1,976
Change in ad valorem taxes collected after 60 days			(13,847)
Long-term debt:			
Principal portion of debt service payments	26,675		
Change in accrued sick leave	905		
Change in accrued compensatory time	33		
Excess of interest accrued over interest paid	(5,914)		
Net change in pension liability and deferred inflows/outflows of resou	(68,130)		(46,431)
Change in net position - governmental activities		$	300,960

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
APRIL 30, 2025

	Sewer Fund	Water Fund	Total
ASSETS			
CURRENT ASSETS			
Cash	$ 2,882,906	$ 2,116	$ 2,885,022
Taxes receivable	-	2,553	2,553
Accounts receivable (net of allowance for uncollectibles)	399,279	104,997	504,276
Other current assets	5,773	14,507	20,280
Total current assets	3,287,958	124,173	3,412,131
NONCURRENT ASSETS			
Restricted assets:			
Cash	85,644	309,640	395,284
Total restricted assets	85,644	309,640	395,284
Capital assets, net	1,922,590	2,018,177	3,940,767
Total noncurrent assets	2,008,234	2,327,817	4,336,051
Total assets	5,296,192	2,451,990	7,748,182
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	42,013	30,074	72,087
Total deferred outflows of resources	42,013	30,074	72,087
LIABILITIES			
CURRENT LIABILITIES			
Payable from current assets:			
Accounts payable	825,693	21,810	847,503
Retainage payable	-	-	-
Accrued payables	8,898	10,556	19,454
Due to other funds	-	125,000	125,000
Accumulated leave	67,079	10,024	77,103
Unearned revenue	269,634	-	269,634
Payable from restricted assets:			
Bonds payable due within one year	1,725	88,850	90,575
Total current liabilities	1,173,029	256,240	1,429,269
NONCURRENT LIABILITIES			
Accumulated leave	47,213	12,330	59,543
Customer meter deposits	-	121,150	121,150
Bonds payable	34,688	770,020	804,708
Net pension liability	178,004	127,417	305,421
Total noncurrent liabilities	259,905	1,030,917	1,290,822
Total liabilities	1,432,934	1,287,157	2,720,091
DEFERRED INFLOWS OF RESOURCES			
Pension related	23,014	16,474	39,488
Total deferred inflows of resources	23,014	16,474	39,488
NET POSITION			
Net investment in capital assets	1,172,731	1,154,839	2,327,570
Restricted for debt retirement	55,444	178,168	233,612
Unrestricted	2,654,082	(154,574)	2,499,508
TOTAL NET POSITION	**$ 3,882,257**	**$ 1,178,433**	**$ 5,060,690**

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED APRIL 30, 2025

	Sewer Fund	Water Fund	Total
OPERATING REVENUES			
Charges for service			
Utility fees	$ 342,062	$ 618,858	$ 960,920
User fees - oxidation pond	2,000,568	-	2,000,568
Delinquent charges	5,387	18,719	24,106
Total operating revenues	2,348,017	637,577	2,985,594
OPERATING EXPENSES			
Professional services	84,489	84,520	169,009
Payroll taxes	25,776	21,245	47,021
Retirement	42,570	5,950	48,520
Insurance	101,229	174,340	275,569
Office supplies and postage	79,056	44,802	123,858
Miscellaneous	419,386	5,901	425,287
Salaries	430,377	351,516	781,893
Oxidation pond/water plant analysis and treatment	37,114	51,974	89,088
Electricity	120,079	38,638	158,717
Materials, supplies, and repairs	236,459	147,168	383,627
Depreciation	172,971	156,211	329,182
Total operating expenses	1,749,506	1,082,265	2,831,771
OPERATING INCOME (LOSS)	598,511	(444,688)	153,823
NONOPERATING REVENUES (EXPENSES)			
Ad valorem taxes	-	74,255	74,255
Capital grants	477,834	-	477,834
Investment earnings	707	-	707
Operating grants	24	4,006	4,030
Miscellaneous	(9,053)	38,229	29,176
Interest expense	(365)	(28,771)	(29,136)
Total nonoperating revenues	469,147	87,719	556,866
Income (loss) before transfers	1,067,658	(356,969)	710,689
Transfers in	-	200,000	200,000
Transfers out	(1,000,000)	-	(1,000,000)
Total transfers	(1,000,000)	200,000	(800,000)
CHANGE IN NET POSITION	**67,658**	**(156,969)**	**(89,311)**
Net position, April 30, 2024	3,814,599	1,335,402	5,150,001
Net position, April 30, 2025	$ 3,882,257	$ 1,178,433	$ 5,060,690

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED APRIL 30, 2025

	Sewer Fund	Water Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$ 2,502,737	$ 646,973	$ 3,149,710
Cash paid to employees and suppliers	(789,537)	(886,733)	(1,676,270)
Net cash provided by (used in) operating activities	1,713,200	(239,760)	1,473,440
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from other funds	-	200,000	200,000
Transfers to other funds	(1,000,000)	-	(1,000,000)
Other sources (uses)	(8,322)	38,229	29,907
Operating grant	-	4,006	4,006
Net cash provided by (used in) noncapital financing activities	(1,008,322)	242,235	(766,087)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	(768,857)	(137,096)	(905,953)
Ad valorem tax	-	74,255	74,255
Principal payments on long-term debt	(2,000)	(86,000)	(88,000)
Interest paid on long-term debt	(365)	(28,771)	(29,136)
Net cash used in capital and related financing activities	(771,222)	(177,612)	(948,834)
Net decrease in cash and cash equivalents	(66,344)	(175,137)	(241,481)
Cash and cash equivalents - beginning of year	3,034,894	486,893	3,521,787
Cash and cash equivalents - end of year	$ 2,968,550	$ 311,756	$ 3,280,306
Cash and cash equivalents - end of year			
Cash - current	$ 2,882,906	$ 2,116	$ 2,885,022
Cash - restricted	85,644	309,640	395,284
	$ 2,968,550	$ 311,756	$ 3,280,306

(continued)

TOWN OF LUTCHER
LUTCHER, LOUISIANA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED APRIL 30, 2025

	Sewer Fund	Water Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income (loss)	$ 598,511	$ (444,688)	$ 153,823
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities -			
Depreciation	172,971	156,211	329,182
Bad debt expense	472	2,030	2,502
Net changes in assets and liabilities -			
Accounts receivable	154,720	8,120	162,840
Prepaid expenses and other assets	467	(18,174)	(17,707)
Deferred outflows of resources	23,279	26,240	49,519
Accounts payable and other liabilities	794,255	87,136	881,391
Net pension liability	(45,546)	(65,396)	(110,942)
Deferred inflows of resources	14,071	8,761	22,832
Net cash provided by (used in) operating activities	$ 1,713,200	$ (239,760)	$ 1,473,440

(concluded)

The accompanying notes are an integral part of this statement.

TOWN OF LUTCHER
LUTCHER, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2025

1. **Summary of Significant Accounting Policies**

The Town of Lutcher, Louisiana (the Town) was incorporated on March 13, 1912, and operates under a Mayor - Board of Aldermen form of government. As authorized by its charter, the Town is responsible for public safety, highways and streets, sanitation, public improvements, and general administrative services.

The Town's basic financial statements consist of the government-wide statements and the fund financial statements. The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*. Such accounting and reporting procedures conform to the requirements of Louisiana Revised Statute 24:514, to the guidance set forth in the *Louisiana Governmental Accounting Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units* published by the American Institute of Certified Public Accountants.

Financial Reporting Entity

GASB Codification, Section 2100, *Defining the Financial Reporting Entity*, establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Since the Town is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments, it is considered a primary government under the provisions of this Statement. As used in GASB Codification, Section 2100, fiscally independent means that the Town may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. Additionally, the Town does not have any component units, which are defined by GASB Codification, Section 2100 as other legally separate organizations for which the elected officials are financially accountable. There are no other primary governments with which the Town has a significant relationship.

The following is a summary of certain significant accounting policies and practices:

Basis of Presentation, Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the Town of Lutcher. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between *the governmental and business-type activities* of the Town. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

1. **Summary of Significant Accounting Policies** (continued)

Basis of Presentation, Basis of Accounting (continued)

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

Fund Financial Statements: The fund financial statements provide information about the Town's funds. Separate statements for each fund category - *governmental and proprietary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Town reports the following major governmental funds:

a. General Fund - This is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

b. Debt Service Fund – This fund is used to account for the accumulation of resources for the payment of principal and interest on long-term obligation debt of governmental funds.

The Town reports the following major enterprise funds:

a. Water Fund - This fund is used to account for operations, (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing the goods or services to the general public on a continuing basis be financed or recovered through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

1. **Summary of Significant Accounting Policies** (continued)

Basis of Presentation, Basis of Accounting (continued)

b. Sewer Fund - This fund is used to account for operations, (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing the goods or services to the general public on a continuing basis be financed or recovered through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Measurement Focus, Basis of Accounting

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary funds financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers property tax revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted fund balances available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

1. **Summary of Significant Accounting Policies** (continued)

Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in these financial statements:

1. A proposed budget is prepared and submitted to the Mayor and Board of Aldermen prior to the beginning of each fiscal year.

2. The proposed budget is published in the official journal and made available for public inspection. A public hearing is held to obtain taxpayer comments.

3. The budget is adopted through the passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.

4. Budgetary amendments involving the transfer of funds from one department, program, or function to another or involving increases in expenditures resulting from revenues exceeding amounts originally estimated require the approval of the Board of Aldermen.

5. All budgetary appropriations lapse at the end of each fiscal year.

6. Budgets for the general and proprietary funds are adopted on bases consistent with accounting principles generally accepted in the United States of America (GAAP).

7. Louisiana R.S. 39:1310 requires budgets to be amended when revenue collections plus projected revenue collections for the remainder of a year, within a fund, are failing to meet estimated annual budgeted revenues by five percent or more or expenditures plus projected expenditures for the remainder of the year, within a fund, are exceeding estimated budgeted expenditures by five percent or more.

The level of budgetary control is total appropriations. Budgeted amounts included in the financial statements include the original adopted budget, and the final amended budget.

Cash and Cash Equivalents

Cash and cash equivalents, which include demand deposit accounts and interest-bearing demand deposit accounts are stated at market value. Under Louisiana Revised Statute 33:2955, the Town may deposit funds in obligations of the U.S. Treasury and U.S. agencies, demand deposit accounts, interest-bearing demand deposit accounts, money market accounts, and time certificates of deposit with state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Under state law, the Town may invest in United States bonds, treasury notes, or certificates of deposit. These are classified as cash equivalents if the original maturities are 90 days or less; however, if their original maturity exceeds 90 days, these are classified as investments. Investments are stated at cost and approximate fair value.

1. **Summary of Significant Accounting Policies** (continued)

Cash and Cash Equivalents (continued)

For purposes of the statements of cash flows, the Town considers all highly liquid investments (including restricted assets) with original maturities of three months or less to be cash equivalents.

Restricted Assets

Certain customer meter deposits, debt service sinking funds, and ad valorem tax collections are legally restricted as to purpose. These assets have been classified as restricted assets on the Statement of Net Position since the use of these funds is limited by applicable deposit agreements, bond covenants, and tax millages.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Purchased or constructed capital assets with a cost of $5,000 or more are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The Town has elected not to report major general infrastructure assets retroactively. The Town began reporting infrastructure assets beginning May 1, 2005.

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

Asset Class	Estimated Useful Lives
Buildings and improvements	7-40 years
Land improvements	20 years
Lutcher Park	20-40 years
Streets	20 years
Drainage	20-25 years
Equipment	5-20 years

The proprietary fund type operations are accounted for on a cost of services or "capital maintenance" measurement focus, and all assets and liabilities (whether current or non-current) associated with their activity are included on the balance sheets.

Depreciation of all exhaustible fixed assets used by the proprietary funds is charged as an expense against their operations. Depreciation has been provided over the assets' estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Sewerage system	40 years
Waterworks system	40 years
Equipment	3-10 years

1. **Summary of Significant Accounting Policies** (continued)

Accounts Receivable

Uncollectible amounts due from customers for utility services are recognized as bad debts through the establishment of an allowance for uncollectible accounts at the time information becomes available which indicates the uncollectibility of the particular receivable.

Accumulated Leave

Employees earn vacation and sick leave at various rates depending upon the length of their employment. Amounts of vested or accumulated vacation are expected to be liquidated with expendable available financial resources of the general fund and are reported as an expenditure and liability of the fund as the benefits accrue to employees. Vested or accumulated vacation and sick leave of business-type funds is recorded as an expense and liability of those funds as the benefits accrue to employees. Additionally, salaried employees can accumulate an unlimited amount of compensatory time as approved by the Mayor. Any accrued compensatory time balances are to be paid at convertible hourly rates at the request of the employee and approval of the Mayor.

Long Term Debt

In the government-wide Statement of Net Position and in the proprietary fund types' financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond issuance costs, excluding any prepaid bond insurance, are reported as expense in the year of debt issuance. Bonded debt premiums, discounts, and gains (losses) on refundings are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable is reported net of the applicable bond premium or discount. Gains (losses) on refundings are reported as deferred outflows/inflows of resources.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and bond issuance costs during the current financial reporting period. The face amount of the debt issue is reported as "other financing sources." Premiums received on debt issuances are reported as "other financing sources" and discounts on debt are reported as "other financing uses."

Excess revenue contracts, loans, and notes are obligations of the general government and payment of these debts are normally provided by transfers from the General Fund to a debt service fund. However, if a debt is intended to be repaid by an enterprise fund it is recorded as a proprietary long-term debt.

Ad valorem tax revenue bonds are secured by ad valorem tax revenues. For those issues not associated with enterprise fund operations, payment of the debt is provided by ad valorem tax revenue recognized in the appropriate debt service fund. Ad valorem tax revenue bond issues associated with enterprise funds are accounted for in the relevant enterprise fund.

1. **Summary of Significant Accounting Policies** (continued)

Pension Plans

The Town of Lutcher is a participating employer in two cost-sharing, multiple-employer defined benefit pension plans as described in Note 14. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of each of the plans, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plans.

Equity Classifications

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

a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use for a particular project or service, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements: In the fund financial statements, governmental fund equity is classified as fund balance. Accounting standards require governmental fund balances to be recorded in as many as five classifications as listed below:

a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

1. **Summary of Significant Accounting Policies** (continued)

Equity Classifications (continued)

c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Board of Aldermen, which is the highest level of decision-making authority.

d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes.

e. Unassigned – all other spendable amounts.

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the Town reduces restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned, and unassigned amounts are available, the Town reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

Interfund Balances / Transfers

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases, where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

Deferred Outflows/Inflows of Resources

The statement of financial position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. *Deferred outflows* of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. *Deferred inflows* of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The primary government's deferred outflows and deferred inflows of resources on the statement of net position are a result of deferrals concerning pensions.

Estimates

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

TOWN OF LUTCHER
LUTCHER, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2025

1. **Summary of Significant Accounting Policies** (continued)

Encumbrances

Encumbrance accounting, under which contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Town.

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. The Town carries commercial insurance for all risks of loss.

Arbitrage Liability

Section 148 of the Internal Revenue Code of 1986, as amended, requires that issuers of tax exempt debt make arbitrage calculations annually on bond issues issued after August 31, 1986, to determine whether an arbitrage rebate liability exists between the issuer and the U.S. Department of Treasury. Arbitrage is the difference (or profit) earned from borrowing funds at tax exempt rates and investing the proceeds in higher yielding taxable securities. There are no arbitrage rebate liabilities outstanding to the U.S. Department of Treasury for Town issues at April 30, 2025.

Current Year Adoption of New Accounting Standards

The Town adopted GASB Statement 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement 62*. This Statement aims to enhance accounting and financial reporting. The adoption of this statement did not significantly impact these financial statements.

The Town adopted GASB Statement 101, *Compensated Absences*. This Statement aims to enhance the relevance and reliability of information about the liability of compensated absences by providing a model that will result in a more robust estimate of the amount a government will pay or settle. The adoption of this statement did not significantly impact these financial statements.

2. **Cash**

At April 30, 2025, the carrying amounts of the Town's deposits were as follows:

Petty cash	$	200
Demand deposit accounts/savings accounts		3,609,662
Restricted cash		408,606
Total	$	4,018,468

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by either federal deposit insurance or by the pledge of securities owned by a fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank.

TOWN OF LUTCHER
LUTCHER, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2025

3. **Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a financial institution failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. At April 30, 2025, the Town's bank balances totaled $4,098,118. Of these bank balances, $700,780 was covered by federal depository insurance, and $3,397,338 was collateralized with securities held by the pledging financial institution's trust department or agent in the Town's name.

4. **Receivables**

Receivables as of April 30, 2025 for the Town's funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities		
	General Fund	Sewer Fund	Water Fund	Total Business-type Activities
Receivables:				
Property taxes	$ 3,852	$ -	$ 2,553	$ 2,553
Accounts	62,465	405,479	136,797	542,276
Other	28,096	-	-	-
Gross receivables	94,413	405,479	139,350	544,829
Less: allowance for uncollectibles	(7,600)	(6,200)	(31,800)	(38,000)
Net receivables	$ 86,813	$ 399,279	$ 107,550	$ 506,829

5. **Due from / to Other Governmental Units**

At April 30, 2025, the Town has $149,630 due from the St. James Parish School Board for sales tax collections. Additionally, the Town has $91,950 due from the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) relating to Hurricane Francine recovery reimbursements.

6. **Interfund Receivables and Payables**

Interfund receivables and payables as of April 30, 2025 are as follows:

Interfund Receivables		Interfund Payables	
General Fund	$ 125,000	General Fund	$ -
Water Fund	-	Water Fund	125,000
Total	$ 125,000	Total	$125,000

Interfund receivable and payable balances represent short-term borrowings between funds.

NOTES TO FINANCIAL STATEMENTS
APRIL 30, 2025

7. Capital Assets

Capital assets and depreciation activity as of and for the year ended April 30, 2025, are as follows:

Governmental activities:

	Land and Improvements	Buildings and Improvements	Lutcher Park	Streets	Drainage	Equipment	Construction in progress	Total
Cost at April 30, 2024	$ 49,005	$ 375,654	$345,635	$ 2,286,212	$ 1,997,363	$ 422,625	$ 351,502	$ 5,827,996
Additions	-	-	-	20,394	23,200	79,602	118,024	241,220
Deletions	-	-	-	-	-	(6,084)	-	(6,084)
Transfers	-	-	-	-	469,526	-	(469,526)	-
Cost of Capital Assets April 30, 2025	49,005	375,654	345,635	2,306,606	2,490,089	496,143	-	6,063,132
Accumulated depreciation April 30, 2024	9,548	261,469	295,635	866,410	493,639	333,042	-	2,259,743
Additions	372	10,414	-	99,880	97,781	30,136	-	238,583
Deletions	-	-	-	-	-	(5,423)	-	(5,423)
Accumulated depreciation April 30, 2025	9,920	271,883	295,635	966,290	591,420	357,755	-	2,492,903
Capital Assets, net of accumulated depreciation at April 30, 2025	$ 39,085	$ 103,771	$ 50,000	$ 1,340,316	$ 1,898,669	$ 138,388	$ -	$ 3,570,229

Capital assets above that are not being depreciated, include land in the amount of $39,085 included in Land and Improvements. Additionally, land in the amount of $50,000 included in Lutcher Park is not being depreciated.

Depreciation expense of $238,583 for the year ended April 30, 2025 was charged to the following governmental functions:

General Government	$	20,114
Streets and Drainage		6,036
Public Safety		212,433
	$	238,583

7. **Capital Assets** (continued)

Business-type activities:

	Land and Improvements	Water and Sewer Facility and System	Equipment	Total
Total Cost of Capital Assets April 30, 2024	$ 114,855	$ 10,671,542	$ 794,167	$ 11,580,564
Additions	-	905,953	-	905,953
Deletions	-	-	(2,635)	(2,635)
Cost of Capital Assets April 30, 2025	114,855	11,577,495	791,532	12,483,882
Accumulated depreciation April 30, 2024	22,495	7,806,868	387,205	8,216,568
Additions	1,328	235,912	91,942	329,182
Deletions	-	-	(2,635)	(2,635)
Accumulated depreciation April 30, 2025	23,823	8,042,780	476,512	8,543,115
Capital Assets, net of accumulated depreciation at April 30, 2025	$ 91,032	$ 3,534,715	$ 315,020	$ 3,940,767

Capital assets above that are not being depreciated include land in the amount of $86,100 included in land and improvements.

Depreciation expense of $329,182 for the year ended April 30, 2025 was charged to the following governmental functions:

Sewer Fund	$ 172,971
Water Fund	156,211
	$ 329,182

8. **Disaggregation of Accounts Payable and Accrued Payables**

Accounts payables and accrued payables as of April 30, 2025 were as follows:

	Governmental Activities	Business-Type Activities	Total
Vendors	$ 96,811	$ 847,503	$ 944,314
Salaries and benefits payable	16,141	19,454	35,595
Total encumbrances	$ 112,952	$ 866,957	$ 979,909

9. **Long-term Debt**

The following is a summary of long-term debt transactions which occurred during the year ended April 30, 2025:

	Balance 4/30/24	Additions	Retirements	Balance 4/30/25	Due within One Year
Governmental activities:					
Direct borrowing and placement of debt:					
General Obligation Bonds, Series 2012A	$ 59,000	$ -	$ 19,000	$ 40,000	$ 20,000
Hurricane Recovery Revenue Bonds, Series 2022	350,000	-	7,675	342,325	-
	$ 409,000	$ -	$ 26,675	$ 382,325	$ 20,000
Business-type activities:					
Direct borrowing and placement of debt:					
General Obligation Bonds, Series 2012	$ 578,000	$ -	$ 64,000	$ 514,000	$ 66,000
Taxable Limited Bonds, Series 2016	281,000	-	19,000	262,000	19,000
Taxable Utilities Revenue Bonds, Series 2022	38,413	-	2,000	36,413	1,725
Taxable Utilities Revenue Bonds, Series 2023	85,870	-	3,000	82,870	3,850
	$ 983,283	$ -	$ 88,000	$ 895,283	$ 90,575

9. **Long-term Debt** (continued)

Direct borrowings and placements at April 30, 2025 were comprised of the following individual issues:

Governmental activities:

Debt Service Fund

$255,000 of General Obligation Bonds, Series 2012A; due in various semi-annual installments, including interest at 3%, through March 1, 2027; payable from ad valorem taxes. The bond document does not list any terms of events of default, termination events with financial related consequences, nor subjective acceleration clauses.	$ 40,000
$1,250,000 of Taxable Hurricane Recovery Bonds, Series 2022; due in various semi-annual installments, including interest at 4%, through September 1, 2027; payable from FEMA revenues. Events of default include failure to make punctual payment of principal amount due, failure to make punctual payment of any installment of interest that is due and payable, performance or observance of any other of the covenants, agreements, or conditions are not made and continues for a period of 45 days, or if the Town shall file a petition or other seek of relief under Federal or State bankruptcy law or other similar law.	342,325
	$ 382,325

Business-type activities:

Water Fund

$1.1 million of General Obligation Bonds, Series 2012; due in various semi-annual installments, including interest at 2.95%, through March 1, 2032; payable from ad valorem taxes. Events of default include failure to make punctual payment of principal amount due, failure to make punctual payment of any installment of interest that is due and payable, performance or observance of any other of the covenants, agreements, or conditions are not made and continues for a period of 45 days, or if the Town shall file a petition or other seek of relief under Federal or State bankruptcy law or other similar law. The Bond is subject to prepayment at any time at a price equal to the principal amounts thereof advanced to the Issuer plus accrued interest to the date of prepayment. The bond document does not list any terms related to termination events with finance related consequences nor subjective acceleration clauses.	$ 514,000
$500,000 of Taxable Limited Bonds, Series 2016; due in various semi-annual installments, including interest at 1.95%, through March 1, 2037; payable from ad valorem taxes. The bond document does not list any terms of events of default, termination events with financial related consequences, nor subjective acceleration clauses.	262,000

9. **Long-term Debt** (continued)

$862,000 of Taxable Limited Bonds, Series 2023; due in various semi-annual installments, including interest at 1.95%, through December 1, 2043; payable from utility system revenues. Events of default include failure to make punctual payment of principal amount due, failure to make punctual payment of any installment of interest that is due and payable, performance or observance of any other of the covenants, agreements, or conditions are not made and continues for a period of 45 days, or if the Town shall file a petition or other seek of relief under Federal or State bankruptcy law or other similar law. The Bond is subject to prepayment at any time at a price equal to the principal amounts thereof advanced to the Issuer plus accrued interest to the date of prepayment. The bond document does not list any terms related to termination events with finance related consequences nor subjective acceleration clauses.	82,870
Sewer Fund	
$1.05 million of Taxable Utilities Revenue Bonds, Series 2022; due in various semi-annual installments, including interest at 0.45%, through March 1, 2032; payable from utility system revenues. Events of default include failure to make punctual payment of principal amount due, failure to make punctual payment of any installment of interest that is due and payable, performance or observance of any other of the covenants, agreements, or conditions are not made and continues for a period of 45 days, or if the Town shall file a petition or other seek of relief under Federal or State bankruptcy law or other similar law. The Bond is subject to prepayment at any time at a price equal to the principal amounts thereof advanced to the Issuer plus accrued interest to the date of prepayment. The bond document does not list any terms related to termination events with finance related consequences nor subjective acceleration clauses.	36,413
	$ 895,283

The annual requirements to amortize all debt outstanding as of April 30, 2025, are as follows:

Year ending April 30,	Principal	Interest	Total
2026	$ 110,575	$ 36,927	$ 147,502
2027	213,468	31,929	245,397
2028	338,832	22,007	360,839
2029	98,607	14,597	113,204
2030	102,745	11,972	114,717
2031 – 2035	304,448	24,487	328,935
2036 – 2040	81,737	4,907	86,644
2041 – 2045	27,196	871	28,067
	$1,277,608	$ 147,697	$ 1,425,305

9. **Long-term Debt** (continued)

As part of the various bond agreements the Town has agreed to comply with certain covenants. The covenants consist, primarily, of reporting and audit requirements, maintenance of various deposit accounts and funds, and other administrative requirements.

Computation of legal debt margin for general obligation bonds is as follows:

Ad valorem tax – Assessed valuation, 2024 tax rolls	$	20,405,132
Debt limit: 10% of assessed valuation (for any purpose)	$	2,040,513
Debt limit: 15% of assessed valuation (for sewerage purposes)	$	3,060,770
Debt limit: 35% of assessed valuation (aggregate, all purposes)	$	7,141,796

10. **Accumulated Leave**

The following is a summary of the changes in accumulated leave for the year ended April 30, 2025:

	Balance 4/30/2024	Additions (Reductions)	Balance 4/30/2025	Due within one year
Governmental:				
Compensated absences	$ 17,431	$ 12	$ 17,443	$ 10,998
Compensatory time	1,091	(33)	1,058	-
Total governmental	18,522	(21)	18,501	10,998
Business-type:				
Compensated absences	54,986	11,413	66,399	26,535
Compensatory time	79,847	(9,600)	70,247	50,568
Total business-type	134,833	1,813	136,646	77,103
Total primary government	$ 153,355	$ 1,792	$ 155,147	$ 88,101

11. **Ad Valorem Taxes**

Ad valorem taxes attach as enforceable liens on all applicable property on February 28th of each year. Taxes are levied and are billed to the taxpayers in November of each year. Billed ad valorem taxes become delinquent on January 1st of the following calendar year.

The Town bills and collects its own property taxes using the assessed values determined by the tax assessor of St. James Parish. During the year ended April 30, 2025 taxes of 6.92 mills were authorized and levied on property with assessed valuations totaling $20,405,132 for general purposes. Additional taxes of 4.37 mills were authorized and levied on the same property for the purpose of accumulating enough funds to service the annual debt requirements as they become due. All millages expire on December 31, 2024. Ad valorem taxes levied during the year ended April 30, 2025 totaled $230,376.

12. **Sales Taxes**

The Town receives a 1 percent sales tax collected on sales occurring within the boundaries of the Town of Lutcher. These proceeds are available for any lawful purpose of operating a municipality. The Town receives an additional 1 percent sales tax for the purpose of constructing, improving, extending and maintaining streets, drainage, water, sewer infrastructure and sewerage treatment works; and purchasing necessary equipment and land for any of the aforesaid public works, improvements and facilities. The Town recognized $844,095 of sales tax revenue during the year ended April 30, 2025. These taxes do not expire.

13. **Transfers to/from Other Funds**

Interfund transfers at April 30, 2025, were as follows:

Fund	Transfers In	Transfers Out
General Fund	$ 800,000	$ 37,074
Debt Service Fund	37,074	-
Water Fund	200,000	-
Sewer Fund	-	1,000,000
	$ 1,037,074	$ 1,037,074

14. **Pension and Retirement Plans**

The Town is a participating employer in two cost-sharing defined benefit pension plans. These plans are administered by two public employee retirement systems, the Municipal Employees' Retirement System of Louisiana (MERS) and the Municipal Police Employees' Retirement System (MPERS). Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each system is administered by a separate board of trustees.

Each of the Systems issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. These reports may be obtained by writing, calling or downloading the reports as follows:

MERS:
7937 Office Park Boulevard
Baton Rouge, Louisiana
70809
(225) 925-4810
www.mersla.com

MPERS:
7722 Office Park Boulevard, Suite
200
Baton Rouge, LA 70809
(225) 929-7411
www.lampers.org

14. **Pension and Retirement Plans** (continued)

Plan Descriptions:

Municipal Employees' Retirement System of Louisiana (MERS)

The Municipal Employees' Retirement System of Louisiana (MERS) is the administrator of a cost-sharing multiple-employer defined benefit pension plan. The plan provides retirement, disability, and survivor benefits to eligible state employees as defined in LRS 11:1732. The age and years of credible service required in order for a member to receive retirement benefits are established by LRS 11:1801.

Municipal Police Employees' Retirement System of Louisiana (MPERS)

The Municipal Police Employees' Retirement System of Louisiana (MPERS) is the administrator of a cost sharing multiple-employer defined benefit pension plan. The plan provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211 – 11:2233.

Funding Policy:

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

14. **Pension and Retirement Plans** (continued)

Contributions to the plans are required and determined by State statute (which may be amended) and are expressed as a percentage of covered payroll. The contribution rates in effect for the year ended April 30, 2025, for the Town and covered employees were as follows:

	Town	Employees
Municipal Employees' Retirement System Plan B		
Members hired prior to 01/01/2013	14.00%	5.00%
Members hired after 01/01/2013	14.00%	5.00%
Municipal Police Employees' Retirement Systems		
All employees hired prior to 01/01/2013 and all Hazardous Duty employees hired after 01/01/2013	35.60%	10.00%
Non-Hazardous Duty (hired after 01/01/2013)	35.60%	8.00%
Employees receiving compensation below poverty guidelines of US Department of health	38.10%	7.50%

The contributions made to the Systems for the past three fiscal years, which equaled the required contributions for each of the years ending April 30, 2025 were as follows:

	2025	2024	2023
Municipal Employees' Retirement System Plan B	$102,525	$104,053	$ 97,404
Municipal Police Employees' Retirement System	$ 26,766	$ 60,102	$ 43,690

Support of Non-Employer Contributing Entities

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. The Town recognized revenue in an amount equal to their proportionate share of the total contributions to the plan from these non-employer contributing entities as follows:

Municipal Employees' Retirement System Plan B	$	26,300
Municipal Police Employees' Retirement System		13,229
	$	39,529

14. **Pension and Retirement Plans** (continued)

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

The following schedule lists the Town's proportionate share of the Net Pension Liability allocated by each of the pension plans based on the June 30, 2024 measurement date. The Town uses this measurement to record its Net Pension Liability and associated amounts as of April 30, 2025 in accordance with GASB Statement 68. The schedule also includes the proportionate share allocation rate used at June 30, 2024 along with the change compared to the June 30, 2023 rate. The Town's proportion of the Net Pension Liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers.

	Net Pension Liability at June 30, 2024	Rate at June 30, 2024	Increase (decrease) on June 30, 2023 Rate
Municipal Employees' Retirement System Plan B	$ 451,673	0.7444%	-0.0609%
Municipal Police Employees' Retirement System	460,762	0.0509%	0.0063%
	$ 912,435		

The following schedule lists the pension plan's recognized pension expense of the Town for the year ended April 30, 2025:

	Governmental Activities	Business-Type Activities	Total
Municipal Employees' Retirement System Plan B	$ 15,972	$ 33,356	$ 49,328
Municipal Police Employees' Retirement System	149,244	-	149,244
	$ 165,216	$ 33,356	$ 198,572

14. **Pension and Retirement Plans** (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 29,236	$ (17,632)
Changes of assumptions	-	(16,813)
Net difference between projected and actual earnings on pension plan investments	29,066	-
Changes in proportion and differences between Employer contributions and proportionate share of contributions	124,749	(38,018)
Employer contributions subsequent to measurement date	103,414	-
	$ 286,465	$ (72,463)

Summary totals of deferred outflows of resources and deferred inflows of resources by pension plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Municipal Employees' Retirement System Plan B	$ 106,606	$ (58,397)
Municipal Police Employees' Retirement System	179,859	(14,066)
	$ 286,465	$ (72,463)

The Town reported a total of $103,414 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of June 30, 2024 which will be recognized as a reduction in Net Pension Liability in the year ended April 30, 2026. The following schedule list the pension contributions made subsequent to the measurement period for each pension plan:

	Subsequent Contributions
Municipal Employees' Retirement System Plan B	$ 85,863
Municipal Police Employees' Retirement System	17,551
	$ 103,414

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year	MERS	MPERS	Total
2025	$ (30,337)	$ 72,752	$ 42,415
2026	16,348	85,718	102,066
2027	(13,474)	(2,155)	(15,629)
2028	(10,191)	(8,073)	(18,264)
	$ (37,654)	$ 148,242	$ 110,588

14. Pension and Retirement Plans (continued)

Actuarial Assumptions:

A summary of the actuarial methods and assumptions used in determining the total pension liability for each pension plan as of June 30, 2024, are as follows:

	MERS	MPERS	
Valuation Date	June 30, 2024	June 30, 2024	
Actuarial Cost Method	Entry Age Normal Cost	Entry Age Normal cost	
Actuarial Assumptions:			
Expected Remaining Service Lives	3 years	4 years	
Investment Rate of Return	6.850%	6.750%	
Inflation Rate	2.500%	2.500%	
Mortality	For annuitant and beneficiary mortality tables used were PubG-2010(B) Healthy Retiree Table set equal to 115% for males and females, each adjusted using their respective male and female MP2021 scales For employees, the PubG-2010(B) Employee Table set equal to 115% for males and 120% for females, adjusted using their respective male and female MP2021 scales For disable lives morality, PubNS-2010(B) Disabled Retiree Table set equal to 115% for males and 120% for females with the full generational MP2021 scale.	For annuitant and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale. For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale. For disabled lives, the Pub-2010 Public Retirement Plants Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.	
Salary Increases		Years of Service	Salary Growth Rate
	1-2 years of service – 9.5% - Plan B	1-2	12.30%
	Above 2 years of service – 4.6% - Plan B	Above 2	4.70%

14. **Pension and Retirement Plans** (continued)

Actuarial Assumptions (continued)

	MERS	MPERS
Cost of Living Adjustments	The System is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the System to grant an additional cost of living increase to all retirees and beneficiaries who are age sixty-five and above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The following schedule list the methods used by each of the retirement systems in determining the long term rate of return on pension plan investments:

MERS	MPERS
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 of 2.50% and an adjustment for the effect of rebalancing /diversification. The resulting expected long-term rates of return is 6.85% for the year ended June 30, 2024.	The forecasted long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.62% and an adjustment for the effect of rebalancing/diversification. The resulting forecasted long term rate of return is 7.86% for the year ended June 30, 2024.

14. **Pension and Retirement Plans** (continued)

Actuarial Assumptions (continued)

The following table provides a summary of the best estimates of arithmetic/geometric real rates of return for each major asset class included in each of the Retirement Systems target asset allocations as of June 30, 2024:

	Target Allocation		Long-Term Expected Real Rate of Return	
Asset Class	MERS	MPERS	MERS	MPERS
Public equity	56.0%	-	2.44%	-
Equity	-	52 0%	-	3.14%
Public fixed income	29.0%	-	1.26%	-
Fixed income	-	34 0%	-	1.07%
Alternatives	15.0%	14 0%	0.65%	1.03%
Total	100.0%	100.0%	4.35%	5.24%
Inflation			2.50%	2.62%
Expected Arithmetic Nominal Return			6.85%	7.86%

Discount Rate:

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, each of the pension plan's fiduciary net 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. The discount rate used to measure the total pension liability for MERS and MPERS was 6.850% and 6.750%, respectively for the measurement period ending June 30, 2024.

14. **Pension and Retirement Plans** (continued)

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following table presents the Town's proportionate share of the Net Pension Liability (NPL) using the discount rate of each retirement system as well as what the Town's proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate used by each of the retirement systems:

	1.0% Decrease	Current Discount Rate	1.0% Increase
MERS (Plan B)			
Rates	5.850%	6.850%	7.850%
Town of Lutcher's Share of NPL	$ 701,344	$ 451,673	$ 240,660
MPERS			
Rates	5.750%	6.750%	7.750%
Town of Lutcher's Share of NPL	$ 684,451	$ 460,762	$ 274,026

15. **Restricted Assets**

Under the terms of the bond indentures for the general obligation bonds, certain revenues are dedicated to the retirement of said bonds and are to be set aside into special accounts after provisions have been made for the payment of the reasonable and necessary expenses of operating and maintaining the utility systems. The balances in the reserve accounts total $277,134.

As of April 30, 2025, the Town was in compliance with all related debt covenants.

At April 30, 2025, the Town has $131,472 of cash restricted for the refunding of customer meter deposits.

16. **Commitments and Contingencies**

Commitments

The Town has entered into a contract effective November 1, 2022 with a Company for the collection of residential and commercial waste. The contract expires October 31, 2027. Payments made to the Company are based on a preestablished fee schedule that is billed monthly at a rate per residential and commercial unit. Expenditures amounted to over $370,000 for the year ended April 30, 2025.

16. **Commitments and Contingencies** (continued)

Contingencies

In previous years, the Town received its allocated portion of the federal Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) enacted under the American Rescue Plan Act totaling $1,177,240. As of April 30, 2025, the Town has spent $907,606 on improvements utilizing these funds. The remaining amount of $269,634 is recorded as unearned revenue in the Sewer Fund. The Town expects to spend the remainder of these funds during 2026 on eligible expenditures. These funds are subject to repayment to the United States Treasury if not spent on eligible activities or programs.

Additionally, the Town has been awarded funding through the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) as a result of Hurricanes Ida and Francine. As of April 30, 2025, the Town has received $17,882 that has not yet been spent on eligible expenditures. The amount of funds received but not yet spent are recorded as unearned revenues in the General Fund.

17. **Detailed Restricted Net Position and Fund Balances**

Details of restricted Net Position as reported in the government-wide Statement of Net Position are as follows:

	Governmental Activities	Business Type Activities	Total
Net position restricted for:			
Debt services:			
Debt service for Water Fund general obligation bonds	$ -	$ 155,642	$ 155,642
Debt service for Water Fund taxable limited bonds	-	22,526	22,526
Debt service for Sewer Fund taxable limited bonds	-	55,444	55,444
Debt service for general obligation bonds	13,322	-	13,322
Capital improvements:			
Road maintenance	450,000	-	450,000
Total restricted net position	$ 463,322	$ 233,612	$ 696,934

17. **Detailed Restricted Net Position and Fund Balances** (continued)

Details of nonspendable, restricted, and unassigned fund balances at year-end are as follows:

	General Fund	Debt Service Fund	Total Governmental Funds
Fund balances:			
Nonspendable:			
Prepaid insurance	$ 11,184	$ -	$ 11,184
Restricted:			
Debt services:			
Debt service for general obligation bonds	-	13,322	13,322
Capital improvements:			
Road maintenance	450,000	-	450,000
Total Restricted	450,000	13,322	463,322
Unassigned	592,633	-	592,633
Total fund balances	$ 1,053,817	$ 13,322	$ 1,067,139

18. **Tax Abatement**

The local government is subject to certain property tax abatements granted by the Louisiana State Board of Commerce and Industry (the "State Board"), a state entity governed by board members representing major economic groups and gubernatorial appointees. Abatements to which the government may be subject include those issued for property taxes under the Industrial Tax Exemption Program ("ITEP") and the Restoration Tax Abatement Program ("RTAP"). In addition, the local government has the authority to grant sales tax rebates to taxpayers pursuant to the Enterprise Zone Tax Rebate Program ("EZ Program"). For the year ending April 30, 2025, the Town did not participate in any Tax Exemption Programs.

19. **Current Accounting Standards Scheduled to be Implemented**

Following is a summary of the accounting standards adopted by the Governmental Accounting Standards Board (GASB) that are scheduled to be implemented in the future that may affect the Town's financial report:

GASB Statement 102, *Certain Risk Disclosures* This Statement aims to provide users with timely information regarding certain concentrations or constraints that currently are not often provided. The requirements of this statement are effective for fiscal periods beginning after June 15, 2024. The Town will include the requirements of this statement, as applicable, in its April 30, 2026 financial statements. The effect of this statement or its applicability to the Town is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION – PART II

TOWN OF LUTCHER
LUTCHER, LOUISIANA
SCHEDULE OF THE TOWN OF LUTCHER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE RETIREMENT SYSTEMS FOR THE YEAR ENDED APRIL 30, 2025 (*)

Pension Plan	Year	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Covered Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Municipal Employees' Retirement System (Plan B)						
	2025	0.7444%	$ 451,673	$ 681,428	66.2833%	80.10%
	2024	0.8053%	645,724	632,649	102.0667%	73.25%
	2023	0.8344%	732,608	564,443	129.7931%	69.56%
	2022	0.8076%	467,829	517,613	90.3820%	79.14%
	2021	0.7701%	697,921	550,215	126.8451%	66.26%
	2020	0.7689%	672,682	587,831	114.4346%	66.14%
	2019	0.7692%	650,632	570,056	114.1348%	65.60%
	2018	0.7650%	661,937	567,857	116.5676%	63.49%
	2017	0.7560%	626,671	555,452	112.8218%	63.34%
	2016	0.6997%	475,515	485,462	97.9510%	68.71%
Municipal Police Employees' Retirement System						
	2025	0.0509%	$ 460,762	$ 179,280	257.0069%	75.84%
	2024	0.0445%	470,384	150,128	313.3220%	71.30%
	2023	0.0312%	318,858	96,299	331.1125%	70.80%
	2022	0.0154%	82,085	46,981	174.7196%	84.09%
	2021	0.0152%	140,234	46,865	299.2297%	70.94%
	2020	0.0147%	133,773	46,000	290.8109%	71.01%
	2019	0.0156%	131,773	46,000	286.4630%	71.90%
	2018	0.0154%	134,527	46,000	292.3450%	70.08%
	2017	0.0113%	106,044	31,692	334.6081%	66.04%

(*) The amounts presented have a measurement date of June 30th for year listed.

See the accompanying notes to the Required Supplementary Information.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
SCHEDULE OF CONTRIBUTIONS TO EACH RETIREMENT SYSTEM
(DEFINED BENEFIT COST SHARING PLANS ONLY)
FOR THE YEAR ENDED APRIL 30, 2025

Pension Plan:	Year	Contractually Required Contribution[1]	Contributions in Relation to Contractually Required Contribution[2]	Contribution Deficiency (Excess)	Covered Payroll[3]	Contributions as a % of Covered Payroll
Municipal Employees' Retirement System (Plan B)						
	2025	$ 102,525	$ 102,525	$ -	$ 720,803	14.2237%
	2024	104,053	104,053	-	671,308	15.5000%
	2023	97,404	97,404	-	628,413	15.5000%
	2022	85,759	85,759	-	553,285	15.5000%
	2021	78,434	78,434	-	513,570	15.2723%
	2020	81,895	81,895	-	584,965	14.0000%
	2019	81,078	81,078	-	585,011	13.8592%
	2018	73,185	73,185	-	571,192	12.8127%
	2017	60,237	60,237	-	561,941	10.7195%
	2016	50,977	50,977	-	536,600	9.5000%
Municipal Police Employees' Retirement System						
	2025	$ 26,766	$ 26,766	$ -	$ 77,092	34.7196%
	2024	60,102	60,102	-	179,360	33.5091%
	2023	43,690	43,690	-	140,657	31.0614%
	2022	25,915	25,915	-	86,099	30.0991%
	2021	15,687	15,687	-	46,750	33.5551%
	2020	15,672	15,672	-	48,288	32.4553%
	2019	14,705	14,705	-	46,000	31.9672%
	2018	14,232	14,232	-	46,000	30.9391%
	2017	14,410	14,410	-	46,000	31.3261%
	2016	6,785	6,785	-	23,000	29.5000%

For reference only:

[1] *Employer contribution rate multiplied by covered payroll*

[2] *Actual employer contributions remitted to Retirement Systems*

[3] *Covered payroll amount for each of the fiscal years ended April 30.*

See the accompanying notes to the Required Supplementary Information.

TOWN OF LUTCHER
LUTCHER, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED APRIL 30, 2025

Changes of Benefit Terms include:

Municipal Employee's Retirement System (Plan B)
There were no changes of benefit terms for the years presented.

Municipal Police Employee's Retirement System
There were no changes of benefit terms for the years presented.

Changes of Assumptions:

Municipal Employee's Retirement System (Plan B)

The following changes in actuarial assumptions for each year are as follows:

Discount Rate:

Year End	Measurement date	Rate	Change
4/30/2025	6/30/2024	6.850%	0.000%
4/30/2024	6/30/2023	6.850%	0.000%
4/30/2023	6/30/2022	6.850%	0.000%
4/30/2022	6/30/2021	6.850%	-0.100%
4/30/2021	6/30/2020	6.950%	-0.050%
4/30/2020	6/30/2019	7.000%	-0.275%
4/30/2019	6/30/2018	7.275%	-0.525%
4/30/2018	6/30/2017	7.800%	0.300%
4/30/2017	6/30/2016	7.500%	0.000%
4/30/2016	6/30/2015	7.500%	-0.250%

Merit:

Year End	Measurement date	Rate	Change
4/30/2025	6/30/2024	2.100%	-0.300%
4/30/2024	6/30/2023	2.400%	0.000%
4/30/2023	6/30/2022	2.400%	0.000%
4/30/2022	6/30/2021	2.400%	0.000%
4/30/2021	6/30/2020	2.400%	0.000%
4/30/2020	6/30/2019	2.400%	0.000%
4/30/2019	6/30/2018	2.400%	0.275%
4/30/2018	6/30/2017	2.125%	0.000%
4/30/2017	6/30/2016	2.125%	0.000%
4/30/2016	6/30/2015	2.125%	-0.625%

Inflation Rate:

Year End	Measurement date	Rate	Change
4/30/2025	6/30/2024	2.500%	0.000%
4/30/2024	6/30/2023	2.500%	0.000%
4/30/2023	6/30/2022	2.500%	0.000%
4/30/2022	6/30/2021	2.500%	0.000%
4/30/2021	6/30/2020	2.500%	0.000%
4/30/2020	6/30/2019	2.500%	-0.100%
4/30/2019	6/30/2018	2.600%	-0.175%
4/30/2018	6/30/2017	2.775%	-0.100%
4/30/2017	6/30/2016	2.875%	0.000%
4/30/2016	6/30/2015	2.875%	-0.125%

Salary Increases:

Year End	Measurement date	Rate	Change
4/30/2025	6/30/2024	4.6% - 9.5%	-0.2% - 2.1%
4/30/2024	6/30/2023	4.9% - 7.4%	0.000%
4/30/2023	6/30/2022	4.9% - 7.4%	0.000%
4/30/2022	6/30/2021	4.9% - 7.4%	0.000%
4/30/2021	6/30/2020	4.9% - 7.4%	0.000%
4/30/2020	6/30/2019	4.9% - 7.4%	-0.1% - 2.4%
4/30/2019	6/30/2018	5.000%	0.000%
4/30/2018	6/30/2017	5.000%	0.000%
4/30/2017	6/30/2016	5.000%	0.000%
4/30/2016	6/30/2015	5.000%	-0.750%

TOWN OF LUTCHER
LUTCHER, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED APRIL 30, 2025

Changes of Assumptions: (continued)

Municipal Police Employee's Retirement System

The following changes in actuarial assumptions for each year are as follows:

Discount Rate:

Year End	Measurement date	Rate	Change
4/30/2025	6/30/2024	6.750%	0.000%
4/30/2024	6/30/2023	6.750%	0.000%
4/30/2023	6/30/2022	6.750%	0.000%
4/30/2022	6/30/2021	6.750%	-0.200%
4/30/2021	6/30/2020	6.950%	-0.175%
4/30/2020	6/30/2019	7.125%	-0.075%
4/30/2019	6/30/2018	7.200%	-0.125%
4/30/2018	6/30/2017	7.325%	-0.175%
4/30/2017	6/30/2016	7.500%	

Inflation Rate:

Year End	Measurement date	Rate	Change
4/30/2025	6/30/2024	2.500%	0.000%
4/30/2024	6/30/2023	2.500%	0.000%
4/30/2023	6/30/2022	2.500%	0.000%
4/30/2022	6/30/2021	2.500%	0.000%
4/30/2021	6/30/2020	2.500%	0.000%
4/30/2020	6/30/2019	2.500%	-0.100%
4/30/2019	6/30/2018	2.600%	-0.100%
4/30/2018	6/30/2017	2.700%	-0.175%
4/30/2017	6/30/2016	2.875%	

Salary Increases including Merit:

Year End	Measurement date	Rate	Change
4/30/2025	6/30/2024	2.2% - 9.8%	0.000%
4/30/2024	6/30/2023	2.2% - 9.8%	0.000%
4/30/2023	6/30/2022	2.2% - 9.8%	0.000%
4/30/2022	6/30/2021	2.2% - 9.8%	0.000%
4/30/2021	6/30/2020	2.2% - 9.8%	0.45% - 2.55%
4/30/2020	6/30/2019	1.75% - 7.25%	0.10%
4/30/2019	6/30/2018	1.65% - 7.15%	0.10%
4/30/2018	6/30/2017	1.55% - 7.05%	0.175%
4/30/2017	6/30/2016	1.375% - 6.875%	

TOWN OF LUTCHER
LUTCHER, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED APRIL 30, 2025

	Original Budget	Final Amended Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	$ 926,000	$ 941,000	$ 988,869	$ 47,869
Franchise taxes	120,000	112,500	108,873	(3,627)
Garbage fees	250,000	330,000	334,220	4,220
Licenses and permits	138,800	154,000	180,943	26,943
Intergovernmental revenues:	75,000	900	220,829	219,929
Fines	3,000	3,000	1,397	(1,603)
Other revenue	15,000	1,500	7,677	6,177
Total revenues	1,527,800	1,542,900	1,842,808	299,908
EXPENDITURES				
Current:				
General government	743,550	684,550	764,939	(80,389)
Streets and drainage	427,000	618,000	630,433	(12,433)
Public safety	351,600	277,100	238,219	38,881
Sanitation	270,000	370,000	370,541	(541)
Capital outlay	1,180,000	420,000	241,220	178,780
Total expenditures	2,972,150	2,369,650	2,245,352	124,298
EXCESS OF REVENUES UNDER EXPENDITURES	(1,444,350)	(826,750)	(402,544)	175,610
OTHER FINANCING SOURCES (USES)				
Transfers in	1,200,000	800,000	800,000	-
Transfers out	-	(25,000)	(37,074)	12,074
Total other financing sources	1,200,000	775,000	762,926	12,074
NET CHANGE IN FUND BALANCE	(244,350)	(51,750)	360,382	187,684
FUND BALANCE				
Beginning of year	693,435	693,435	693,435	-
End of year	$ 449,085	$ 641,685	$ 1,053,817	$ 187,684

TOWN OF LUTCHER
LUTCHER, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF EXPENDITURES
GENERAL FUND
YEAR ENDED APRIL 30, 2025

	Original Budget	Final Amended Budget	Actual	Favorable (Unfavorable)
GENERAL GOVERNMENT				
Salaries	$ 313,800	$ 300,800	$ 328,846	$ (28,046)
Professional fees	65,000	80,000	95,025	(15,025)
Electricity	15,000	15,000	13,232	1,768
Insurance	101,500	116,500	126,537	(10,037)
Supplies and Maintance	12,000	17,000	20,050	(3,050)
Miscellaneous	100,500	19,500	40,548	(21,048)
Retirement	30,000	30,000	23,835	6,165
Office Expense	29,000	29,000	33,463	(4,463)
Payroll taxes	20,000	20,000	28,010	(8,010)
Per diem	20,000	20,000	13,804	6,196
Dues and subscriptions	2,750	2,750	1,415	1,335
Education and conventions	6,000	6,000	10,933	(4,933)
Computer	20,000	20,000	20,024	(24)
Telephone	8,000	8,000	9,217	(1,217)
Total general government	743,550	684,550	764,939	(80,389)
STREETS AND DRAINAGE				
Salaries	80,000	80,000	49,960	30,040
Payroll taxes	8,000	6,000	6,839	(839)
Miscellaneous	74,000	158,000	218,193	(60,193)
Gasoline, oil, and diesel	9,000	9,000	7,454	1,546
Street drainage and ditching	6,000	6,000	91,228	(85,228)
Beautification	20,000	20,000	8,857	11,143
Truck and tractor expense	10,000	20,000	13,291	6,709
Supplies and maintenance	64,500	147,000	78,783	68,217
Electricity	75,000	90,000	81,427	8,573
Insurance	18,000	12,500	2,901	9,599
Retirement	8,000	5,000	4,918	82
Uniforms	4,500	4,500	4,361	139
Grass cutting - contractor	50,000	60,000	62,221	(2,221)
Total streets and drainage	427,000	618,000	630,433	(12,433)

(continued)

TOWN OF LUTCHER
LUTCHER, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
SCHEDULE OF EXPENDITURES
GENERAL FUND
YEAR ENDED APRIL 30, 2025

	Original Budget	Final Amended Budget	Actual	Favorable (Unfavorable)
PUBLIC SAFETY				
Salaries	208,100	136,100	122,478	13,622
Gasoline and oil	7,000	7,000	3,813	3,187
Uniforms	1,000	1,000	62	938
Telephone	3,000	3,000	2,964	36
Insurance	40,000	32,500	62,249	(29,749)
Vehicle expenses	2,500	2,500	643	1,857
Supplies and maintance	2,000	2,000	2,974	(974)
Office supplies	1,000	1,000	652	348
Payroll taxes	14,000	10,000	11,841	(1,841)
Printing & publishing	500	500	700	(200)
Retirement	60,000	55,000	4,444	50,556
Miscellaneous	500	500	505	(5)
Computer	10,000	24,000	22,746	1,254
Education and convention	1,000	1,000	621	379
Dues and subscriptions	1,000	1,000	1,527	(527)
Total public safety	351,600	277,100	238,219	38,881
SANITATION				
Solid waste disposal	270,000	370,000	370,541	(541)
Total sanitation	270,000	370,000	370,541	(541)
CAPITAL OUTLAY				
Capital outlay	1,180,000	420,000	241,220	178,780
Total capital outlay	1,180,000	420,000	241,220	178,780
Total all departments	$ 2,972,150	$ 2,369,650	$ 2,245,352	$ 124,298

(concluded)

OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS

EisnerAmper LLP
8550 United Plaza Blvd.
Suite 1001
Baton Rouge, LA 70809
T 225.922.4600
F 225.922.4611
www.eisneramper.com

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

To the Honorable Mayor and Members
of the Board of Aldermen
Town of Lutcher, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Lutcher, Louisiana, (the Town) as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated October 17, 2025.

Report on Internal Control over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2025-001, 2025-002, and 2025-003 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item 2025-004 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town'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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2025-004.

Town of Lutcher'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 responses. 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.

EisnerAmper LLP

EISNERAMPER, LLP
Baton Rouge, Louisiana
October 17, 2025

TOWN OF LUTCHER
LUTCHER, LOUISIANA

SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED APRIL 30, 2025

SECTION I - SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness identified	__x__ Yes ______ No
• Significant deficiency identified not considered to be a material weakness?	__x__ Yes ______ None reported
Noncompliance material to financial statements noted?	__x__ Yes ______ No

SECTION II - FINANCIAL STATEMENT FINDINGS

MATERIAL WEAKNESS

2025-001 CASH FUNCTION CONTROLS AND BANK RECONCILIATIONS

Criteria: Internal control over cash includes segregation of duties over cash handling and timely, independent preparation of bank reconciliations to prevent and detect errors or misappropriation of assets.

Condition: The Town is staffed by a limited number of employees who, at times, are required to share in the functions of collecting and depositing cash. As a result, no separation exists between cash processing and recording, and monthly bank reconciliations remain outstanding for certain accounts.

Cause: Budget limitations do not allow for adequate staffing that would allow for proper segregation of duties.

Effect: The absence of bank reconciliations increase the risk that unrecorded or unauthorized transactions remain undetected, errors in cash postings or deposits are not identified and inaccurate financial information provided to the Board could cause inappropriate financial decisions.

Recommendation: The Town should develop procedures which include reconciling all cash accounts on a monthly basis and they should be reviewed by someone independent of the preparer.

View of Responsible Official: Management has outsourced its month end closing and financial reporting processes and procedures to and outsourced certified public accounting firm. Management believes that their assistance will provide for more timely and accurate reconciliation of cash and other significant accounts, along with a monitoring and review of the Town's financial position from an outside party. Management considers this matter resolved as of September 2025.

TOWN OF LUTCHER
LUTCHER, LOUISIANA

SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED APRIL 30, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS (continued)

MATERIAL WEAKNESS (continued)

2025-002 DUPLICATE CHECK ISSUANCE

Criteria: Internal control over accounts payable and cash disbursements require that organizations implement controls to ensure the completeness and accuracy of recorded disbursements. Key elements include invoice matching, and segregation of duties between invoice processing and payment approval.

Condition: During the audit, we noted that a vendor was paid twice for three invoices resulting in an overpayment to this vendor of approximately $15,000. This is a repeat finding from 2024 which has resulted in an additional $35,000 being owed from a separate vendor.

Cause: The Town's accountant processes manual checks for certain disbursements. If these invoices are also given to the Town's payable clerk they are processed through the Town's normal accounts payable function which has led to duplication.

Effect: The lack of control exposes the Town to financial loss, increased audit and administrative costs associated with recovery efforts, and strained vendor relationships.

Recommendation: The Town should streamline a process that runs disbursements through the payable process, eliminating the need for manual check writing by the Town's accountant.

View of Responsible Official: Management has begun to implement a new bill pay system to streamlines the Town's bill pay process which has built in controls that do not allow the payment of the same vendor invoice multiple times. The Town anticipates having the new bill pay system implemented by October 31, 2025.

2025-003 ACCOUNTS RECEIVABLE AND REVENUE RECOGNITION

Criteria: Internal control over financial reporting includes ensuring that policies and procedures exist that pertain to an entity's ability to initiate, record, process, and report financial data consistent with the assertion embodied in the annual financial statements, which for the Town, is that financial statements are prepared in accordance with generally accepted accounting principles (GAAP).

Condition: The Town does not perform timely and complete reconciliations of its utility receivables, including receivables originating from the use of the oxidation pond.

Cause: The Town's procedures lack processes for reconciling its utility receivables. Additionally, in regards to the use of the oxidation pond, the accounting system configuration lacks scheduled and automated report outputs for receivable aging and reconciliation.

Effect: Without reconciliation, the Town is exposed to misstated accounts receivable and revenue balances and delayed identification of uncollectible or misposted amounts.

Recommendation: The Town should have its billing system vendors write the proper reports needed for reconciliation, and begin to reconcile receivables on a monthly basis.

View of Responsible Official: Management has outsourced its month end closing and financial reporting processes and procedures to and outsourced certified public accounting firm, which includes the monthly reconciliation of the Town's utility receivables and related revenues. Management considers this matter resolved.

TOWN OF LUTCHER
LUTCHER, LOUISIANA

SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED APRIL 30, 2025

SECTION II - FINANCIAL STATEMENT FINDINGS

SIGNIFICANT DEFICIENCY

COMPLIANCE WITH LAWS AND REGULATIONS

2025-004 COMPENSATORY TIME ACCRUAL LIMITS

Criteria: Louisiana Revised Statute 33:2213.1 C(1) states that "the work of an employee for which compensatory time may be provided may not exceed 480 hours of compensatory time for hours worked. Any such employee who has accrued 480 hours of compensatory time off shall, for additional overtime hours worked, be paid overtime compensation."

Condition: During our review of personnel records, one of the Town's employees has accrued over 1,800 hours of compensatory time.

Cause: The Town failed to take the necessary steps to ensure compliance with the requirements of Louisiana Revised Statute 33:2213.

Effect: The Town may not be in compliance with the requirements of Louisiana Revised Statute 33:2213.

Recommendation: We recommend the Town promptly pay out any hours accrued over the statutory cap at the appropriate overtime rate. Additionally, monthly reconciliation of compensatory time balances needs to be performed.

View of Responsible Official: Management was made aware of the limitations of compensatory time off under Louisiana Revised Statue 38:2213(C)(1) during the audit of the financial statement for the fiscal year ended April 30, 2025. The Town has paid out all employees amounts due in excess of the 480 hour limitation in August 2025. Management is in the process of updating its personnel policies to reflect the limitations of the State statue, and considers this matter resolved as of August 2025.

TOWN OF LUTCHER
LUTCHER, LOUISIANA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED APRIL 30, 2025

FINDINGS – FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2024-001 INTERNAL CONTROL OVER FINANCIAL REPORTING

Condition: During the audit, we noted several accounts which required adjustment in order for them to properly reflect end of year balances. There were material audit adjustments proposed related to the recording of bond proceeds, bond principal and interest payments, recording of grant revenues, and accounts payable. This is a repeat finding from 2023 and 2024.

Current Status: Similar findings reported for fiscal year 2025. See finding 2025-002 and 2025-003.

COMPLIANCE WITH LAWS AND REGULATIONS

2024-002 LOCAL GOVERNMENT BUDGET ACT

Condition: Actual expenditures and other uses in the General Fund exceeded budgeted expenditures and other uses by more than five percent.

Current Status: Resolved.

SUPPLEMENTARY INFORMATION

TOWN OF LUTCHER
LUTCHER, LOUISIANA

SCHEDULE OF PRINCIPAL OFFICIALS AND SALARIES
YEAR ENDED APRIL 30, 2025

Mayor:		
Patrick St. Pierre	$	41,200
Alderpeople:		
Rowdy K. Scott Jr.		13,280
Shanrick L. Burns		13,280
Donald Batiste		13,240
Ronald J. St. Pierre		13,280
Thomas George		13,280
Chief of Police:		
Dwan Bowser		54,200
	$	161,760

TOWN OF LUTCHER
LUTCHER, LOUISIANA

SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
YEAR ENDED APRIL 30, 2025

Agency Head Name/Title: Mayor Patrick St. Pierre

Purpose		Amount
Salary	$	41,200
Benefits - insurance		33,741
Benefits - retirement		5,854
Benefits – short term disability		49
Conferences		341
Special meals		546
Mileage		8,337
Total	$	90,068

TOWN OF LUTCHER
LUTCHER, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE-COLLECTING/DISBURSING ENTITY
AS REQUIRED BY ACT 87 OF 2020 REGULAR LEGISLATIVE SESSION
CASH BASIS PRESENTATION
FOR THE YEAR ENDED APRIL 30, 2025

	First Six Month Period 10/31/2024	Second Six Month Period Ended 4/30/25
Beginning Balance of Amounts Collected	$ -	$ -
Add Collections:		
Criminal Fines - Other	-	1,283
Subtotal Collections	-	1,283
Less Amounts Retained by Collecting Agency		
Amounts Self-Disbursed to Collecting Agency: *Criminal Fines - Other*	-	1,283
Subtotal Disbursements/Retainage	-	1,283
Ending Balance of Amounts Collected but Not Disbursed	$ -	$ -

OTHER INFORMATION

TOWN OF LUTCHER
LUTCHER, LOUISIANA

INSURANCE-IN-FORCE
April 30, 2025
(Without Audit)

Type of Coverage	Name of Insurer	Expiration Date	Coverage Limits
General Liability (business, auto, crime, law enforcement & public officials)	Risk Management, Inc.	May 1, 2025	$ 4,000,000
Boiler & Machinery Equip.	Rod Prejean & Assoc.	May 1, 2025	$ 3,478,761
Public Officials Bond	Rod Prejean & Assoc.	January 24, 2026	$ 10,000
Commercial Property	Englade Boudreaux	June 12, 2025	$ 3,208,493
Commercial Property Equipment	Englade Boudreaux	June 12, 2025	$446,477
Commercial Wind and Hail	Englade Boudreaux	June 12, 2025	$750,000
FHA Bond	Rod Prejean & Assoc.	January 27, 2026	$ 70,000
Governmental Crime Policy	Rod Prejean & Assoc.	March 23, 2026	$ 10,000
Vehicle Physical Damage	Rod Prejean & Assoc.	May 1, 2025	$ 407,317
Workers Compensation	Risk Management, Inc.	May 1, 2025	$700,000
Water Intake Structure Inland Marine	Englade Boudreaux	November 15, 2025	$470,000

TOWN OF LUTCHER
LUTCHER, LOUISIANA

PUBLIC UTILITY SYSTEM OPERATIONS
APRIL 30, 2025
(Without Audit)

Statistics on System Operations

(a) As of April 30, 2025 the number of metered customers was 1,296 and 1,233 for the water and sewer systems, respectively. There were no unmetered customers for either the water or sewer systems at April 30, 2025.

(b) The following rate schedules were in effect during the fiscal year ended April 30, 2025 for water and sewer services:

(1) Water

The water rates to all water suppliers and to all water customers as users of the Town water system are as follows:

Residential Customers

0 – 2,500 gallons	$20.25 (base rate)
Over 2,500 gallons	$4.75 per 1,000 gallons or fraction thereof

Small Commercial Customers

0 – 5,000 gallons	$44.74 (base rate)
Over 5,000 gallons	$4.75 per 1,000 gallons or fraction thereof

Medium Commercial Customers

0 – 10,000 gallons	$62.00 (base rate)
Over 10,000 gallons	$4.75 per 1,000 gallons or fraction thereof

Large Commercial Customers

0 – 25,000 gallons	$79 (base rate)
Over 25,000 gallons	$4.75 per 1,000 gallons or fraction thereof

TOWN OF LUTCHER
LUTCHER, LOUISIANA

PUBLIC UTILITY SYSTEM OPERATIONS
APRIL 30, 2025
(Without Audit)

Statistics on System Operations (continued)

(2) Sewer

The rates and charges for all customers and users of the sewerage treatment and disposal system of the Town are hereby established as follows:

Residential Customers	$ 15.00 (flat rate)
Small Commercial Customers	$ 40.00 (flat rate)
Medium Commercial Customers	$ 90.00 (flat rate)
Large Commercial Customers	$ 180.00 (flat rate)

(c) Average monthly billing per customer during the year ended April 30, 2025:

1. Water	$ 39.49
2. Sewer	$ 19.38

Mayor
Patrick P. St. Pierre

Aldermen
Donald J. Batiste, Sr.
Shanrick L. Burns
Thomas George
Rowdy K. Scott, Jr.
Ronald J. St. Pierre

Town of Lutcher

St. James Parish
P.O. Box 456
Lutcher, Louisiana 70071
Telephone: (225) 869-5823
Fax: (225) 869-9628

Town Clerk
Kevin H. Criddle

Town Attorney
Wilbur W. Reynaud

Chief of Police
Dwan B. Bowser

October 17, 2025

Legislative Auditor
1600 N. 3RD St.
Baton Rouge, La. 70802

The purpose of this communication is to respond to issues included in the Financial Statement Findings for the audit period which ended April 30, 3025

Corrective Actions

2025-001: *Management has outsourced its month end closing and financial reporting processes and procedures to and outsourced certified public accounting firm. Management believes that their assistance will provide for more timely and accurate reconciliation of cash and other significant accounts, along with a monitoring and review of the Town's financial position from an outside party. Management considers this matter resolved as of September 2025.*

2025-002: *Management has begun to implement a new bill pay system to streamlines the Town's bill pay process which has built in controls that do not allow the payment of the same vendor invoice multiple times. The Town anticipates having the new bill pay system implemented by October 31, 2025.*

2025-003: As stated in management's response to finding 205-001, management *has outsourced its month end closing and financial reporting processes and procedures to and outsourced certified public accounting firm, which includes the monthly reconciliation of the Town's utility receivables and related revenues. Management considers this matter resolved as of September 2025.*

2025-004: Management was made aware of the limitations of compensatory time off under Louisiana Revised Statue 38:2213(C)(1) during the audit of the financial statement for the fiscal year ended April 30, 2025. The Town has paid out all employees amounts due in excess of the 480 hour limitation in August 2025. Management is in the process of updating its personnel policies to reflect the limitations of the State statue, and considers this matter resolved as of August 2025.

If you have questions regarding this plan, please call Mayor Patrick St. Pierre or Kevin H. Criddle at (225)869-5823.

Sincerely,

Kevin H. Criddle
Town Clerk

EISNERAMPER

Town of Lutcher
2025 Statewide Agreed Upon Procedures

CONTENTS

EisnerAmper LLP
8550 United Plaza Blvd.
Suite 1001
Baton Rouge, LA 70809
T 225.922.4600
F 225.922.4611
www.eisneramper.com

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To: Board of the Town of Lutcher and the Louisiana Legislative Auditor

We have performed the procedures enumerated in Schedule A on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) of the Town of Lutcher for the fiscal period May 1, 2024, through April 30, 2025. Town of Lutcher's management is responsible for those C/C areas identified in the SAUPs.

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

The procedures we performed, and the associated findings are summarized in the attached Schedule A, which is an integral part of this report.

We were engaged by Town of Lutcher to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the Town of Lutcher for the fiscal period May 1, 2024, through April 30, 2025. 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 Town of Lutcher and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The purpose of 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.

EisnerAmper LLP

EISNERAMPER, LLP
Baton Rouge, LA
October 17, 2025

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read *"no exception noted" or for step 13 "we performed the procedure and discussed the results with management"*. If not, then a description of the exception ensues.

1) Written Policies and Procedures

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

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

No exception noted.

ii. ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.

No exception noted.

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

No exception noted.

iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

No exception noted.

v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

No exception noted.

vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

The Town's contracting policy does not address (2) standard terms and conditions. For attributes (1), (3), (4), and (5), no exceptions were noted

vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

No exception noted.

viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

No exception noted.

ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

No exception noted.

x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

No exception noted.

xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

No exception noted.

xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

The Town's policy does not specifically address (3) annual reporting. For attributes (1) and (2), no exceptions were noted.

2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

i. Observe whether 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.

No exception noted.

ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds, and semi-annual budget- to-actual comparisons, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

No exception noted.

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

No exception noted.

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

No monthly written updates of the progress of resolving audit findings were provided to the Board of Aldermen.

3) Bank Reconciliations

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

A listing of bank accounts was provided and included a total of nine bank accounts. Management identified the entity's three main operating accounts. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected 5 bank accounts (3 main operating and 2 randomly) and obtained the bank reconciliations for the month ending June 30, 2024 resulting in 5 bank reconciliations obtained and subjected to the below procedures.

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

Of the five bank reconciliations selected, one did not have a formal reconciliation performed.

ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated, electronically logged); and

Of the five bank reconciliations selected, one did not have a formal reconciliation performed.

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

Of the five bank reconciliations selected, one did not have a formal reconciliation performed. Of the four remaining bank accounts, two bank reconciliations had reconciling items that have been outstanding for more than twelve months. There was no documentation evidencing that these items were researched for proper disposition.

4) Collections (excluding electronic funds transfers)

A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

A listing of deposit sites was provided and included a total of one deposit site. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the deposit site and performed the procedures below.

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

A listing of collection locations for the deposit site selected in procedure #4A was provided and included a total of one collection location. No exceptions were noted as a result of performing this procedure.

From each of the listings provided, we randomly selected one collection location for each deposit site. Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

i. Employees responsible for cash collections do not share cash drawers/registers;

The three employees responsible for cash collections share cash drawers/registers.

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

The three employees responsible for collecting cash also prepare/make the bank deposit and reconcile collection documentation to the deposit.

iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

Two of the three employees responsible for collecting cash also post collection entries to the general ledger and reconcile ledger postings to each other and the deposit.

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

The employee responsible for collecting cash collections to the general ledger is also, at certain times, responsible for collecting cash without verification from another employee.

C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.

No exception noted.

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

We randomly selected 2 deposit dates for each of the 5 bank accounts selected in procedure #3A. One of the bank accounts did not contain any deposits. We obtained supporting documentation for each of the 8 deposits and performed the procedures below.

i. Observe that receipts are sequentially pre-numbered.

One exception noted. One of the deposits in the General Fund had no prenumbered receipt issued for this collection.

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

No exception noted.

iii. Trace the deposit slip total to the actual deposit per the bank statement.

No exception noted.

iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than $100 and the cash is stored securely in a locked safe or drawer).

Three exceptions were noted. One deposit from the General fund was deposited 8 days after collection. One deposit from the Sewer fund was deposited 25 days after collection, and one deposit from the Customer Meter Account was deposited 4 days after collection.

v. Trace the actual deposit per the bank statement to the general ledger.

No exception noted.

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

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

B. For each location selected under #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

ii. At least two employees are involved in processing and approving payments to vendors;

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

C. For each location selected under #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

A listing of cards was provided. No exceptions were noted as a result of performing this procedure.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

From the listing provided, we randomly selected 5 cards (three credit cards and two fuel cards) used in the fiscal period. We randomly selected one monthly statement for each of the 5 cards selected and performed the procedures noted below.

i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported; and

No exception noted.

ii. Observe that finance charges and late fees were not assessed on the selected statements.

No exception noted.

C. Using the monthly statements or combined statements selected under procedure #6B above, <u>excluding fuel cards</u>, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

We selected 10 transactions for each of the three credit cards from each statement and obtained supporting documentation for the transactions. Some cards have less than 10 transactions in which case we selected all of the month's transactions resulting in a total of 18 transactions tested. For each transaction, we observed that it was supported by (1) an original itemized receipt that identified 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). One exception was noted, where there was no written documentation of the business/public purpose for the charge.

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

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

The listing of travel and travel-related expense reimbursements was provided for the fiscal period. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 reimbursements and performed the procedures below.

i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

   The Town's policy states that per diem will be used for travel. 4 of the 5 reimbursements were for travel and were reimbursed at actual cost. Additionally, 3 of the 5 reimbursements included mileage reimbursements. 2 of the 3 mileage reimbursements were reimbursed at the wrong rates.

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

   No exception noted.

iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by "Written Policies and Procedures", procedure #1A(vii); and

   The Town's policy states that per diem will be used for travel. 4 of the 5 reimbursements were for travel and were reimbursed at actual cost. Additionally, the Town's travel policy requires that maps be printed to support mileage. 3 of the 5 reimbursements included mileage and 2 of the 3 lacked documentation required by Town policy.

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

   No exception noted.

8) Contracts

A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

   Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

   i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

   Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

   ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);

   Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

9) Payroll and Personnel

A. 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.

A listing of employees/elected officials employed during the fiscal year was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 5 employees/officials and performed the specified procedures.

B. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

We randomly selected 1 pay period during the fiscal period and performed the procedures below for the 5 employees/officials selected in procedure #9A.

i. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.

A listing of employees/officials receiving termination payments during the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we randomly selected 2 employees/officials and performed the specified procedures.

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

No exceptions noted.

10) *Ethics*

A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above obtain ethics documentation from management, and

i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

11) Debt Service

A. 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 as required by Article VII, Section 8 of the Louisiana Constitution.

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

12) Fraud Notice

A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.

   Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

B. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

   Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

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

      Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

      Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

   iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

      Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

   Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267[1]. The requirements are as follows:

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

14) Prevention of Sexual Harassment

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

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

Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

[1] While it appears to be a good practice for charter schools to ensure its employees are trained to keep their information technology assets safe from cyberattack, charter schools do not appear required to comply with 42:1267. An individual charter school, though, through specific provisions of its charter, may mandate that all employees/officials receive cybersecurity training.

Mayor
Patrick P. St. Pierre

Aldermen
Donald J. Batiste, Sr.
Shanrick L. Burns
Thomas George
Rowdy K. Scott, Jr.
Ronald J. St. Pierre

Town of Lutcher

St. James Parish
P.O. Box 456
Lutcher, Louisiana 70071
Telephone: (225) 869-5823
Fax: (225) 869-9628

Town Clerk
Kevin H. Criddle

Town Attorney
Wilbur W. Reynaud

Chief of Police
Dwan B. Bowser

October 17, 2025

Legislative Auditor
1600 N. 3RD St.
Baton Rouge, La. 70802

The purpose of this communication is to respond to issues included in the Statewide Agreed-Upon Procedures (SAUPs) letter for the audit period which ended April 30, 2025.

Written Policies and Procedures

1) xii: *The Town is in the process of updating its policies and procedures to include the requirements under Louisiana Revised Statute 42:342:344 governing the Town's responsibilities, probations, employee training, and annual reporting or related to sexual harassment.*

Board of Finance

2) iv: *The Town intends to provide written updates of the progress of resolving audit findings to the Board of Alderman monthly until all matters are considered resolved.*

Bank Reconciliations

3) A.i-iii: *The Town has outsourced its month end closing and financial reporting processes and procedures to and outsourced certified public accounting firm. Management believes that their assistance will provide for more timely and accurate reconciliation of all cash accounts.*

Collections

4) D.i: *The Town will ensure that for all collections a prenumbered receipt is maintained to support the transaction.*

Travel and Travel-Related Expenses Reimbursements

7) A.i & iii: *The Town will review and update its current travel policy to reflect current practices, as approved by the Town's Board of Alderman.*

If you have questions regarding this plan, please call Mayor Patrick St. Pierre or Kevin H. Criddle at (225)869-5823.

Sincerely,

Kevin H. Criddle
Town Clerk