

VILLAGE OF FLORIEN, LOUISIANA  
ANNUAL FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITOR'S REPORT  
SEPTEMBER 30, 2025

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, Louisiana

### **Report on the Audit of the Financial Statements**

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Village of Florien, Louisiana, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of Florien, Louisiana'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 Village of Florien, Louisiana, as of September 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 of Opinions*

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

#### *Responsibilities of Management for the Financial Statements*

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Florien, Louisiana's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Florien, Louisiana'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, budgetary comparison information, schedule of the Village's proportionate share of the net pension liability, and schedule of the Village's pension contributions on pages 33 - 36 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 the 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, Louisiana

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Florien, Louisiana’s basic financial statements. The accompanying schedule of per diem paid to board members, schedule of compensation, benefits and other payments to agency head, justice system funding schedule – collecting/disbursing entity, and justice system funding schedule – receiving entity 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 was 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 the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of per diem paid to board members, schedule of compensation, benefits and other payments to agency head, justice system funding schedule – collecting/disbursing entity, and justice system funding schedule – receiving entity are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2026, on our consideration of the Village of Florien, Louisiana’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Florien, Louisiana’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Florien, Louisiana’s internal control over financial reporting and compliance.



DeRidder, Louisiana  
March 24, 2026

## BASIC FINANCIAL STATEMENTS

Statement of Net Position  
September 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 70,441	\$ 14,538	\$ 84,979
Investments	119,608	108,502	228,110
Receivables:			
Franchise taxes	3,047	-	3,047
Sales taxes	30,260	-	30,260
Accounts	-	88,284	88,284
Insurance premiums	268	-	268
Restitution	11,823	-	11,823
Employees	1,762	-	1,762
State grants	-	13,684	13,684
Due from other funds	10,845	-	10,845
Restricted assets - cash	352,513	29,026	381,539
Capital assets not being depreciated	108,361	31,350	139,711
Capital assets being depreciated - net	1,650,521	2,182,763	3,833,284
Total assets	<u>\$ 2,359,449</u>	<u>\$ 2,468,147</u>	<u>\$ 4,827,596</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pensions	<u>\$ 11,524</u>	<u>\$ -</u>	<u>\$ 11,524</u>
Total assets and deferred outflows of resources	<u><u>\$ 2,370,973</u></u>	<u><u>\$ 2,468,147</u></u>	<u><u>\$ 4,839,120</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 25,145	\$ 6,874	\$ 32,019
Payroll withholdings payable	1,364	685	2,049
Retirement payable	772	-	772
Due to other funds	811	10,034	10,845
Long term debt:			
Due within one year	22,316	-	22,316
Due in more than one year	3,852	-	3,852
Net pension liability	93,163	-	93,163
Customer deposits	25	26,625	26,650
Total liabilities	<u>\$ 147,448</u>	<u>\$ 44,218</u>	<u>\$ 191,666</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions	\$ 63,178	\$ -	\$ 63,178
Deferred franchise tax revenue	21,333	-	21,333
Total deferred inflows of resources	<u>\$ 84,511</u>	<u>\$ -</u>	<u>\$ 84,511</u>
Total liabilities and deferred inflows of resources	<u>\$ 231,959</u>	<u>\$ 44,218</u>	<u>\$ 276,177</u>

(Continued)

The accompanying notes are an integral part of this statement.

Statement of Net Position  
September 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
NET POSITION			
Net investment in capital assets	\$ 1,732,714	\$ 2,214,113	\$ 3,946,827
Restricted for:			
Sales tax dedications	494,395	-	494,395
Unrestricted	(88,095)	209,816	121,721
Total net position	<u>\$ 2,139,014</u>	<u>\$ 2,423,929</u>	<u>\$ 4,562,943</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 2,370,973</u>	<u>\$ 2,468,147</u>	<u>\$ 4,839,120</u>

(Concluded)

The accompanying notes are an integral part of this statement.

Village of Florien, Louisiana

Statement B

Statement of Activities  
For the Year Ended September 30, 2025

Program Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		Total
		Fees, Fines and Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
General government and administration	\$ 263,558	\$ -	\$ -	\$ -	\$ (263,558)	\$ -	\$ (263,558)
Public safety	214,489	197,125	-	213	(17,151)	-	(17,151)
Public works	301,894	116,111	-	8,455	(177,328)	-	(177,328)
Recreation	23,543	-	-	5,012	(18,531)	-	(18,531)
Total governmental activities	<u>\$ 803,484</u>	<u>\$ 313,236</u>	<u>\$ -</u>	<u>\$ 13,680</u>	<u>\$ (476,568)</u>	<u>\$ -</u>	<u>\$ (476,568)</u>
Business-type activities:							
Water and sewer	\$ 396,123	\$ 241,045	\$ 13,684	\$ -	\$ -	\$ (141,394)	\$ (141,394)
Total government	<u>\$ 1,199,607</u>	<u>\$ 554,281</u>	<u>\$ 13,684</u>	<u>\$ 13,680</u>	<u>\$ (476,568)</u>	<u>\$ (141,394)</u>	<u>\$ (617,962)</u>
General revenues:							
Taxes:							
Ad valorem taxes					\$ 113,847	\$ -	\$ 113,847
Sales taxes					302,014	-	302,014
Franchise tax					34,367	-	34,367
Occupational licenses and permits					38,668	-	38,668
Investment earnings					5,850	6,947	12,797
Rental income					6,000	-	6,000
Nonemployer pension revenue					4,001	-	4,001
Total general revenues and transfers					<u>\$ 504,747</u>	<u>\$ 6,947</u>	<u>\$ 511,694</u>
Change in net position					\$ 28,179	\$ (134,447)	\$ (106,268)
Net position at beginning of year					2,110,835	2,558,376	4,669,211
Net position at end of year					<u>\$ 2,139,014</u>	<u>\$ 2,423,929</u>	<u>\$ 4,562,943</u>

The accompanying notes are an integral part of this statement.

Balance Sheet  
 Governmental Funds  
 September 30, 2025

	General	Major Fund Special Revenue Fund Sales Tax Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash	\$ 70,441	\$ -	\$ 70,441
Investments	-	119,608	119,608
Receivables:			
Sales taxes	-	30,260	30,260
Franchise taxes	3,047	-	3,047
Insurance premiums	268	-	268
Restitution	11,823	-	11,823
Employees	1,762	-	1,762
Due from other funds	10,845	-	10,845
Restricted cash and cash equivalents	-	352,513	352,513
	\$ 98,186	\$ 502,381	\$ 600,567
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 18,260	\$ 6,885	\$ 25,145
Payroll withholdings payable	1,074	290	1,364
Retirement payable	772	-	772
Customer deposits	25	-	25
Due to other funds	-	811	811
Total liabilities	\$ 20,131	\$ 7,986	\$ 28,117
<b>Deferred Inflows of Resources:</b>			
Deferred franchise tax revenue	\$ 21,333	\$ -	\$ 21,333
Total liabilities and deferred inflows of resources	\$ 41,464	\$ 7,986	\$ 49,450
<b>Fund Balances:</b>			
Restricted	\$ -	\$ 494,395	\$ 494,395
Unassigned	56,722	-	56,722
Total fund balances	\$ 56,722	\$ 494,395	\$ 551,117
	\$ 98,186	\$ 502,381	\$ 600,567

The accompanying notes are an integral part of this statement.

Reconciliation of the Governmental Funds Balance Sheet  
to Statement of Net Position  
September 30, 2025

Total fund balance - total governmental funds		\$ 551,117
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.		1,758,882
Pension-related changes in net pension liability that are only reported in the statement of Net Position as deferred outflows		11,524
Pension-related changes in net pension liability that are only reported in the statement of Net Position as deferred inflows		(63,178)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Due within one year	\$ (22,316)	
Due in more than one year	(3,852)	
Net pension liability	<u>(93,163)</u>	
		<u>(119,331)</u>
Net position of governmental activities		<u>\$ 2,139,014</u>

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended September 30, 2025

	General Fund	Major Fund Special Revenue Fund Sales Tax Fund	Total Governmental Funds
<b>Revenues</b>			
Taxes:			
Ad valorem	\$ 113,847	\$ -	\$ 113,847
Sales	-	302,014	302,014
Franchise	34,367	-	34,367
Charges for services	108,991	7,120	116,111
Intergovernmental:			
State grant	213	8,455	8,668
Local grant	5,012	-	5,012
Occupational licenses and permits	38,668	-	38,668
Fines and forfeitures	197,125	-	197,125
Investment income	-	5,850	5,850
Rentals	6,000	-	6,000
Total revenues	<u>\$ 504,223</u>	<u>\$ 323,439</u>	<u>\$ 827,662</u>
<b>Expenditures</b>			
General government	\$ 254,014	\$ -	\$ 254,014
Public safety	171,391	-	171,391
Public works	81,407	182,724	264,131
Recreation	19,434	-	19,434
Debt service:			
Principal	26,485	-	26,485
Interest	2,179	-	2,179
Capital outlay	27,061	50,579	77,640
Total expenditures	<u>\$ 581,971</u>	<u>\$ 233,303</u>	<u>\$ 815,274</u>
Net change in fund balance	\$ (77,748)	\$ 90,136	\$ 12,388
Fund balances at beginning of year	<u>134,470</u>	<u>404,259</u>	<u>538,729</u>
Fund balances at end of year	<u>\$ 56,722</u>	<u>\$ 494,395</u>	<u>\$ 551,117</u>

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures  
and Changes in Fund Balance of Governmental Funds to the  
Statement of Activities  
For the Year Ended September 30, 2025

Net change in fund balances - total governmental funds	\$ 12,388
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	77,640
Pension expense is based on employer contributions in the governmental funds, but is an actuarially calculated expense on the Statement of Activities.	11,920
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	(100,254)
Repayment of principal on long term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of long term debt repayments.	<u>26,485</u>
Change in net position of governmental activities	<u><u>\$ 28,179</u></u>

The accompanying notes are an integral part of this statement.

Statement of Net Position  
 Proprietary Fund  
 September 30, 2025

	Business-type Activities - Enterprise Fund <u>Water and Sewer</u>
ASSETS	
Current Assets	
Cash	\$ 43,564
Investments	108,502
Receivables:	
Accounts	88,284
State Grants	13,684
Total current assets	<u>\$ 254,034</u>
Noncurrent Assets	
Capital assets not being depreciated	\$ 31,350
Capital assets being depreciated - net	2,182,763
Total noncurrent assets	<u>\$ 2,214,113</u>
Total assets	<u><u>\$ 2,468,147</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 6,874
Payroll withholdings payable	685
Due to other funds	10,034
Total current liabilities	<u>\$ 17,593</u>
Noncurrent Liabilities	
Customer deposits	<u>\$ 26,625</u>
Total liabilities	<u><u>\$ 44,218</u></u>
NET POSITION	
Net investment in capital assets	\$ 2,214,113
Unrestricted	209,816
Total net position	<u><u>\$ 2,423,929</u></u>
Total liabilities and net position	<u><u>\$ 2,468,147</u></u>

The accompanying notes are an integral part of this statement.

Statement of Revenues, Expenses and Changes in Net Position  
 Proprietary Fund  
 For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Fund Water and Sewer
Operating revenues	
Charges for services	<u>\$ 241,045</u>
Operating expenses	
Personal services	\$ 112,675
Supplies	31,802
Contractual services	122,977
Depreciation	128,669
Total operating expenses	<u>\$ 396,123</u>
Income (loss) from operations	<u>\$ (155,078)</u>
Nonoperating revenues (expenses)	
Investment income	<u>\$ 6,947</u>
Income (loss) before contribution	\$ (148,131)
Capital contributions	<u>13,684</u>
Change in net position	\$ (134,447)
Net position at beginning of year	<u>2,558,376</u>
Net position at end of year	<u><u>\$ 2,423,929</u></u>

The accompanying notes are an integral part of this statement.

Statement of Cash Flows  
Proprietary Fund  
For the Year Ended September 30, 2025

	Business-type Activities - Enterprise Fund Water and Sewer
Cash flows from operating activities:	
Cash received from customers	\$ 219,283
Cash payments to suppliers for goods and services	(154,206)
Cash payments to employees for services	(113,169)
Net cash used by operating activities	\$ (48,092)
Cash flows from capital financing activities:	
Acquisition of capital assets	\$ (56,851)
Net cash used by capital financing activities	\$ (56,851)
Cash flows from noncapital financing activities:	
Cash received from other funds	\$ 55,674
Net cash provided by noncapital financing activities	\$ 55,674
Cash flows from investing activities:	
Interest on cash and investments	\$ 6,947
Net increase (decrease) in cash and cash investments	\$ (42,322)
Cash and cash investments, beginning	194,388
Cash and cash investments, ending	\$ 152,066
Reconciliation of income (loss) from operations to net cash used by operating activities:	
Loss from operations	\$ (155,078)
Adjustments to reconcile income (loss) from operations to net cash used by operating activities:	
Depreciation	\$ 128,669
Change in assets and liabilities:	
Increase in accounts receivable	(20,162)
Decrease in payroll taxes payable	(494)
Increase in accounts payable	573
Decrease in customer deposits	(1,600)
Net cash used by operating activities	\$ (48,092)

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

Village of Florien, Louisiana

Notes to the Financial Statements  
As of and for the Year Ended September 30, 2025

**INTRODUCTION**

The Village of Florien was incorporated under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting policies of the Village of Florien conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

The Village maintains a general fund that provides police protection, garbage collection and recreation for its citizens, a sales tax fund that provides for repairs and maintenance of approximately 12 miles of roads and streets, a capital projects fund for street improvements, and an enterprise fund that provides water and sewer services to approximately 320 residents. The Village also maintains other funds as necessary for other operations.

The Village is located within Sabine Parish in the southwestern part of the State of Louisiana and is comprised of approximately 700 residents. The governing board is composed of three elected aldermen that are compensated for the regular and special board meetings they attend. There are approximately eight employees that provide clerical services, maintain the water and sewer systems, maintain streets and roadways, provide police protection, and garbage collection for the Village.

GASB Statement No. 14, *The Reporting Entity*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the municipality is considered a primary government, since it 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. As used in GASB Statement No. 14, fiscally independent means that the municipality 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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Government-Wide and Fund Financial Statements**

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

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

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

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the proprietary fund financial statements. Revenues are recorded when earned and

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Village reports the following major governmental funds:

The General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except for those in another fund.

The Special Revenue Fund accounts for and reports the proceeds of specific revenue sources, in the Village's case, sales taxes, that are restricted to expenditures for specific purposes other than debt service or capital projects.

The Village reports the following major proprietary fund:

The Proprietary Fund accounts for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Village's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Charges for services of providing water and sewer services to residents comprise the operating revenue of the Village's enterprise fund. Operating expenses for enterprise funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

The Village has not established a policy for use of its unrestricted fund balance, therefore it considers committed fund balances to be used first, then assigned fund balances to be used next and finally the unassigned fund balance will be used.

**C. Deposits**

The Village’s cash and cash equivalents are considered to be cash on hand, demand deposits, time deposits and short-term investments with original maturities of three months or less from the date of acquisition. State law and the Village’s investment policy allow the Village to invest in collateralized certificates of deposits, government backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government backed securities.

**D. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The Village levies taxes on real business and personal property located within the boundaries of the Village. Property taxes are levied by the Village on property values assessed by the Sabine Parish Tax Assessor and approved by the State of Louisiana Tax Commission.

The Village of Florien bills and collects property taxes for the Village. The Village recognizes property tax revenues when levied.

Property Tax Calendar	
Assessment date	January 1, 2024
Levy date	June 30, 2024
Tax bills mailed	October 15, 2024
Total taxes are due	December 31, 2024
Penalties & interest due	January 31, 2025
Lien date	January 31, 2025
Tax sale	May 31, 2025

For the year ended September 30, 2025, taxes of 7.26 mills were levied on property with an assessed valuation totaling \$15,751,494, and were dedicated as follows:

	Authorized Millage	Levied Millage	Expiration Date
Taxes due for:			Renewed
General corporate tax	7.26	7.26	Annually

All trade and property tax receivables are shown net of an allowance for uncollectibles. Property taxes are collected by the Village, if taxes are not paid, a sheriff’s sale is held by the Sabine Parish Sheriff and the property is sold to satisfy the taxes due on that property. Due to this, the majority, if not all property taxes are collected, therefore no allowance account for uncollectibles has been established. Water and sewer charges have customer deposits that have been collected in advance therefore the majority of all water and sewer billing is collected or taken out of the customer’s deposit, any allowance account would be immaterial, therefore one has not been established.

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

The following are the principal taxpayers and related property tax revenue for the municipality:

Taxpayer	Type of Business	Assessed Valuation	% of Total Assessed Valuation	Ad Valorem Tax Revenue for Municipality
Boise Cascade Wood Products, L.L.C.	Plywood plant	\$ 9,556,260	60.67%	\$ 69,378
Boise Building Solutions	Storage	1,384,229	8.79%	10,049
Total		<u>\$ 10,940,489</u>	<u>69.46%</u>	<u>\$ 79,427</u>

*Sales Taxes*

The Village of Florien receives a one percent perpetual sales tax, which is to provide additional funds for the construction, repairs and maintenance of streets within the village and for general maintenance of the Village of Florien.

**E. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**F. Restricted Assets**

Sales taxes are shown as restricted assets because their use is restricted to maintenance of streets and roadways within the village, and general maintenance of the Village of Florien.

**G. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Village maintains a threshold level of \$5,000 or more for capitalizing capital assets.

According to GASB 34 the Village of Florien was not required to retroactively report infrastructure assets in its financial statements, therefore, these assets have not been reported in the financial statements.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was paid or included as part of the cost of capital assets under construction in construction projects.

All capital assets, other than land, are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Roads, bridges, and infrastructure	40-50 years
Land improvements	40-50 years
Buildings and building improvements	40-50 years
Furniture and fixtures	5-15 years
Vehicles	5-10 years
Equipment	3-15 years

#### **H. Compensated Absences**

The Village has the following policy relating to vacation and sick leave:

The Village allows employees to accumulate up to ten days of sick leave per year with the accumulation of leave days for up to two years with the approval of the mayor. The vacation policy allows for ten days of vacation leave per year. Neither sick leave nor vacation leave is compensated for if not used. The Village has no obligation to pay any other benefits.

#### **I. Long-Term Obligations**

In the government-wide financial statements, and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

#### **J. Restricted Net Position**

For government-wide statement of net position, net position is reported as restricted when constraints placed on net position use either:

- a. Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
- b. Imposed by law through constitutional provisions or enabling legislation.

#### **K. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events within the control of the Village, which are either unusual in nature or infrequent in occurrence.

#### **L. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require 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, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

#### **M. Fund Balances**

Restricted            Amounts that are restricted to specific purposes should be reported as *restricted fund balance*. Fund balance should be reported as restricted when constraints placed on the use of resources are either:

- a. externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or
- b. imposed by law through constitutional provisions or enabling legislation.

Unassigned            Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Notes to the Financial Statements (Continued)

**N. Pensions**

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

The financial statements were prepared using the accrual basis of accounting. Member and employer contributions are recognized when due, pursuant to formal commitments and statutory requirements. Benefits and refunds of employee contributions are recognized when due and payable in accordance with the statutes governing MPERS. Expenses are recognized when the liability is incurred, regardless of when payment is made. Investments are reported at fair value on a trade date basis. The fiduciary net position is reflected in the measurement of the Village's proportionate share of the plans net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense.

Financial reporting information pertaining to the Village's participation in the MPERS is prepared in accordance with Governmental Accounting Standards Board "GASB" Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which have been adopted by the City for the fiscal year ended September 30, 2025.

**O. Deferred Outflows/Inflows of Resources**

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources until that time.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

*BUDGET INFORMATION* The Village uses the following budget practices:

1. The Village Clerk and Mayor prepare a proposed budget and submit same to the Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after the publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen. These amended amounts are shown in the financial statements.
6. All budgetary appropriations lapse at the end of each fiscal year.

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

7. The budgets for the General Fund and Special Revenue Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally adopted, or as amended from time to time by the Board of Aldermen.

**3. CASH AND CASH EQUIVALENTS**

At September 30, 2025, the Village has cash and cash equivalents (book balances) totaling \$466,518 as follows:

Demand deposits	\$ 91,025
NOW accounts	374,052
Petty cash	1,441
Total	<u>\$ 466,518</u>

The cash and cash equivalents of the Village of Florien, Louisiana are subject to the following risk:

*Custodial Credit Risk:* Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village will not be able to recover its deposits. Under state law, the deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Village that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Village's name.

At September 30, 2025, the Village has \$484,175 in deposits (collected bank balances). These deposits are secured from risk by \$359,577 of federal deposit insurance and \$124,598 of pledged securities held by an unaffiliated bank of the pledgor bank. These deposited pledged securities are deemed by law to be under the control and possession and in the name of the Village and are therefore properly collateralized.

**4. INVESTMENTS**

The Village's investments are made in accordance with Louisiana Revised Statute (LSA R.S.) 33:2955. The state-authorized investments are as follows:

U.S. Treasury obligations

U.S. government agencies

U.S. government instrumentalities

Collateralized repurchase agreements

Collateralized certificates of deposit with Louisiana-domiciled institutions

Collateralized interest-bearing bank accounts

Mutual or trust funds that are registered with the Securities and Exchange Commission, which have underlying investments consisting of and limited to securities of the U.S. government or its agencies

Guaranteed investment contracts having one of the two highest short-term rating categories of either Standard and Poor's Corporation (S&P) or Moody's Investors Service (Moody's)

Investment-grade (A-1/P-1) commercial paper of domestic U.S. corporations

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

Louisiana Asset Management Pool (LAMP)

Obligations of state agencies, counties, cities, and other political subdivisions of any state rated as to investment quality not less than A or its equivalent

Any other investments allowed by state statute for local governments

The Village had invested \$228,110 in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section I50.126, the investment in LAMP as of September 30, 2025 is not categorized in the three risk categories provided by GASB Codification Section I50.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations which local governments in Louisiana are authorized to invest in accordance with LSA - R.S. 33:2955.

GASB Statement No. 40 Deposit and Investment Risk Disclosure, requires disclosure of credit risk, custodial credit risk, concentration of credit risk interest rate risk, and foreign currency risk for all public entity investments.

LAMP is a 2a7-like investment pool. The following facts are relevant for 2a7-like investment pools:

- Credit risk: LAMP is rated AAAM by Standard & Poor's.
- Custodial credit risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not the securities that make up the pool; therefore, no disclosure is required.
- Concentration of credit risk: Pooled investments are excluded from the 5 percent disclosure requirement.
- Interest rate risk: LAMP is designed to be highly liquid to give its participants immediate access to their account balances. LAMP prepares its own interest rate risk disclosure using the weighted average maturity (WAM) method. The WAM of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days or 762 days for U.S. Government floating/variable rate investments. The WAM for LAMP's total investments is 74 days as of September 30, 2025.
- Foreign currency risk: Not applicable to 2a7-like pools.

The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

**5. RECEIVABLES**

The receivables of \$149,128 at September 30, 2025, are as follows:

Class of Receivable	General Fund	Special Revenue Fund	Proprietary Fund	Total
Taxes:				
Sales and use	\$ -	\$ 30,260	\$ -	\$ 30,260
Franchise	3,047	-	-	3,047
Intergovernmental:				
State grants	-	-	13,684	13,684
Accounts	-	-	88,284	88,284
Insurance premiums	268	-	-	268
Restitution	11,823	-	-	11,823
Employees	1,762	-	-	1,762
Total	\$ 16,900	\$ 30,260	\$ 101,968	\$ 149,128

**6. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended September 30, 2025, for the primary government is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 69,661	\$ -	\$ -	\$ 69,661
Construction in progress	38,700	-	-	38,700
Total capital assets not being depreciated	\$ 108,361	\$ -	\$ -	\$ 108,361
Capital assets being depreciated				
Vehicles	\$ 209,417	\$ -	\$ -	\$ 209,417
Buildings	120,230	-	-	120,230
Improvements other than buildings	1,812,676	77,640	-	1,890,316
Machinery and equipment	209,952	-	-	209,952
Total capital assets being depreciated	\$ 2,352,275	\$ 77,640	\$ -	\$ 2,429,915
Less accumulated depreciation for:				
Vehicles	\$ 129,309	\$ 25,807	\$ -	\$ 155,116
Buildings	51,532	5,094	-	56,626
Improvements other than buildings	384,593	50,143	-	434,736
Machinery and Equipment	113,706	19,210	-	132,916
Total accumulated depreciation	\$ 679,140	\$ 100,254	\$ -	\$ 779,394
Total capital assets being depreciated, net	\$ 1,673,135	\$ (22,614)	\$ -	\$ 1,650,521

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated				
Land	\$ 31,350	\$ -	\$ -	\$ 31,350
Total capital assets not being depreciated	<u>\$ 31,350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,350</u>
Capital assets being depreciated				
Utility plant	\$ 4,242,855	\$ 38,932	\$ -	\$ 4,281,787
Machinery and equipment	434,406	17,919	-	452,325
Vehicles	28,283	-	-	28,283
Total capital assets being depreciated	<u>\$ 4,705,544</u>	<u>\$ 56,851</u>	<u>\$ -</u>	<u>\$ 4,762,395</u>
Less accumulated depreciation for:				
Utility plant	\$ 2,171,985	\$ 96,716	\$ -	\$ 2,268,701
Machinery and equipment	250,696	31,953	-	282,649
Vehicles	28,282	-	-	28,282
Total accumulated depreciation	<u>\$ 2,450,963</u>	<u>\$ 128,669</u>	<u>\$ -</u>	<u>\$ 2,579,632</u>
Total business-type assets being depreciated, net	<u>\$ 2,254,581</u>	<u>\$ (71,818)</u>	<u>\$ -</u>	<u>\$ 2,182,763</u>

Depreciation expense of \$100,254 for the year ended September 30, 2025, was charged to the following governmental functions:

Recreation	\$ 4,109
Public works	37,763
Public safety	48,838
General administration	9,544
Total	<u>\$ 100,254</u>

7. **INVESTED IN CAPITAL ASSETS – NET**

	Governmental Activities	Business-type Activities	Total
Capital assets not being depreciated	\$ 108,361	\$ 31,350	\$ 139,711
Capital assets being depreciated	2,429,915	4,762,396	7,192,311
Total capital assets	<u>\$ 2,538,276</u>	<u>\$ 4,793,746</u>	<u>\$ 7,332,022</u>
Less:			
Accumulated depreciation	\$ 779,394	\$ 2,579,633	\$ 3,359,027
Related debt	26,168	-	26,168
Total	<u>\$ 805,562</u>	<u>\$ 2,579,633</u>	<u>\$ 3,385,195</u>
Net investment in capital assets	<u>\$ 1,732,714</u>	<u>\$ 2,214,113</u>	<u>\$ 3,946,827</u>

Village of Florien, Louisiana  
Notes to the Financial Statements (Continued)

**8. CONSTRUCTION COMMITMENTS**

Village of Florien, Louisiana has an active construction project consisting of construction of a new Village hall. At year end the commitments with contractors are as follows:

Project	Spent to Date	Remaining Commitment
New Village Hall Project	\$ 38,700	\$ 461,300

**9. ACCOUNTS, SALARIES, AND OTHER PAYABLES**

The payables of \$61,490 at September 30, 2025, are as follows:

	General Fund	Special Revenue Fund	Proprietary Fund	Total
Payroll withholding	\$ 1,074	\$ 290	\$ 685	\$ 2,049
Retirement	772	-	-	772
Accounts	18,260	6,885	6,874	32,019
Customer deposits	25	-	26,625	26,650
Total	\$ 20,131	\$ 7,175	\$ 34,184	\$ 61,490

**10. RESTRICTED FUND BALANCE**

The Special Revenue Fund – The Sales Tax Fund had restricted fund balance available as follows:

Restricted assets:	
Cash	\$ 352,513
Investments	119,608
Sales taxes receivable	30,260
Total restricted assets	\$ 502,381
Less:	
Liabilities payable from restricted assets:	
Accounts payable	\$ 6,885
Payroll withholdings payable	290
Due to other funds	811
Total liabilities payable from restricted assets	\$ 7,986
Restricted fund balance	\$ 494,395

**11. DUE TO/FROM OTHER FUNDS**

The composition of interfund balances on September 30, 2025 are as follows:

	Due to	Due from
General fund	\$ -	\$ 10,845
Sales tax fund	811	-
Utility fund	10,034	-
Total	\$ 10,845	\$ 10,845

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

The small balances result from one fund paying expenditures/expenses of another fund and will be liquidated during the following year. The larger balance is to transfer garbage collection fees collected in the utility fund to the general fund.

**12. DEFERRED FRANCHISE TAX REVENUE**

For the year ending September 30, 2014, the Village of Florien entered into a fifteen year franchise tax agreement with Southwest Electric Power Company (SWEPCO). The agreement called for SWEPCO to pay a sum of \$80,000 to the Village of Florien that represents 1% of the gross receipts of electricity sales expected within the corporate limits of the Village over the term of the agreement which is fifteen years. As a result of this agreement, the initial payment of \$80,000 will be amortized over this fifteen year agreement and shown each year as deferred franchise tax revenue on the balance sheet of the general fund. As of September 30, 2025, the unamortized balance of the franchise tax payment is \$21,333.

**13. LONG-TERM OBLIGATIONS**

The following is a summary of the long-term obligation transactions for the year ended September 30, 2025.

	Governmental Funds			
	Note Payable 2022 Tahoe	Note Payable 2023 Tahoe	Net Pension Liability	Total
Long-term obligations at beginning of year	\$ 20,548	\$ 32,105	\$ 129,422	\$ 182,075
Additions	-	-	-	-
Deductions	(12,815)	(13,670)	(36,259)	(62,744)
Long-term obligations at end of year	\$ 7,733	\$ 18,435	\$ 93,163	\$ 119,331

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term obligations as of September 30, 2025.

	Governmental Funds			
	Note Payable 2022 Tahoe	Note Payable 2023 Tahoe	Net Pension Liability	Total
Current portion	\$ 7,733	\$ 14,584	\$ -	\$ 22,317
Long-term portion	-	3,851	93,163	97,014
Total	\$ 7,733	\$ 18,435	\$ 93,163	\$ 119,331

Note Payable – 2022 Tahoe outstanding at September 30, 2025 for \$7,733 has maturities from 2022 – 2026 and interest at the rate of 4.11%. Note principal and interest payable in the next fiscal year are \$7,733 and \$83 respectively.

Note Payable – 2023 Tahoe outstanding at September 30, 2025 for \$18,435 has maturities from 2022 – 2026 and interest at the rate of 6.50%. Note principal and interest payable in the next fiscal year are \$14,584 and \$682 respectively.

Note	Original Issue	Interest Rate	Final Payment Due	Interest to Maturity	Principal Outstanding	Funding Source
Note Payable - 2022 Tahoe	\$ 49,343	4.11%	3/8/2026	\$ 83	\$ 7,733	General fund revenues
Note Payable - 2023 Tahoe	\$ 53,652	6.50%	11/1/2026	\$ 703	\$ 18,435	General fund revenues

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

The annual requirements to amortize all notes outstanding at September 30, 2025 for the Village are as follows:

Year Ending September 30,	Principal Payments	Interest Payments	Total
2026	\$ 22,316	\$ 765	\$ 23,081
2027	3,852	21	3,873
Total	\$ 26,168	\$ 786	\$ 26,954

**14. RETIREMENT SYSTEMS**

Substantially all of the police employees of the Village of Florien are members of the Municipal Police Employees Retirement System of Louisiana. This system is a cost-sharing, multiple-employer defined benefit pension plan administered by separate boards of trustees. Pertinent information relative to the plan follows:

A. Municipal Police Employees Retirement System of Louisiana (System)

*Plan Description.* All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (225) 929-7411.

*Funding Policy.* Plan members are required by state statute to contribute 10% for MPERS of their annual covered salary and the Village of Florien is required to contribute at an actuarially determined rate. The current rate is 35.60% for MPERS of annual covered payroll. The contribution requirements of plan members and the Village of Florien are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Village of Florien's contributions to the System for the years ending September 30, 2025, 2024 and 2023, were \$18,375, \$15,247, and \$23,535 respectively, equal to the required contributions for each year.

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

At September 30, 2025, the Village reported a liability of \$93,163 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Village's proportion of the net pension liability was based on a projection of the Village's long-term share of contributions to the pension plan relative to the projected contributions of all participating municipalities, actuarially determined. At June 30, 2025 the Village's proportion was .013490%, which was a decrease of .000795% from its proportion measured as of June 30, 2024.

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

For the year ended September 30, 2025, the municipality recognized pension expense of \$8,862, minus employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$11,660. At September 30, 2025, the municipality recognized deferred outflows of resources and deferred inflows of resources related to pension from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,517	\$ 14,083
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between Village contributions and proportionate share of contributions	3,128	71,089
Difference between employer and proportionate share of contributions	348	(21,994)
Village contributions subsequent to the measurement date	3,531	-
Total	<u>\$ 11,524</u>	<u>\$ 63,178</u>

The \$3,531 reported as deferred outflows of resources related to pensions resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2026	\$ (12,540)
2027	(31,777)
2028	(7,794)
2029	(3,074)
Total	<u>\$ (55,185)</u>

*Actuarial Methods and Assumptions*

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

The components of the net pension liability of the Village of Florien as of June 30, 2025 are as follows:

Total Pension Liability	\$ 515,871
Plan Fiduciary Net Pension	(422,708)
Total Net Pension Liability	<u>\$ 93,163</u>

The actuarial assumptions used in the June 30, 2025 valuation were based on the assumptions used in the June 30, 2025 actuarial funding valuation and were based on the results of an actuarial experience study for the period July 1, 2019 – June 30, 2024. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience.

Village of Florien, Louisiana

Notes to the Financial Statements (Continued)

A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2025 are as follows:

Valuation Date	June 30, 2025	
Actuarial Cost Method	Entry Age Normal Cost	
Actuarial Assumptions:		
Investment Rate of Return	6.75%, net of investment expense	
Expected Remaining Service Lives	2025 – 4 years 2024 – 4 years 2023 – 4 years 2022 – 4 years	
Inflation Rate	2.50%	
Salary increases, including inflation and merit	<u>Years of Service</u> 1 – 2 Above 2	<u>Salary Growth Rate</u> 13.00% 4.75%
Mortality	<p>For annuitants and beneficiaries, the Pub-2016 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees was multiplied by 125% for males and 125% for females, each with full generational projection using the MP2021 scale.</p> <p>For disabled lives, the Pub-2016 Public Retirement Plans Mortality Table for Safety Disabled Retirees was multiplied by 125% for males and 125% for females, each with full generational projection using the MP2021 scale.</p> <p>For active members, the Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Employees was multiplied by 125% for males and 125% for females, each with full generational projection using the MP2021 scale.</p>	
Cost-of-Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.	

The mortality rate assumption used was set based upon an experience study for the period July 1, 2019 through June 30, 2024. A change was made with full generational mortality which combines the use of a base mortality table with appropriate mortality improvement scales. In order to set the base mortality table, actual plan mortality experience was assigned a credibility weighting and combined with a standard table to produce current levels of mortality.

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

Village of Florien, Louisiana

Notes to the Financial Statements (Concluded)

the long-term expected rate of return by weighting the expected future real rates of return by target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting forecasted long-term rate of return is 8.12% for the year ended June 30, 2025.

Best estimates of arithmetic rates of return for each major asset class included in the System's target allocation as of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Portfolio Real Rate of Return
Equity	51.00%	3.20%
Fixed income	35.00%	1.21%
Alternatives	14.00%	1.04%
Totals	100.00%	5.45%
Inflation		2.67%
Expected Arithmetic Return		8.12%

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity to Changes in Discount Rate*

The following presents the net pension liability of the Village of Florien, Louisiana calculated using the discount rate of 6.75%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.75%, or one percentage point higher 7.75% than the current rate as of June 30, 2025:

	Changes in Discount Rate:		
	1.00% Decrease 5.75%	Current Discount Rate 6.75%	1.00% Increase 7.75%
Net Pension Liability	\$ 152,819	\$ 93,163	\$ 43,203

These financial statements include a payable to the pension plan of \$772, which is the legally required contribution due at September 30, 2025. This amount is recorded in accrued expenses.

REQUIRED SUPPLEMENTAL INFORMATION

General Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Budget and Actual  
 For the Year Ended September 30, 2025

	Budgeted Amounts		Actual Amount	Budget to Actual differences over (under)
	Original	Final		
Revenues				
Taxes:				
Ad valorem	\$ 65,000	\$ 114,000	\$ 113,847	\$ (153)
Franchise fees	29,800	34,400	34,367	(33)
Charges for services	77,500	109,900	108,991	(909)
Intergovernmental:				
State grant	529,000	200	213	13
Local grant	-	4,000	5,012	1,012
Occupational licenses and permits	37,000	39,400	38,668	(732)
Fines and forfeitures	210,500	196,300	197,125	825
Rentals	5,000	6,000	6,000	-
Total revenues	<u>\$ 953,800</u>	<u>\$ 504,200</u>	<u>\$ 504,223</u>	<u>\$ 23</u>
Expenditures				
General government and administration	\$ 206,200	\$ 314,503	\$ 254,014	\$ 60,489
Public safety	185,200	161,500	171,391	(9,891)
Public works	49,400	81,197	81,407	(210)
Recreation	-	-	19,434	(19,434)
Debt service:				
Principal	-	-	26,485	(26,485)
Interest	-	-	2,179	(2,179)
Capital outlay	529,000	27,000	27,061	(61)
Total expenditures	<u>\$ 969,800</u>	<u>\$ 584,200</u>	<u>\$ 581,971</u>	<u>\$ 2,229</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (16,000)</u>	<u>\$ (80,000)</u>	<u>\$ (77,748)</u>	<u>\$ 2,252</u>
Other financing uses				
Transfer in	\$ 35,000	\$ -	\$ -	\$ -
Total other financing sources	<u>\$ 35,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance	\$ 19,000	\$ (80,000)	\$ (77,748)	\$ 2,252
Fund balances at beginning of year	<u>234,000</u>	<u>134,470</u>	<u>134,470</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 253,000</u></u>	<u><u>\$ 54,470</u></u>	<u><u>\$ 56,722</u></u>	<u><u>\$ 2,252</u></u>

Special Revenue Fund  
Sales Tax Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended September 30, 2025

	Budgeted Amounts		Actual Amount	Budget to Actual differences over (under)
	Original	Final		
Revenues				
Taxes:				
Sales	\$ 250,000	\$ 303,000	\$ 302,014	\$ (986)
Charges for services	7,100	7,100	7,120	20
State grants	-	8,400	8,455	55
Investment income	100	5,600	5,850	250
Total revenues	<u>\$ 257,200</u>	<u>\$ 324,100</u>	<u>\$ 323,439</u>	<u>\$ (661)</u>
Expenditures				
Public works	\$ 145,000	\$ 184,100	\$ 182,724	\$ 1,376
Capital Outlay	15,000	50,000	50,579	(579)
Total expenditures	<u>\$ 160,000</u>	<u>\$ 234,100</u>	<u>\$ 233,303</u>	<u>\$ 797</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 97,200</u>	<u>\$ 90,000</u>	<u>\$ 90,136</u>	<u>\$ 136</u>
Other financing sources (uses)				
Transfers out	\$ (35,000)	\$ -	\$ -	\$ -
Net change in fund balance	\$ 62,200	\$ 90,000	\$ 90,136	\$ 136
Fund balances at beginning of year	<u>337,200</u>	<u>404,259</u>	<u>404,259</u>	<u>-</u>
Fund balances at end of year	<u><u>\$ 399,400</u></u>	<u><u>\$ 494,259</u></u>	<u><u>\$ 494,395</u></u>	<u><u>\$ 136</u></u>

Schedule of the Village's Proportionate Share of the Net Pension Liability  
For the Year Ended September 30, 2025

Municipal Police Employees' Retirement System	September 30, 2020	September 30, 2021	September 30, 2022	September 30, 2023	September 30, 2024
Village's proportion of the net pension liability (asset)	.010694%	.011231%	.023081%	.024575%	.014285%
Village's proportionate share of the net pension liability (asset)	\$ 98,837	\$ 59,867	\$ 235,929	\$ 259,634	\$ 129,422
Village's covered-employee payroll	\$ 40,467	\$ 43,287	\$ 79,713	\$ 74,099	\$ 44,509
Village's proportionate share of the net pension liability (asset) as a percentage of it's covered-employee payroll	244.24%	138.30%	295.97%	350.39%	290.78%
Plan fiduciary net position as a percentage of the total pension liability	70.94%	84.08%	70.80%	71.30%	75.84%

(Continued)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of the Village's Proportionate Share of the Net Pension Liability  
For the Year Ended September 30, 2025

Municipal Police Employees' Retirement System	September 30, 2025
Village's proportion of the net pension liability (asset)	0.013490%
Village's proportionate share of the net pension liability (asset)	\$ 93,163
Village's covered-employee payroll	\$ 53,096
Village's proportionate share of the net pension liability (asset) as a percentage of it's covered-employee payroll	175.46%
Plan fiduciary net position as a percentage of the total pension liability	81.94%

(Concluded)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of the Village's Pension Contributions  
For the Year Ended September 30, 2025

Municipal Police Employees' Retirement System	September 30, 2020	September 30, 2021	September 30, 2022	September 30, 2023	September 30, 2024
Contractually required contribution	\$ 13,116	\$ 13,966	\$ 24,083	\$ 23,535	\$ 15,247
Contributions in relation to the contractually required contribution	<u>13,116</u>	<u>13,966</u>	<u>24,083</u>	<u>23,535</u>	<u>15,247</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Village's covered-employee payroll	\$ 40,467	\$ 43,287	\$ 79,713	\$ 74,099	\$ 44,509
Contributions as a percentage of covered-employee payroll	32.41%	32.26%	30.21%	31.76%	34.25%

(Continued)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

Schedule of the Village's Pension Contributions  
For the Year Ended September 30, 2025

Municipal Police Employees' Retirement System	September 30, 2025
Contractually required contribution	\$ 18,678
Contributions in relation to the contractually required contribution	<u>18,678</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>
Village's covered-employee payroll	\$ 53,096
Contributions as a percentage of covered-employee payroll	35.18%

(Concluded)

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

OTHER SUPPLEMENTAL SCHEDULES

Schedule of Per Diem Paid to Board Members  
Year Ended September 30, 2025

<u>Board Members</u>	<u>Total Paid</u>
Bradley Marr	\$ 3,300
Suzanne Williams	3,300
Brennan Jones	3,300
	<u>\$ 9,900</u>

Schedule of Compensation, Benefits and  
Other Payments to Agency Head  
Year Ended September 30, 2025

Mayor Eddie Jones, Jr.

Purpose	Amount
Salary	\$ 16,500
Benefits - insurance	-
Benefits - retirement	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Mileage	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
Cell phone	809

<b>Village of Florien</b> <b>Justice System Funding Schedule - Collecting/Disbursing Schedule</b> Cash Basis Presentation As Required by La. R.S. 24:515.2		
	Amount for 10/01/2024 - 03/31/2025	Amount for 04/01/2025 - 09/30/2025
<b>1. Beginning Cash Balance</b>	-	1
<b>2. Collections</b>		
a. Civil Fees	-	-
b. Bond Fees	-	-
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	4,497	5,113
g. Criminal Fines – Contempt	93,523	74,399
h. Criminal Fines – Other/Non-Contempt	11,360	9,540
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
l. Collection Fees	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
<b>Total Collected</b>	<b>109,380</b>	<b>89,052</b>
<b>3. Deductions: Collections Retained by the Village of Florien</b>		
I. Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
II. Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	-	-
III. Other Amounts "Self-Disbursed" [Enter amounts on appropriate collection type lines]		
a. Civil Fees	-	-
b. Bond Fees	-	-
c. Cash Bonds	-	-
d. Asset Forfeiture/Sale	-	-
e. Pre-Trial Diversion Program Fees	-	-
f. Criminal Court Costs/Fees	-	-
g. Criminal Fines – Contempt	93,523	74,399
h. Criminal Fines – Other/Non-Contempt	-	-
i. Restitution	-	-
j. Probation/Parole/Supervision Fees	-	-
k. Service Fees	-	-
l. Collection Fees [excluding amounts reported in bullets I and II above]	-	-
m. Interest Earnings on Collected Balances	-	-
n. Other	-	-
<b>Total Collections Retained by the Village of Florien</b>	<b>93,523</b>	<b>74,399</b>
<b>4. Deductions: Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits</b>		
a. Collection/Processing Fees Paid to Third Party Entities	-	-
b. Civil Fee Refunds	-	-
c. Bond Refunds	-	-
d. Restitution Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
e. Other Disbursements to Individuals and Entities, Excluding Governments or a Nonprofit	-	-
<b>Total Amounts Disbursed to Individuals and Entities, Excluding Governments and Nonprofits</b>	<b>-</b>	<b>-</b>
<b>5. Deductions: Total Disbursements to Other Governments &amp; Nonprofits</b>	<b>15,857</b>	<b>13,087</b>
<b>6. Total Amounts Disbursed/Retained</b>	<b>109,380</b>	<b>87,486</b>
<b>7. Ending Cash Balance</b>	<b>1</b>	<b>1,567</b>
<b>8. Ending Balance of "Partial Payments" Collected but not Disbursed</b>	<b>982</b>	<b>1,331</b>
<b>9. Other Information:</b>		

I. Ending Balance of Amounts Assessed but Not Yet Collected [i.e. total ending receivable balances]	27,243	24,848
II. Total Waivers During the Fiscal Period [i.e. non-cash reduction of receivable balances, such as time served or community service]	939	521

**Village of Florien****Justice System Funding Schedule - Disbursements to Other Governments & Nonprofits Form**

Cash Basis Presentation

As Required by La. R.S. 24:515.2

**5. Details of Disbursements To Other Governments & Nonprofits** (Do not include amounts retained by your entity in this table.)

Agency Receiving Money	Disbursement Description [Fund, Program, etc.] (Optional)	Legal Authority to Disburse Money	Disbursement Type	Amount for 10/01/2024 - 03/31/2025	Amount for 04/01/2025 - 09/30/2025
LA Commission on Law Enforcement and Administration of Criminal Justice	§1816. Crime Victims Reparations Fund; creation; sources and use of funds	R.S. 46:1816(E )	f. Criminal Court Costs/Fees	823	416
Supreme Court	§86. Judicial College; education account; sources of funds	R.S. 13:86	f. Criminal Court Costs/Fees	150	127
Department of the Treasury	Art. 887. Defendant's liability for costs; suspension of costs; no advance costs	CCRP 887 (F)(1)	f. Criminal Court Costs/Fees	284	240
Louisiana Department of Health	§2633. Traumatic Head and Spinal Cord Injury Trust Fund	R.S. 46:2633	f. Criminal Court Costs/Fees	1,110	965
Criminalistics Laboratory North Louisiana	Criminalistics Laboratory North Louisiana	R.S. 40:2266.1	h. Criminal Fines – Other/Non-Contempt	8,370	7,010
42nd Judicial District Court Judicial Expense Fund	§1898. Collection and disposition of fines; forfeitures; penalties; and costs	R.S. 13:1898	h. Criminal Fines – Other/Non-Contempt	2,990	2,530
Ware Youth Center	North Louisiana Juvenile Center Authority	R.S. 15:1097.7	f. Criminal Court Costs/Fees	2,130	1,800

**Village of Florien**

**Justice System Funding Schedule - Receiving Schedule**

Cash Basis Presentation

As Required by La. R.S. 24:515.2

		Amount for 10/01/2024 - 03/31/2025	Amount for 04/01/2025 - 09/30/2025
<b>1. Ending Balance of Amounts Assessed but Not Received:</b>		238	50
<b>2. Details of Receipts from Collecting/Disbursing Agency</b>			
Agency Remitting Money	Remittance Type	Amount for 10/01/2024 - 03/31/2025	Amount for 04/01/2025 - 09/30/2025
Office of Motor Vehicles Public Safety Services	n. Other	238	50

OTHER REPORTS

Schedule of Prior Year Audit Findings  
Year Ended September 30, 2025

Findings – Financial Statement Audit

Audit Finding No. 2024-1

Bank Accounts Not Reconciled Timely

Condition: Bank accounts for the Village were not reconciled within two months of the statement date.

Criteria: Bank accounts should be reconciled within two months of the related statement closing date and should have evidence that the reconciliation has been reviewed by management.

Cause and Condition: The Village changed banks during the year and along with the transition between banks some bank accounts did not get reconciled.

Effect of Condition: Inaccurate cash accounts could be shown on the financial statements. Errors in the bank accounts could occur that could have been timely corrected had bank accounts been reconciled within two months of the statement date.

Recommendation: We recommend that all bank accounts be reconciled within two months of the statement date. Also management or the board members should monitor the reconciliation process and initial and date the reconciliations.

Date of Initial Occurrence - September 30, 2024

Corrective Action Taken - Yes

Schedule of Current Year Audit Findings and Management’s Response  
Year Ended September 30, 2025

Findings – Financial Statement Audit

Audit Finding No. 2025-1

Alderman Living Outside of Florien Village Limits

Condition: One of the Aldermen’s residence during the year was outside the Village’s limit.

Criteria: According to Revised Statute 33:385 elected Aldermen must be residents of the district they represent.

Cause and Condition: Due to extenuating circumstances one Alderman moved outside the Village limits during the year.

Effect of Condition: Violation of Revised Statute 33:385.

Recommendation: We recommend that the Village make the Alderman aware of the state statute and have the Alderman either move back into the Village limits or resign from the board.

Findings – Financial Statement Audit

Audit Finding No. 2025-2

Ethics Requirement Not Met

Condition: Not all of the employees of the Village met the one hour requirement training on the Code of Governmental Ethics.

Criteria: As of January 1, 2012 all public employees are required by R.S. 42:1170 to complete one hour per year training on the Code of Governmental Ethics.

Cause and Condition: This was an oversight by management that all employees did not get the one hour ethics course completed during the year.

Effect of Condition: Violation of R.S. 42:1170.

Recommendation: We recommend that all employees of the Village take the required one hour ethics training each year and that the Clerk monitor the employee’s compliance.

Schedule of Current Year Audit Findings and Management’s Response  
Year Ended September 30, 2025

Findings – Financial Statement Audit

Audit Finding No. 2025-3

Prevention of Sexual Harassment Law Requirement Not Met

Condition: Not all of the employees of the Village met the one hour requirement training on the Prevention of Sexual Harassment Law.

Criteria: As of January 1, 2019 all public servants are required by R.S. 42:343 to complete one hour per year training on the Prevention of Sexual Harassment Law.

Cause and Condition: This was an oversight by management that all employees did not get the one hour ethics course completed during the year.

Effect of Condition: Violation of R.S. 42:343.

Recommendation: We recommend that all employees of the Village take the required one hour sexual harassment training each year and that the Clerk monitor the employees’ compliance.

Audit Finding No. 2025-4

Payroll Tax Deposits Submitted Late

Condition: Payroll tax deposits during the year were paid late after the due date incurring IRS penalties.

Criteria: IRS has specific due dates for both filing payroll tax returns and paying the related payroll tax liabilities throughout the year.

Cause and Condition: The Village had some discrepancy on whether they were a monthly depositor or a semi-monthly depositor and some deposits ended up being paid late.

Effect of Condition: A violation of IRS rules and regulations regarding the paying of payroll tax deposits.

Recommendation: We recommend that the payroll tax deposits be paid by their due dates. Also the Clerk should monitor these deposits to see that these payroll taxes are timely paid.

# Village of Florien

Eddie Jones, Jr. Mayor

*Bradley Marr, Suzanne Williams, Brennan Jones, Council*

*Geri Alford, Clerk/Treasurer - Lakin Hardy, Utility Clerk*

March 27, 2026

Michael J. Waguespack, CPA  
Louisiana Legislative Auditor  
P.O. Box 94937  
Baton Rouge, La. 70804-9397

Re: Village of Florien September 30, 2025  
Annual Audit Comments

Dear Sir,

Adhering to the guidelines set forth in the Larason Act, it reflects our commitment to transparency, accountability, and ethical governance in all aspects of village operations. Maintaining a clean audit is a point of pride that demonstrates our dedication to sound financial management and responsible stewardship of public resources. Through diligence and integrity in fulfilling our fiduciary responsibilities, we ensure that every decision and expenditure serves the best interests of our residents, the taxpayers of the Village of Florien. This commitment strengthens public trust and upholds the high standards our community deserves.

This year-end audit identified four comments for improvement: an alderman residing outside the district, incomplete compliance with the Ethics training requirement, failure of some employees and supervisors to complete the mandatory Prevent Sexual Harassment training, and delays in the timely payment of payroll taxes. Each of these findings highlights areas where stronger adherence to established policies and procedural oversight is needed. The Village of Florien remains committed to addressing these issues promptly and ensuring full compliance moving forward. By taking corrective action, we reinforce our dedication to transparency, accountability, and the responsible management of public resources entrusted to us by our residents and taxpayers.

## **2025-1**

Alderman living outside of district

R.S. 33:385 Qualifications of aldermen are the same as for the mayor, and in addition, those elected from wards must be residents of their respective wards (District).

**RESPONSE:** The Village of Florien understands the qualifications of aldermen. We knew that an alderman was going through a divorce and was living in a travel trailer on her property. Once we were notified that she no longer lived within the Village Inc. limits, we took action informing the Alderman, reminding her of the qualifications of an alderman requesting her resignation as an alderman as of March 27, 2026 for the Village of Florien.

**2025-2**

Not all employees completed the required one hour training on the Code of Governmental Ethics.

R.S. 42:1170

(3}(a)(i) Commencing on January 1, 2012, each public servant who was not required to complete education and training pursuant to Paragraph (1) or (2) of this Subsection shall receive a minimum of one hour of education and training on the Code of Governmental Ethics during each year of his public employment or term of office, as the case may be.

**RESPONSE:** The Village of Florien is aware that all employees are required to receive one hour of training on the Code of Governmental Ethics. We will assure that all employees complete the required one hour training on the Code of Governmental Ethics.

**2025-3**

Not all employees completed the required one hour training on preventing sexual harassment. No agency head or supervisor completed the required one-hour supervisor training on preventing sexual harassment.

R.S. 42-343 A.(1) Each public servant shall receive a minimum of one hour of education and training on preventing sexual harassment during each full calendar year of his public employment or term of office, as the case may be.

(2) An agency head shall require supervisors and any persons designated by the agency to accept or investigate a complaint of sexual harassment in his agency to receive additional education and training.

B. The education and training required pursuant to this Section may be received either in person or via the internet through training and education materials approved by the public servant's agency head.

**RESPONSE:** The Village of Florien is aware that all employees are required to receive one hour of training on preventing sexual harassment, and all supervisors must complete the required one-hour training on preventing sexual harassment. We will ensure that all employees will complete the one-hour training on sexual harassment, and all agency heads or supervisors will complete the required one-hour supervisor training on preventing sexual harassment.

**2025-4**

Payroll Tax deposits not made timely,  
Federal Violation late fees/penalties

**RESPONSE:** The Village of Florien understands that payroll taxes are due in a timely manner. There was a discrepancy in being a monthly depositor vs a semi-monthly depositor. We will ensure that all payroll tax deposits are made timely to alleviate late fees/penalties.

Sincerely,



Eddie Jones, Jr.

Mayor

Village of Florien

# Windham & Reed, L.L.C.

*Certified Public Accountants*

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

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, 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 Village of Florien, Louisiana as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of Florien, Louisiana's basic financial statements, and have issued our report thereon dated March 24, 2026.

### **Report on Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of current year audit findings and management's response as Audit Finding No. 2025-4 that we consider to be significant deficiencies.

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, Louisiana

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village of Florien, Louisiana’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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of current year audit findings and management’s response as items Audit Finding No. 2025-1, No. 2025-2, No. 2025-3 and No. 2025-4.

**Village of Florien, Louisiana’s Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the Village of Florien, Louisiana’s response to the findings identified in our audit and described in the accompanying schedule of current year audit findings and management’s response. The Village of Florien, Louisiana’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.



DeRidder, Louisiana  
March 24, 2026

# Windham & Reed, L.L.C.

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INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES  
FOR THE YEAR ENDED SEPTEMBER 30, 2025

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, Louisiana

To the Village of Florien, Louisiana and the Louisiana Legislative Auditor:

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

Village of Florien, Louisiana has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period October 1, 2024 through September 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 and associated findings are as follows:

***1) Written Policies and Procedures***

---

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.  
*No exceptions noted.*
  - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.  
*No exceptions noted.*
  - iii. ***Disbursements***, including processing, reviewing, and approving.  
*No exceptions noted.*
  - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of 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 exceptions 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 exceptions noted.*
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.  
*No exceptions noted.*
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.  
*No exceptions noted.*
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).  
*No exceptions noted.*
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.  
*No exceptions 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 exceptions noted.*
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.  
*No written procedures.*
- 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.  
*No exceptions noted.*

## 2) **Board or Finance Committee**

---

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
  - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.  
*No exceptions noted.*
  - ii. For those entities reporting on the governmental accounting model, review the minutes from all regularly scheduled board/finance committee meetings held during the fiscal year and observe whether the minutes from at least one meeting each month 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 fund if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

*No exceptions 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 exceptions noted.*

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

*Corrective action taken.*

### **3) Bank Reconciliations**

---

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

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

*Corrective action taken from prior year findings.*

- 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 or electronically logged); and

*No exceptions noted.*

- 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.

*No exceptions noted.*

### **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).

*Only one collection site.*

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

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

*Employees share same cash drawer.*

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, Louisiana

- 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;  
*Employees collecting cash also prepare bank deposits.*
  - 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  
*Employees collecting cash also post to ledger.*
  - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.  
*Employees collecting cash also reconcile cash to the ledger.*
- 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 exceptions 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
- i. Observe that receipts are sequentially pre-numbered.  
*Receipts not sequentially pre-numbered.*
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.  
*No exceptions noted.*
  - iii. Trace the deposit slip total to the actual deposit per the bank statement.  
*No exceptions noted.*
  - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).  
*No exceptions noted.*
  - v. Trace the actual deposit per the bank statement to the general ledger.  
*Examined two random deposit dates for each account, no exceptions noted.*

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

---

- A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).  
*Only one location processes payments.*
- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, Louisiana

- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;  
*Employees approving purchases also place the order.*
- ii. At least two employees are involved in processing and approving payments to vendors;  
*No exceptions noted.*
- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;  
*No exceptions noted.*
- 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  
*Employees signing checks also process payments.*
- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

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

*No exceptions noted.*

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
  - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and  
*No exceptions noted.*
  - 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.  
*No exceptions noted.*
- 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.*

*No exceptions noted.*

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

---

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

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and Members of the Board of Aldermen  
Village of Florien, Louisiana

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized 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 exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

---

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

- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana ([doa.la.gov/doa/ost/ppm-49-travel-guide/](http://doa.la.gov/doa/ost/ppm-49-travel-guide/)) or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov));

*Not applicable.*

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

*No exceptions noted.*

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

*No exceptions noted.*

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

*No exceptions noted.*

#### **8) Contracts**

---

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

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

*Not applicable.*

- 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);  
*No exceptions noted.*
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and  
*Not applicable.*
- 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.  
*No exceptions noted.*

**9) Payroll and Personnel**

---

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.  
*No exceptions noted.*
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and:
  - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);  
*No exceptions noted.*
  - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;  
*No exceptions noted.*
  - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and  
*No exceptions noted.*
  - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.  
*No exceptions 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.  
*No exceptions noted.*
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums) have been paid, and any associated forms have been filed, by required deadlines.  
*Exceptions noted: Clerk thought the Village was a monthly depositor. When she realized, she changed to semi-monthly.*

### 10) Ethics

---

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and:
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and  
*Not all completed.*
  - 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.  
*Not applicable.*
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.  
*No exceptions noted.*

### 11) Debt Service

---

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.  
*Not applicable.*
- 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).  
*No exceptions noted.*

### 12) Fraud Notice

---

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.  
*Not applicable.*
- 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.  
*No exceptions noted.*

### 13) Information Technology Disaster Recovery/Business Continuity

---

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

- A. 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.  
*No exceptions noted.*

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, Louisiana

- B. 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.

*No exceptions noted.*

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

*No exceptions noted.*

- D. 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 evidence that the selected terminated employees have been removed or disabled from the network.

*No exceptions noted.*

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

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

*No exceptions noted.*

#### **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.

*No exceptions noted.*

- 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).

*No exceptions noted.*

- 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;

*Not all completed.*

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

*Not applicable.*

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

*Not applicable.*

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

*Not applicable.*

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

*Not applicable.*

The Honorable Eddie Jones, Jr., Mayor  
and Members of the Board of Aldermen  
Village of Florien, Louisiana

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

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

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

Windham & Reed CPA, L.L.C.  
DeRidder, Louisiana  
March 24, 2026