TOWN OF MAMOU, LOUISIANA

Financial Report

Year Ended December 31, 2025

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INDEPENDENT AUDITOR'S REPORT

The Honorable Leisa Deshotel, Mayor
and Members of the Board of Aldermen
Town of Mamou, Louisiana

Adverse, Qualified, and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund (except as described below), and the aggregate remaining fund information of the Town of Mamou, Louisiana (the Town), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Qualified
General Fund	Unmodified
Sales Tax Special Revenue Fund	Unmodified
Utility Enterprise Fund	Unmodified
Savoy Medical Management Group, Inc.	Adverse
Aggregate Remaining Fund Information	Unmodified

Adverse Opinion on Savoy Medical Management Group, Inc. Fund

In our opinion, because of the significance of the matter discussed in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the Savoy Medical Management Group, Inc. Fund of the Town as of December 31, 2025, or the changes in financial position or cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Qualified Opinions on Business-type Activities

In our opinion, except for the matters described in the Basis for Adverse, Qualified, and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Town as of December 31, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Governmental Activities, General Fund, Sales Tax Special Revenue Fund, Utility Enterprise Fund, and Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund other than the Savoy Medical Management Group, Inc. Fund, and the aggregate remaining fund information of the Town as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse, Qualified, and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town 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 adverse, qualified, and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on Savoy Medical Management Group, Inc. Fund and Qualified Opinion on Business-type Activities

Management has not included the Savoy Medical Management Group, Inc. Fund in the Town’s financial statements. Accounting principles generally accepted in the United States of America require the Savoy Medical Management Group, Inc. Fund to be presented as a major enterprise fund and financial information about the Savoy Medical Management Group, Inc. Fund to be part of the business-type activities, thus increasing that activity’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses, and changes its net position. The amount by which this departure would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses of the business-type activities and the omitted major fund has not been determined.

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules, schedule of employer's share of net pension liability, and schedule of employer contributions on pages 49 - 54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Town of Mamou, Louisiana 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 omitted information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying statement of financial position, individual fund financial statements, schedule of interest-bearing deposits, and judicial system funding schedule on pages 56 – 63 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 relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statement of financial position, individual fund financial statements, schedule of interest-bearing deposits, and judicial system funding schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The prior year comparative amounts included in this information have been derived from the Town of Mamou, Louisiana's 2024 financial statements, which were subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, was fairly presented in all material respects in relation to the basic financial statements from which they were derived.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules, schedule of number of utility customers, and the schedule of insurance in force but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have issued our report dated June 22, 2026, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 22, 2026

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)

TOWN OF MAMOU, LOUISIANA

Statement of Net Position
December 31, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and interest-bearing deposits	$ 1,615,150	$ 289,518	$ 1,904,668
Receivables, net	107,128	397,359	504,487
Due from other governmental units	37,698	118,083	155,781
Inventory	-	40,377	40,377
Prepaid items	45,002	14,042	59,044
Total current assets	1,804,978	859,379	2,664,357
Noncurrent assets:			
Restricted assets:			
Cash and interest-bearing deposits	-	727,884	727,884
Land and construction in progress	1,008,661	664,687	1,673,348
Capital assets, net	3,442,418	6,859,631	10,302,049
Total noncurrent assets	4,451,079	8,252,202	12,703,281
Total assets	6,256,057	9,111,581	15,367,638
DEFERRED OUTFLOWS OF RESOURCES			
Pension plan	229,962	-	229,962
LIABILITIES			
Current liabilities:			
Accounts and other payables	155,424	36,899	192,323
Claims payable	72,548	-	72,548
Contracts and retainage payable	-	123,990	123,990
Internal balances	133,079	(133,079)	-
Revenue bonds	-	210,000	210,000
Accrued interest	-	33,014	33,014
Customer deposits	-	287,433	287,433
Total current liabilities	361,051	558,257	919,308
Noncurrent liabilities:			
Revenue bonds	-	3,845,000	3,845,000
Net pension liability	367,570	-	367,570
Total noncurrent liabilities	367,570	3,845,000	4,212,570
Total liabilities	728,621	4,403,257	5,131,878
DEFERRED INFLOWS OF RESOURCES			
Pension plan	60,027	-	60,027
NET POSITION			
Net investment in capital assets	4,451,079	3,578,421	8,029,500
Restricted for sales tax dedications	683,824	-	683,824
Restricted for debt service	-	197,196	197,196
Unrestricted	562,468	932,707	1,495,175
Total net position	$ 5,697,371	$ 4,708,324	$ 10,405,695

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

TOWN OF MAMOU, LOUISIANA

Statement of Activities
For the Year Ended December 31, 2025

Activities	Expenses	Program Revenues: Fees, Fines, and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenues and Changes in Net Position: Governmental Activities	Net (Expense) Revenues and Changes in Net Position: Business-Type Activities	Total
Governmental activities:							
General government	$ 818,492	$ 166,351	$ 60,319	$ -	$ (591,822)	$ -	$ (591,822)
Public safety -							
Police	1,109,233	535,499	59,197	-	(514,537)	-	(514,537)
Streets	626,221	-	-	540,933	(85,288)	-	(85,288)
Culture and recreation	303,948	21,225	-	-	(282,723)	-	(282,723)
Judicial	64,808	-	-	-	(64,808)	-	(64,808)
Total governmental activities	2,922,702	723,075	119,516	540,933	(1,539,178)	-	(1,539,178)
Business-type activities:							
Gas	491,505	762,003	-	54,070	-	324,568	324,568
Water	745,773	1,101,956	-	-	-	356,183	356,183
Sewer	420,961	564,726	-	455,140	-	598,905	598,905
Total business-type activities	1,658,239	2,428,685	-	509,210	-	1,279,656	1,279,656
Total	$ 4,580,941	$ 3,151,760	$ 119,516	$ 1,050,143	(1,539,178)	1,279,656	(259,522)
General revenues:							
Taxes -							
Ad valorem taxes, levied for general purposes					69,757	-	69,757
Ad valorem taxes, levied for streets and recreation					118,776	-	118,776
Sales and use taxes, levied for general purposes					558,039	-	558,039
Sales and use taxes, levied for capital improvements					221,574	-	221,574
Sales and use taxes, levied for industry and tourism inducement					41,032	-	41,032
Franchise taxes					145,113	-	145,113
Grants and contributions not restricted to specific programs -							
State sources					5,217	-	5,217
Interest and investment earnings					2,663	11,791	14,454
Hospital grant revenue					120,000	-	120,000
Nursing home lease revenue					240,000	-	240,000
Nonemployer pension contribution					15,786	-	15,786
Miscellaneous					77,817	-	77,817
Transfers					598,127	(598,127)	-
Total general revenues and transfers					2,213,901	(586,336)	1,627,565
Change in net position					674,723	693,320	1,368,043
Net position - beginning					5,022,648	4,015,004	9,037,652
Net position - ending					$ 5,697,371	$ 4,708,324	$ 10,405,695

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

FUND FINANCIAL STATEMENTS (FFS)

FUND DESCRIPTIONS

General Fund

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

Special Revenue Fund

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Sales Tax Fund

To account for the receipt and use of proceeds of the Town's two 1% sales and use taxes as described below.

The proceeds of the Town's 1986 1% sales tax are dedicated to and used for any lawful corporate purpose of the Town. This tax was renewed by the voters of the Town in April 2011.

The proceeds of the Town's 1991 1% sales tax are dedicated and divided as follows: thirty-five percent (35%) for any lawful corporate purpose of the Town; ten percent (10%) for inducing and attracting commerce, industry and tourism in the Town, including the acquisition and improvement of land and buildings there for; and fifty-five percent (55%) for constructing, acquiring, improving and/or extending any work of capital improvement for the Town.

Enterprise Fund

Utility Fund -

To account for the provision of gas, water, and sewerage services to residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

TOWN OF MAMOU, LOUISIANA

Balance Sheet
Governmental Funds
December 31, 2025

	General	Sales Tax Special Revenue	Total
ASSETS			
Cash and interest-bearing deposits	$ 786,100	$ 802,690	$ 1,588,790
Receivables:			
Taxes	104,217	-	104,217
Other	2,911	-	2,911
Due from other governmental units	37,698	-	37,698
Total assets	$ 930,926	$ 802,690	$ 1,733,616
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts and other payables	$ 153,976	$ 1,448	$ 155,424
Due to other funds	63,117	117,418	180,535
Total liabilities	217,093	118,866	335,959
Deferred inflows of resources:			
Unavailable revenue	8,892	-	8,892
Fund balances:			
Restricted - operations and maintenance	-	343,737	343,737
Restricted - capital expenditures	-	304,946	304,946
Restricted - industry and tourism inducement	-	35,141	35,141
Unassigned	704,941	-	704,941
Total fund balances	704,941	683,824	1,388,765
Total liabilities, deferred inflows of resources, and fund balances	$ 930,926	$ 802,690	$ 1,733,616

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

TOWN OF MAMOU, LOUISIANA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2025

Total fund balances for governmental funds at December 31, 2025		$ 1,388,765
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	$ 285,400	
Buildings and improvements, net of $2,099,828 accumulated depreciation	1,423,188	
Infrastructure, net of $2,208,143 accumulated depreciation	1,773,298	
Equipment, furniture, and fixtures, net of $867,773 accumulated depreciation	108,690	
Vehicles, net of $342,427 accumulated depreciation	150,745	4,451,079
Differences between prepaid expense on modified accrual basis versus accrual basis		45,002
The deferred outflows of contributions to the retirement system are not a use of current resources, and therefore, are not reported in the funds.		229,962
Some of the Town's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and, therefore, are reported as deferred inflows of resources at the fund level.		
Unavailable revenue:		
Delinquent ad valorem taxes		8,892
Some liabilities are not due and payable from current financial resources and are, therefore not reported in the funds. These liabilities consists of the following:		
Net pension liability		(367,570)
The deferred inflows of contributions to the retirement system are not payable from available resources and, therefore, are not reported in the funds.		(60,027)
Net position of the group self-insurance internal service fund		1,268
Total net position of governmental activities at December 31, 2025		$ 5,697,371

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

TOWN OF MAMOU, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Year Ended December 31, 2025

	General	Sales Tax Special Revenue	Total
Revenues:			
Taxes	$ 344,750	$ 820,645	$ 1,165,395
Licenses and permits	166,351	-	166,351
Intergovernmental	756,044	-	756,044
Fines and forfeits	445,121	-	445,121
Miscellaneous	445,678	16,027	461,705
Total revenues	2,157,944	836,672	2,994,616
Expenditures:			
Current -			
General government:			
Administrative	678,606	79,976	758,582
Public safety:			
Police	985,386	-	985,386
Highways and streets	495,092	-	495,092
Culture and recreation	215,807	-	215,807
Judicial	63,083	-	63,083
Capital outlay	618,897	103,853	722,750
Total expenditures	3,056,871	183,829	3,240,700
Excess (deficiency) of revenues over expenditures	(898,927)	652,843	(246,084)
Other financing sources (uses):			
Transfers in (out)	1,090,446	(492,319)	598,127
Net changes in fund balances	191,519	160,524	352,043
Fund balances, beginning	513,422	523,300	1,036,722
Fund balances, ending	$ 704,941	$ 683,824	$ 1,388,765

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

TOWN OF MAMOU, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2025

Total net changes in fund balances for the year ended December 31, 2025 per the statement of revenues, expenditures and changes in fund balances		$ 352,043
The change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay which is considered expenditures on the statement of revenues, expenditures and changes in fund balances	$ 713,896	
Depreciation expense for the year ended December 31, 2025	(312,529)	401,367
Some of the Town's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures, and therefore, are reported as deferred inflows of resources at the fund level.		
Net change in unavailable revenues - Delinquent ad valorem taxes		(11,104)
Differences between prepaid expenses on modified accrual basis versus accrual basis		15,342
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.		
Net pension liability		(37,870)
Net loss of group self-insurance internal service fund		(45,055)
Total changes in net position for the year ended December 31, 2025 per the statement of activities		$ 674,723

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

TOWN OF MAMOU, LOUISIANA

Statement of Net Position
Proprietary Funds
December 31, 2025

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
ASSETS		
Current assets:		
Cash and interest-bearing deposits	$ 289,518	$ 26,360
Receivables -		
Accounts	220,392	-
Unbilled utility receivables	171,268	-
Accrued interest receivable	358	-
Other	5,341	-
Due from other funds	133,079	47,456
Due from other governmental agencies	118,083	-
Inventory - natural gas	40,377	-
Prepaid items	14,042	-
Total current assets	992,458	73,816
Noncurrent assets:		
Restricted assets -		
Cash and interest-bearing deposits	727,884	-
Land and construction in progress	664,687	-
Capital assets, net	6,859,631	-
Total noncurrent assets	8,252,202	-
Total assets	9,244,660	73,816
LIABILITIES		
Current liabilities (payable from current assets):		
Accounts and other payables	36,899	-
Claims payable	-	72,548
Contracts and retainage payable	123,990	-
Total	160,889	72,548
Current liabilities (payable from restricted assets):		
Customer deposits	287,433	-
Revenue bonds	210,000	-
Accrued interest payable	33,014	-
Total	530,447	-
Total current liabilities	691,336	72,548
Noncurrent liabilities:		
Revenue bonds	3,845,000	-
Total liabilities	4,536,336	72,548
NET POSITION		
Net investment in capital assets	3,578,421	-
Restricted for debt service	197,196	-
Unrestricted	932,707	1,268
Total net position	$ 4,708,324	$ 1,268

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

TOWN OF MAMOU, LOUISIANA

Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities- Enterprise Fund	Governmental Activities - Internal Service Fund
Operating revenues:		
Charges for services	$2,348,837	$ 567,390
Permits, reconnections and penalties	66,008	-
Miscellaneous	13,840	-
Total operating revenues	2,428,685	567,390
Operating expenses:		
Gas department expenses	450,771	-
Water department expenses	395,990	-
Sewerage department expenses	344,753	-
Depreciation expense	364,350	-
Self insurance expenses	-	612,445
Total operating expenses	1,555,864	612,445
Operating income (loss)	872,821	(45,055)
Nonoperating revenues (expenses):		
Interest income	11,791	-
Interest expense	(102,375)	-
Total nonoperating revenues (expenses)	(90,584)	-
Income (loss) before contributions and transfers	782,237	(45,055)
Capital contributions	509,210	-
Income (loss) before transfers	1,291,447	(45,055)
Transfers out	(598,127)	-
Change in net position	693,320	(45,055)
Net position, beginning	4,015,004	46,323
Net position, ending	$4,708,324	$ 1,268

The accompanying notes are an integral part of this statement.

TOWN OF MAMOU, LOUISIANA

Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2025

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Cash flows from operating activities:		
Receipts from customers	$ 2,382,220	$ 567,390
Payments to suppliers	(928,272)	(552,731)
Payments to employees	(268,082)	-
Other receipts	13,840	-
Net cash provided by operating activities	1,199,706	14,659
Cash flows from noncapital financing activities:		
Net increase in customer deposits	7,507	-
Capital contributions	403,557	-
Transfers from other funds	(110,633)	(20,000)
Transfers to other funds	(598,127)	-
Net cash used by noncapital financing activities	(297,696)	(20,000)
Cash flows from capital and related financing activities:		
Principal paid on bonds payable	(204,000)	-
Interest and fiscal charges paid on revenue bonds	(104,041)	-
Net acquisition of property, plant and equipment	(468,208)	-
Net cash used by capital and related financing activities	(776,249)	-
Cash flows from investing activities:		
Net purchases of interest-bearing deposits with maturity in excess of ninety days	(10,368)	-
Interest earned	12,033	-
Net cash provided by investing activities	1,665	-
Net increase (decrease) in cash and cash equivalents	127,426	(5,341)
Cash and cash equivalents, beginning	635,995	31,701
Cash and cash equivalents, ending	$ 763,421	$ 26,360

(continued)

Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2025

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	$ 872,821	$ (45,055)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	364,350	-
Changes in current assets and liabilities:		
Increase accounts receivable	(47,647)	-
Increase in provision for uncollectible accounts	14,378	-
Decrease in unbilled utility receivables	640	-
Decrease in other receivables	4	-
Decrease in inventory	22,227	-
Increase in prepaid items	(4,465)	-
Decrease in provision for accounts payable	(23,662)	-
Increase in compensated absences payable	1,060	-
Increase in claims payable	-	59,714
Net cash provided by operating activities	$ 1,199,706	$ 14,659
Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning -		
Cash - unrestricted	$ 941	$ 31,701
Interest-bearing deposits - unrestricted	203,137	-
Interest-bearing deposits - restricted	675,530	-
Less: Interest-bearing deposits with maturity in excess of 90 days	(243,613)	-
Total cash and cash equivalents	635,995	31,701
Cash and cash equivalents, ending -		
Cash - unrestricted	941	26,360
Interest-bearing deposits - unrestricted	288,577	-
Interest-bearing deposits - restricted	727,884	-
Less: Interest-bearing deposits with maturity in excess of 90 days	(253,981)	-
Total cash and cash equivalents	763,421	26,360
Net increase (decrease)	$ 127,426	$ (5,341)

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

(1) Summary of Significant Accounting Policies

The financial statements of the Town of Mamou (Town) are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The accounting and reporting policies of the Town also conform to the requirements of Louisiana Revised Statute 24:513, the *Louisiana Governmental Audit Guide,* and to the industry audit guide, *Audits of State and Local Governmental Units.* The accounting and reporting framework and the more significant accounting policies are described below.

A. Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Primary Government

The Town of Mamou was incorporated on January 4, 1911, under the provisions of the Lawrason Act. The Town operates under the Mayor-Board of Aldermen form of government.

Component Units

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, "Defining the Financial Reporting Entity" establishes criteria for determining which entities should be considered a component unit and, as such, part of the reporting entity for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.

2. Whether the primary government's governing authority (Mayor and Board of Aldermen) appoints a majority of board members of the potential component unit and is able to impose its will on the potential component unit or whether the potential component unit is fiscally dependent on the primary government.

3. Financial benefit/burden relationship between the primary government and the potential component unit.

4. The nature and significance of the relationship between the potential component unit with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

These financial statements include the primary government financial statements only. Based upon these criteria, the Town should include the component unit detailed below in the financial reporting entity. The following component unit of the Town is not presented in these financial statements:

Blended Component Unit -

Savoy Medical Management Group, Inc.

Savoy Medical Management Group, Inc., a nonprofit organization doing business as Savoy Medical Center, was determined to be a component unit but is not presented in the accompanying financial statements. The organization is a nonprofit organization incorporated on November 11, 2009. The organization was formed for the purpose of providing medical and health related services to communities in and around Mamou, Parish of Evangeline, Louisiana, and to those persons or individuals seeking healthcare and is exempt from income taxes under Section 504(c)(3) of the Internal Revenue Code. The sole member of this corporation shall be the Town of Mamou, Louisiana, which shall act through individuals duly elected and then serving on the Town of Mamou Council. The management and affairs of this corporation shall be at all times under the direction of the Board of Trustees which shall at all times consist of at least three (3) but no more than nine (9) members appointed by the sole Member's governing body. The Board of Trustees may include at least two (2) members of the sole Member's governing body.

On December 11, 2014, the Town adopted a resolution authorizing a termination and mutual release agreement with Savoy Medical Management Group, Inc. effective January 4, 2015. This agreement provides that the Town will forgive all rent, payments, and other consideration due and owing to the Town under the lease, whether past due or current. The Town also entered into a Special Services Management Agreement between Savoy Medical Management Group, Inc. (of which the Town is the sole member), the Town of Mamou, and Evangeline Clinical Services, Inc. Under this agreement, Savoy Medical Management Group, Inc. will continue to operate Savoy Medical Center with managerial assistance from Evangeline Clinical Services, Inc., which will allow access to managerial and administrative expertise in the delivery and operations of hospitals and to clinically integrate Savoy Medical Center with the Christus Health Central Louisiana network of physicians, clinics and hospitals, in order to improve access, quality, availability and efficiency of care for residents of the Mamou community. The agreement will remain in effect for an initial term of fifteen years and shall automatically continue thereafter for additional terms of five years.

Complete financial statements for the component unit may be obtained at the entity's administrative office (Savoy Medical Management Group, Inc., 801 Poinciana, Mamou, LA 70554).

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The government-wide financial statements provide operational accountability information for the Town as an economic unit. The government-wide financial statements report the Town's ability to maintain service levels and continue to meet its obligations as they come due. The statements include all governmental activities and all business-type activities of the primary government. Fiduciary funds are omitted from the government-wide financial statements. The Town has no fiduciary funds.

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

Fund Financial Statements

The accounts of the Town are organized on the basis of funds, each of which is considered to be an independent fiscal and accounting entity. The operations of each fund are accounted for within separate sets of self-balancing accounts, which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance/net position, revenues, and expenditures/expenses, and transfers. The minimum number of funds is maintained consistent with legal and managerial requirements. Fund financial statements report detailed information about the Town. The various funds of the Town are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major funds, each displayed in a separate column.

The General Fund is always a major fund. Other individual governmental and enterprise major funds are determined as funds whose revenues, expenditures/expenses, assets and deferred outflows of resources or liabilities and deferred inflows of resources are at least ten percent of the corresponding totals for all funds of that category or type (total governmental or total enterprise fund) and at least five percent of the corresponding total for all governmental and enterprise funds combined or funds designated as major at the discretion of the Town. Funds not classified as a major fund are aggregated and presented in a single column in the fund financial statements. The Town uses the following funds, grouped by fund type.

Governmental Funds –

Governmental Funds are those through which most governmental functions of the Town are financed. The acquisition, use, and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds.

General Fund

The General Fund represents the operating activities of the Town. All financial resources not accounted for in other funds are reported in the General Fund.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of government grants or other specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects of the Town. The following is the Town's major special revenue fund:

The Sales Tax Special Revenue Fund is used to account for the proceeds of two separate one percent sales and use taxes that are legally restricted to expenditures for specific purposes and for the receipt and use of grant proceeds.

Capital Projects Funds

Capital Projects Funds are used to report resources that are restricted, committed or assigned to expenditures for major capital acquisition and construction separately from ongoing operational activities. The Town has no major capital projects funds.

Debt Service Funds

Debt Service Funds are used to account for and report resources that are restricted, committed or assigned to expenditures for principal and interest. The Town has no major debt service funds.

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and nonmajor funds aggregated. A reconciliation is presented to summarize the differences in fund balances of the governmental fund financial statements and the net position of the governmental activities in the government-wide financial statements.

Proprietary Funds –

Proprietary Funds are used to account for the Town's ongoing operations and activities which are similar to those often found in the private sector where the intent is that the cost of providing goods and services be recovered through user charges. The proprietary funds maintained by the Town are enterprise funds and internal service funds.

Enterprise Funds

Enterprise Funds are proprietary funds that are used to report activities for which a fee is charged to external users. These funds account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the government 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. The Town's major enterprise fund is the Utility Fund.

Internal Service Funds

Internal Service Funds are used to report activities which provide goods or services to other funds, departments, or agencies of the primary government and its components units, or to other governments, on a cost-reimbursement basis. The Town includes services such as the provision of insurance benefits in these funds. All of the internal service fund's net position and activities are combined with the governmental activities in the government-wide financial statements. The Town's internal service fund is the Employee Benefits Fund.

Enterprise and internal service fund financial statements include a statement of net position, a statement of revenues, expenses and changes in fund net position, and a statement of cash flows. The enterprise fund financial information is presented under the business-type activities column. A column representing internal service funds is also presented in these statements, with the internal service fund's net position and activities combined with the governmental activities in the government-wide financial statements.

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

The measurement focus determines the accounting and financial reporting treatment applied to a fund. The governmental and business-type activities within the government-wide statement of net position and statement of activities are presented using the economic resources measurement focus. The economic resources measurement focus meets the accounting objectives of determining net income, net position, and cash flows.

The fund financial statements use either the current financial resources measurement focus or the economic resources measurement focus as appropriate. Governmental funds use the current financial resources measurement focus. This measurement focus is based upon the receipt and disbursement of current available financial resources rather than upon net income. The measurement focus of the proprietary fund types, the flow of economic resources, is based upon determination of net income, net position, and cash flows.

The accrual basis of accounting is used throughout the government-wide statements; conversely, the financial statements of the governmental funds have been prepared in accordance with the modified accrual basis of accounting, whereby revenues are recognized when considered both measurable and available to finance expenditures of the current period. For this purpose, the Town considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. An exception to this is grant revenue collected on a reimbursement basis. Those reimbursable grants are recognized as revenue when reimbursable expenditures are made. The Town considers reimbursement amounts received within one year as available. The Town accrues intergovernmental revenue, ad valorem and sales tax revenue, franchise fees, changes for services and investment income based upon this concept. Expenditures generally are recognized when related fund liabilities are incurred and become payable in the current period. Proceeds of debt are reported as other financing sources, and principal and interest on long-term debt, as well as expenditures related to compensated absences and claims and judgments, are recorded as expenditures when paid.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the Town. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the Town and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The financial statements of the enterprise fund and the internal service fund have been prepared in accordance with the accrual basis of accounting. Accordingly, revenues are recorded when earned, and expenses and related liabilities are recorded when incurred.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Equity

Cash, interest-bearing deposits, and investments

For purposes of the statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Town.

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States of America. The Town may invest in certificates and time deposits of state banks organized under Louisiana laws and national banks having principal offices in Louisiana.

For the purpose of the proprietary funds' statements of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

Receivables

Receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes and franchise taxes. Business-type activities report customer utility service receivables as the major receivables. Uncollectible ad valorem taxes or utility service receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. The allowance for uncollectible customer utility receivables was $251,390 at December 31, 2025. Unbilled utility service receivables resulting from utility services rendered between the date of meter reading and billing and the end of the month, are recorded at year-end.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position.

Inventory

Inventory of the Utility Fund consists of natural gas being held in storage on behalf of the Town by the Louisiana Municipal Gas Authority and is valued at a price per MCF determined by the Louisiana Municipal Gas Authority. Supplies and parts on hand are considered immaterial and have been accounted for using the purchase method.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2025, are recorded as prepaid items.

Restricted Assets

Restricted assets include cash and interest-bearing deposits of utility fund that are legally restricted as to their use. The restricted assets in the utility fund are related to the utility meter deposits and revenue bond accounts.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their acquisition value at the date of donation. The Town maintains a threshold level of $1,000 or more for capitalizing capital assets.

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. Prior to July 1, 2001, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	40 years
Equipment	5 years
Utility system and improvements	20-40 years
Infrastructure	20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental funds upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets acquired or constructed with the proceeds of the debt are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide financial statements. The long-term debt consists of utility meter deposits payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

Sick leave is earned at the rate of one day for each month worked, with a limit of twelve days per year. An employee may not carry over or accumulate more than forty-eight days of sick leave from one year to another. Sick leave is not payable at termination of employment. Vacation leave is earned over an anniversary year basis at the rate of one day for each month worked, with a limit of twelve days per year. An employee may not carry over or accumulate vacation leave from one employment anniversary date to another.

For fund financial statements, vested or accumulated leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a current fund liability of the governmental fund that will pay it. In the government-wide statements, amounts of vested or accumulated leave that are not expected to be liquidated with expendable available financial resources are recorded as long-term liabilities.

Pensions

The net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, and pension expense (See Note 13), have been determined using the flow of economic resources measurement focus and full accrual basis of accounting. Member's earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. 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 plans, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Non-employer contributions are recognized as revenue in the government-wide financial statements. In the governmental fund financial statements, contributions are recognized as expenditures when made.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the statement of net position or balance sheet will sometimes report a separate section for deferred outflows of resources. This represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item that qualifies for reporting in this category, the deferred outflow of resources attributable to its pension plan.

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one item that qualifies for reporting in this category in the government-wide statement of net position, the deferred inflow of resources attributable to its pension plan.

The Town also reported deferred inflows of resources related to unavailable delinquent ad valorem tax revenue totaling $8,892 in the General Fund at December 31, 2025.

Equity Classifications

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

1. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any notes or other borrowing attributable to the acquisition, construction, or improvement of those assets.

2. Restricted net position consists of net position with constraints placed on the use either by external groups, such as grantors, creditors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation. It is the Town's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred. At December 31, 2025, the Town reported $881,020 of restricted net position, $683,824 of which was restricted by enabling legislation.

3. Unrestricted net position consists of all other assets, deferred outflows of resources, liabilities, and deferred inflows of resources that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily upon the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

1. Nonspendable includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual constraints requiring they remain intact.

2. Restricted includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as grantors, donors, creditors, or amounts constrained due to constitutional provisions or enabling legislation.

3. Committed includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal legislative action of the Mayor and Board of Aldermen and does not lapse at year-end. A committed fund balance constraint can only be established, modified, or rescinded by passage of an ordinance by the Mayor and Board of Aldermen.

4. Assigned includes fund balance amounts that are constrained by the Town's intent to be used for specific purposes, that are neither restricted nor committed. The assignment of fund balance is authorized by a directive from the Town Clerk with the approval of a resolution by the Mayor and Board of Aldermen.

5. Unassigned includes fund balance amounts within the General Fund which have not been classified within the above-mentioned categories. The General Fund is the only fund that reports a positive unassigned fund balance amount.

It is the Town's policy to use restricted amounts first when both restricted and unrestricted fund balance is available unless prohibited by legal or contractual provisions. Additionally, the Town uses committed, assigned, and lastly unassigned amounts of fund balance in that order when expenditures are made.

Proprietary fund equity is classified the same as in the government-wide statements.

E. <u>Revenues, Expenditures, and Expenses</u>

Revenues

The Town considers revenue to be susceptible to accrual in the governmental funds as it becomes measurable and available, as defined under the modified accrual basis of accounting. The Town generally defines the availability period for revenue recognition as received within sixty (60) days of year-end. The Town's major revenue sources that meet this availability criterion are ad valorem taxes and franchise fees.

There are three classifications of programmatic revenues for the Town, program specific grant and contributions revenue (operating and capital) and charges for services. Grant revenues are revenues from federal, state, and private grants. These revenues are recognized when all applicable eligibility requirements are met and are reported as intergovernmental revenues. The primary sources of program revenues are fees, fines, and charges paid by recipients of goods and services, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and earned income in connection with the operation of the Town's utility system. Interest income is recorded as earned in the fund holding the interest-bearing asset. Substantially all other revenues are recorded when received.

Operating and Nonoperating Revenues and Expenses

In the proprietary funds, operating revenues are those revenues produced as a result of providing services and producing and delivering goods and/or services. Nonoperating revenues are funds primarily provided by investing activities, such as financial institution interest income, gains on disposal of assets and insurance recoveries on property loss. Operating expenses are those expenses related to the production of revenue. Nonoperating expenses are those expenses not directly related to the production of revenue and include items such as interest expense and losses on disposal of assets.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities. In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character
Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

F. Revenue Restrictions

The Town has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

Revenue Source	Legal Restrictions of Use
Sales tax	See Note 3
Gas, water and sewer revenue	Utility operations

The Town uses unrestricted resources only when restricted resources are fully depleted.

G. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

(2) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September or October and are actually billed to taxpayers in December. Billed taxes become delinquent on January 1 of the following year. The Town bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Evangeline Parish. Property tax revenues are recognized when levied to the extent that they result in current receivables.

For the year ended December 31, 2025, taxes of 18.47 mills were levied on property with assessed valuations totaling $10,246,610 and were dedicated as follows:

General corporate purposes	6.80 mills
Public streets and sidewalks	11.67 mills
Total	18.47 mills

Total taxes levied for 2025 totaled $189,257. Taxes receivable at December 31, 2025 totaled $72,109.

(3) Sales and Use Tax

A. Proceeds of the 1986 1% sales and use tax levied by the Town of Mamou, renewed in April 2011 (2025 collections $410,323), are dedicated for any lawful corporate purposes of the Town. The tax will expire on April 30, 2036.

B. Proceeds of the 1991 1% sales and use tax levied by the Town of Mamou, renewed in October 2015 (2025 collections $410,323), are dedicated to the following purposes: Thirty-five percent (35%) for any lawful corporate purposes of the Town; ten percent (10%) for inducing and attracting commerce, industry and tourism in the Town, including the acquisition and improvement of land and buildings there for; and fifty-five percent (55%) for constructing, acquiring, improving and /or extending any work of capital improvement for the Town. The tax will expire on December 31, 2040.

(4) Cash, Interest-Bearing Deposits

Under state law, the Town may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Town may invest in certificates and time deposits of the state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2025, the Town had cash and interest-bearing deposits (book balances) totaling $2,632,552 as follows:

Demand deposits	$ 129,347
Money market and savings accounts	2,249,224
Time deposits	253,981
Total	$ 2,632,552

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Town's deposits may not be recovered, or the Town will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank by a holding or custodial bank that is mutually acceptable to both parties. The following is a summary of deposit balances (bank balances) at December 31, 2025, and the related federal insurance and pledged securities:

Bank balances	$ 3,255,660
Insured	$ 956,573
Pledged securities	2,299,087
Total	$ 3,255,660

Deposits in the amount of $2,299,087 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Town's name. The Town does not have a policy for custodial credit risk.

The Town follows state law regarding its deposits and investments; however, it has not adopted a formal deposit and investment policy.

(5) Receivables

Receivables at December 31, 2025 consist of the following:

	Governmental Activities	Business type Activities	Total
Accounts	$ -	$ 464,835	$ 464,835
Unbilled utility	-	171,268	171,268
Allowance for uncollectible accounts	-	(251,390)	(251,390)
Ad valorem	72,109	-	72,109
Franchise tax	32,108	-	32,108
Other	2,911	12,646	15,557
Totals	$ 107,128	$ 397,359	$ 504,487

(6) Due from Other Governmental Units

Amounts due from other governmental units at December 31, 2025 consist of the following:

	Governmental Activities	Business type Activities	Total
State of Louisiana -			
Beer tax revenue receivable	$ 1,448	$ -	$ 1,448
DOTD road maintenance	2,500	-	2,500
Division of Administration - LCDBG funds	27,047	105,653	132,700
Louisiana Department of Corrections - state prisoner housing reimbursement	6,703	-	6,703
State of Louisiana - Department of Health and Hospitals	-	12,430	12,430
Totals	$ 37,698	$ 118,083	$ 155,781

(7) Restricted Assets

Restricted assets consist of the following at December 31, 2025:

Customer deposits	$ 287,433
Construction	241
Revenue bond reserve and sinking funds	440,210
Total restricted assets	$ 727,884

(8) Capital Assets

Capital asset balances and activity for the year ended December 31, 2025 is as follows:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 285,400	$ -	$ -	$ 285,400
Plaza mural	13,503	-	-	13,503
Construction in progress	82,815	626,943	-	709,758
Other capital assets:				
Buildings and improvements	3,504,520	4,993	-	3,509,513
Infrastructure	3,975,568	5,873	-	3,981,441
Equipment, furniture and fixtures	960,608	15,855	-	976,463
Vehicles	432,940	60,232	-	493,172
Totals	9,255,354	713,896	-	9,969,250
Less accumulated depreciation				
Buildings and improvements	2,002,189	97,639	-	2,099,828
Infrastructure	2,086,487	121,656	-	2,208,143
Equipment, furniture and fixtures	832,637	35,136	-	867,773
Vehicles	284,329	58,098	-	342,427
Total accumulated depreciation	5,205,642	312,529	-	5,518,171
Governmental activities, capital assets, net	$ 4,049,712	$ 401,367	$ -	$ 4,451,079

Depreciation expense was charged to governmental activities as follows:

General government	$ 36,635
Police	58,932
Highways and streets	123,500
Culture and recreation	93,404
Judicial	58
Total depreciation expense	$ 312,529

	Balance Beginning	Additions	Deletions	Balance Ending
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 113,568	$ -	$ -	$ 113,568
Construction in progress	37,750	513,369	-	551,119
Other capital assets:				
Gas system	737,260	-	-	737,260
Water system	7,685,525	-	-	7,685,525
Sewer system	5,592,574	-	-	5,592,574
Machinery and equipment	620,150	38,000	-	658,150
Totals	14,786,827	551,369	-	15,338,196
Less accumulated depreciation				
Gas system	729,181	37,271	-	766,452
Water system	2,718,402	236,348	-	2,954,750
Sewer system	3,585,966	56,123	-	3,642,089
Machinery and equipment	415,979	34,608	-	450,587
Total accumulated depreciation	7,449,528	364,350	-	7,813,878
Business-type activities, capital assets, net	$ 7,337,299	$ 187,019	$ -	$ 7,524,318

Depreciation expense was charged to business-type activities as follows:

Gas	$ 40,734
Water	247,408
Sewer	76,208
Total depreciation expense	$ 364,350

(9) Accounts and Other Payables

Accounts and other payables consist of the following at December 31, 2025:

	Governmental Activities	Business-type Activities	Total
Accounts payable	$ 74,998	$ 31,499	$ 106,497
Salaries payable	36,921	-	36,921
Payroll taxes	15,492	-	15,492
Compensated absences payable	28,013	5,400	33,413
Totals	$ 155,424	$ 36,899	$ 192,323

(10) Unavailable Revenues

Unavailable revenues are reported in governmental funds and represent revenue received more than 60 days following year end (and, therefore, unavailable to pay liabilities of the current period). Unavailable revenue received after 60 days is fully recognized as revenue in the government-wide financial statements. At December 31, 2025, governmental funds' revenues that have been earned but are unavailable totaled $8,892 which was comprised of delinquent ad valorem tax revenue.

(11) Changes in Long-Term Liabilities

The following is a summary of long-term liability transactions of the Town for the year ended December 31, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount due in one year
Long-term debt:					
Direct placements:					
Revenue bonds	$ 4,259,000	$ -	$ 204,000	$ 4,055,000	$ 210,000

Bonds payable at December 31, 2025 is comprised of the following individual issue:

Business-type activities - Revenue bonds:

$5,000,000 Utility Revenue Bonds, Series 2021, due in annual installments of $197,000 - $311,000 through September 1, 2041; interest at 2.45%, for the purpose of constructing and acquiring improvements, extensions and replacements to the waterworks system of the Town. The bonds were sold to the Louisiana Department of Health and Hospitals, Drinking Water Revolving Loan Fund.	$ 4,055,000

Annual debt service requirements of bonds outstanding are as follows:

Year ending December 31,	Business-Type Activities Principal	Interest
2026	$ 210,000	$ 99,043
2027	215,000	93,898
2028	220,000	88,630
2029	226,000	83,240
2030	231,000	77,703
2031 - 2035	1,242,000	300,832
2036 - 2040	1,399,000	141,117
2041	312,000	7,339
Total	$ 4,055,000	$ 891,802

In the event of default on the bonds, the bondholder may take actions as deemed necessary and appropriate as permitted by law to cause the Town to comply with its obligations under the debt and compel performance. Utility revenue bonds are associated with business-type activities and are liquidated by the Utility Enterprise Fund.

(12) Flow of Funds; Restrictions on Use

Business-type activities: Utility Revenue Bonds, Series 2021

Under the terms of the $5,000,000 Utility Revenue Bonds, Series 2021, the Town is required to maintain a sinking fund in an amount to pay promptly and fully the principal of and interest on the bonds by transferring monthly payments on or before the 20th day of each month commencing in June 2021 a sum equal to 1/6th of the next interest payment due and 1/12th of the next principal payment due.

Under the terms of the $5,000,000 Utility Revenue Bonds, Series 2021, the Town is required to maintain a reserve fund to be retained solely for the purpose of paying the principal of and interest on the bonds by transferring on or before the 20th day of each month a sum at least equal to 25% of the amount to be paid into the sinking fund until such time as there has been accumulated a sum equal to $159,839.

Under the terms of the $5,000,000 Utility Revenue Bonds, Series 2021, the Town is required to maintain a depreciation and contingency fund. The Town is required to set aside into this fund monthly in advance on or before the 20th of each month a sum at least equal to 5% of the net revenues of the preceding month until such time as there has been accumulated a sum equal to $250,000.

During the year ended December 31, 2025, the monthly sinking, reserve, and depreciation and contingency fund transfers were made as required by the agreement.

(13) Pension Plan

Municipal Police Employees Retirement System of Louisiana (System)

The Town participates in a cost-sharing multiple-employer defined benefit pension plan, the Municipal Police Employees Retirement System of Louisiana (MPERS), administered by a separate public employee retirement system. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of the plan administered by this public employee retirement system to the State Legislature. The plan is not closed to new entrants. One employee of the Town participates in the system.

Plan Description – State of Louisiana – Municipal Police Employees' Retirement System (MPERS) provides retirement, disability, and survivor benefits to municipal police officers in Louisiana and their beneficiaries as defined in LRS 11:2211-11:2233.

MPERS financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Interest income is recognized when earned. Insurance premium tax monies are received as additional employer contributions and considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study.

Benefits provided – Benefit rates are three and one-third percent of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per the number of years of creditable service not to exceed 100% of final salary. Years of service required and/or age eligible for benefits are as follows: 25 years at any age; 20 years at age 55; 12 years at age 55; 20 years at any age with actuarial reduced benefits; 30 years at any age under non-hazardous duty sub plan commencing January 1, 2013; 25 years at age 55 under non-hazardous duty sub plan commencing January 1, 2013; and 10 years at age 60 under non-hazardous duty sub plan commencing January 1, 2013. Benefit percentages per year of service are as follows: 2.5% for membership commencing January 1, 2013, non-hazardous duty plan; 3.0% for hazardous duty plan; and 3.33% for membership prior to January 1, 2013.

Contributions – Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In addition, MPERS receives insurance premium tax monies as additional employer contributions. These taxes are considered support form a noncontributing entity and appropriated by the Legislature each year based on an actuarial study. For the year ended December 31, 2025, the contribution percentages for employees and employers were 10.0% and 35.60%, respectively, through June 30, 2025 and 10.0% and 33.475%, respectively, commencing July 1, 2025. The amounts contributed from non-employer contributing entities and from the Town for the year ended December 31, 2025 were $15,786 and $82,259, respectively.

At December 31, 2025, the Town reported no amounts payable to the system for any outstanding amount of contributions due to the retirement system for the year.

Net Pension Liability – The Town's net pension liability at December 31, 2025 of $367,570 is comprised of its proportionate share of the net pension liability relating to the cost-sharing plan. The Town's net pension liability for the plan was measured as of the plan's measurement date, 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 Town's proportionate share of the net pension liability for the plan was based on the Town's required contributions in proportion to total required contributions for all employers.

As of the most recent measurement date, the Town's proportion for the plan was 0.053224% and the change in proportion from the prior measurement date was a decrease of 0.009242%.

Since the measurement date of the pension liability was June 30, 2025, the net pension liability is based upon fiduciary net position for the plan as of that date. Detailed information about the plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the Town's net pension liability is available in the separately issued plan financial report which may be accessed on their website at http://lampers.org/.

Actuarial Assumptions – The following table provides information concerning actuarial assumptions used in the determination of the total pension liability for MPERS:

Valuation Date	June 30, 2025	
Actuarial Cost Method	Entry Age Normal	
Actuarial Assumptions:		
Investment Rate of Return	6.750%, net of investment expense	
Expected Remaining Service Lives	4 years	
Inflation Rate	2.50%	
Salary increases, including inflation and merit	Years of Service	Salary Growth Rate
	1-2	13.00%
	Above 2	4.75%
Mortality	Pub-2016 Public Retirement Plan Mortality Table for Safety Below-Median Employees multiplied by 125% for males and 125% for females, each with full generational projection using the MP2021 scale.	
	Pub-2016 Public Retirement Plan Mortality Table for Safety Disabled Retirees multiplied by 125% for males and 125% for females, each with full generational projection using the MP2021 scale.	

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.

Cost of Living Adjustments – MPERS has the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. Pursuant to LRS 11:242(B), the power of the Board of Trustees of the MPERS to grant a COLA is effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefits changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonably estimable.

Discount Rate – The discount rate used to measure the Town's total liability for MPERS plan and the significant assumptions used in the determination of the discount rate was 6.75%, which was the same rate as the prior valuation. The plan member contributions will be made at the current contribution rate and sponsor contributions will be made at the actuarially determined rates.

The discount rates used to measure the Town's total pension liability for the pension plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. For MPERS, the long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized for MPERS in the following table:

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

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plan – Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2025, the Town recognized $130,897 in pension expense related to its pension plan. The Town also recognized revenue in the amount of $15,786 in insurance premium tax monies from non-employer contributing entities.

At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to its pension plan from the following sources:

	Governmental Activities	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 17,822	$ 9,725
Changes of assumptions	-	16,882
Net difference between projected and actual earnings on pension plan investments	-	28,954
Changes in proportion and differences between employer contributions and proportionate share of contributions and deferred outflows and inflows of resources	171,299	4,466
Employer contributions subsequent to the measurement date	40,841	-
Total	$ 229,962	$ 60,027

Deferred outflows of resources of $40,841 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the subsequent year. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

Fiscal Year Ended	Net Amount Recognized in Pension Expense
12/31/2026	$ 140,084
12/31/2027	7,226
12/31/2028	(6,085)
12/31/2029	(12,131)

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the Town's proportionate share of the net pension liability of the plan, calculated using the discount rate, as well as what the Town's proportionate share of the net pension liability would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1.0% Decrease 5.750%	Current Discount Rate 6.750%	1.0% Increase 7.750%
Employer's proportionate share of the net pension liability	$ 602,940	$ 367,570	$ 170,457

(14) On-Behalf Payment of Salaries

The State of Louisiana paid the Town's policemen $43,200 of supplemental pay during the year ended December 31, 2025. Such payments are recorded as intergovernmental revenues and public safety expenditures in the government-wide and General Fund financial statements.

(15) Litigation and Claims

There was no litigation pending against the Town at December 31, 2025.

(16) Risk Management

A. Commercial Insurance Coverage

The Town is exposed to risks of loss in the areas of health care, general and auto liability, property hazards and workers' compensation. The Town is self-insured for boiler and machinery coverage. The risk of any excess liability is handled by purchasing commercial insurance coverage. There have been no significant reductions in insurance coverage during the year nor have settlements exceeded coverage for the past three years.

B. Group Self-Insurance

Effective July 1, 1998, the Town established a self-insurance health plan to account for and finance its uninsured risk of loss for commercial group health insurance. The plan is administered by UMR, and the plan year ends on June 30 of each year. Under this plan, Great Midwest Insurance Company agreed to reimburse the Town for specific incurred claims related to any one covered employee or dependent which exceeds the retention by the Town, which is $30,000. For the plan year ending June 30, 2026, Great Midwest Insurance Company will reimburse the Town for aggregate incurred claims during the period of insurance less any amounts paid with respect to the specific incurred claims. No claims will be reimbursed until all claims in excess of the specific attachment point of $462,113 exceed a corridor of the greater of the product of the enrollment times the factors of $444 per employee or the annual corridor of $30,000. Monthly payments are calculated based on the number of employees with single coverage multiplied by a funding factor of $377 and the number of employees with family coverage multiplied by a funding factor of $1,023. The Town currently funds the plan based upon actual claims incurred instead of the funding factors discussed above.

The General and Utility Funds of the Town participate in the program and make payments to the Self-Insurance Fund based upon amounts needed to pay prior and current year claims. The claims liability of $72,548 reported in the fund at December 31, 2025 is based on the loss that is probable at the date of the financial statements and the amount of the loss that can be reasonably estimated. The Town currently does not discount its claims liabilities.

Reconciliation of Claims Liabilities

Claims payable, January 1, 2025	$ 12,834
Insurance claims incurred for year ended December 31, 2025	414,502
Payments made for year ended December 31, 2025	(354,788)
Claims payable, December 31, 2025	$ 72,548

Claims payable of $72,548 at December 31, 2025 was determined as follows:

A.	Claims incurred prior to December 31, 2025 and paid in January 1, 2026 through March 31, 2026	$ 65,920
B.	Provision for claims incurred but not reported	6,628
	Total claims payable	$ 72,548

The provision for claims incurred but not reported of $6,628 was calculated utilizing historical information adjusted for current trends.

(17) Enterprise Fund Contracts

The Town of Mamou, under contract dated January 1, 1997, is required to purchase its natural gas from the Louisiana Municipal Gas Authority. The contract automatically renews annually unless notice is given in writing six months in advance. The Town purchased natural gas during the year ended December 31, 2025 in the amount of $179,423, of which $15,387 was owed for purchases for the month of December 2025.

(18) Departmental Information for the Enterprise Fund

The Town of Mamou maintains one enterprise fund with three departments, which provide gas, water, and sewerage services. Departmental information for the year ended December 31, 2025 was as follows:

	Gas Department	Water Department	Sewer Department	Total Enterprise Fund
Operating revenues	$ 762,003	$ 1,101,956	$ 564,726	$ 2,428,685
Operating expenses:				
Depreciation	40,734	247,408	76,208	364,350
Other	450,771	395,990	344,753	1,191,514
Total operating expenses	491,505	643,398	420,961	1,555,864
Operating income	$ 270,498	$ 458,558	$ 143,765	$ 872,821

(19) Compensation, Benefits and Other Payments to Mayor

A detail of compensation, benefits, and other payments made to Mayor Leisa Deshotel for the year ended December 31, 2025 follows:

Purpose	Amount
Salary	$ 46,200
Car allowance	2,400
Benefits - insurance	4,595
Cell phone	539
Registration fees	135
Conference travel	267
Dues	489
Total	$ 54,625

(20) Compensation of Town Officials

A detail of compensation paid to the Mayor and Board of Aldermen for the year ended December 31, 2025 follows:

Leisa Deshotel, Mayor	$ 48,600
Aldermen:	
Robin Young	9,000
David Brook Chapman	9,000
Derrell Wayne Thomas	9,000
Eugene P. Manuel	9,000
Ricardo Goodley	9,000
Total	$ 93,600

(21) Interfund Receivables/Payables

A. A summary of interfund receivables and payables at December 31, 2025 follows:

	Interfund Receivables	Interfund Payables
Major governmental funds:		
General Fund	$ -	$ 63,117
Sales Tax Fund	-	117,418
Proprietary funds:		
Enterprise Fund	133,079	-
Group Health Self-Insurance Internal Service Fund	47,456	-
Total	$ 180,535	$ 180,535

The receivable in the Group Health Self-Insurance Fund is for amounts owed from various other funds for their share of health insurance premiums. The amounts due from the General Fund to various other funds are for short-term loans.

B. Transfers consisted of the following at December 31, 2025:

	Transfers In	Transfers Out
Major governmental funds:		
General Fund	$ 1,090,446	$ -
Sales Tax Special Revenue Fund	-	492,319
Total governmental funds	1,090,446	492,319
Proprietary funds:		
Enterprise Fund	-	598,127
Total	$ 1,090,446	$ 1,090,446

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

(22) Operating Lease Revenues

Effective January 1, 2010, the Town agreed to lease Savoy Medical Center to Savoy Medical Management Group, Inc. for an initial primary term of 5 years beginning January 1, 2010, with options for four additional terms of five years each. During 2014, it was determined that Savoy Medical Management Group, Inc. was not able to make timely payment of the rent due and owing to the Town under the lease as a result of insufficient revenue and the financial condition of the hospital. The Town acknowledged the financial condition of the hospital and Savoy Medical Management Group, Inc.'s inability to make timely payment of rent under the lease. Therefore, on December 11, 2014, the Town adopted a resolution authorizing a termination and mutual release agreement with Savoy Medical Management Group, Inc. effective January 4, 2015. This agreement provides that the Town will forgive all rent, payments, and other consideration due and owing to the Town under the lease, whether past due or current. See Note 1.A. for further discussion regarding the Special Services Agreement between Savoy Medical Management Group, Inc., the Town of Mamou, and Evangeline Clinical Services, Inc.

Under the Savoy Care Center Nursing Home agreement commencing in April 2013 and renewed in April 2018, the town received $39,820 per month through March 2021. This agreement was renewed in April 2021 for one year at a rate of $33,000 per month and then subsequently terminated effective December 31, 2021. The Town negotiated a new lease agreement commencing January 1, 2022, for a period of five years in which the Town will receive $20,000 per month through December 2026.

(23) New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements:

GASB Statement No. 103, *Financial Reporting Model Improvements.* The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This standard is effective for fiscal years beginning after June 15, 2025. The effect of implementation on the Town's financial statements has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets.* The objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. This standard is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The effect of implementation on the Town's financial statements has not yet been determined.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF MAMOU, LOUISIANA
General Fund

Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 305,500	$ 315,500	$ 344,750	$ 29,250
Licenses and permits	160,000	175,000	166,351	(8,649)
Intergovernmental	818,200	839,400	756,044	(83,356)
Fines and forfeits	376,000	440,000	445,121	5,121
Miscellaneous	395,000	441,500	445,678	4,178
Total revenues	2,054,700	2,211,400	2,157,944	(53,456)
Expenditures:				
Current -				
General government:				
Administrative	694,400	691,500	678,606	12,894
Public safety:				
Police	1,095,750	1,016,875	985,386	31,489
Highways and streets	475,000	526,000	495,092	30,908
Culture and recreation	172,300	213,400	215,807	(2,407)
Judicial	58,800	52,150	63,083	(10,933)
Capital outlay	554,250	600,000	618,897	(18,897)
Total expenditures	3,050,500	3,099,925	3,056,871	43,054
Deficiency of revenues over expenditures	(995,800)	(888,525)	(898,927)	(10,402)
Other financing sources:				
Transfers from -				
Utility Fund	806,000	806,000	598,127	(207,873)
Sales Tax Fund	384,000	384,000	492,319	108,319
Total other financing sources	1,190,000	1,190,000	1,090,446	(99,554)
Net change in fund balance	194,200	301,475	191,519	(109,956)
Fund balance, beginning	513,422	513,422	513,422	-
Fund balance, ending	$ 707,622	$ 814,897	$ 704,941	$ (109,956)

The accompanying notes are an integral part of this schedule.

TOWN OF MAMOU, LOUISIANA
Sales Tax Special Revenue Fund

Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	Budget Original	Budget Final	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 736,735	$ 828,572	$ 820,645	$ (7,927)
Miscellaneous -				
Interest	1,000	2,000	1,627	(373)
Other	-	14,400	14,400	-
Total revenues	737,735	844,972	836,672	(8,300)
Expenditures:				
Current -				
General government	94,735	83,122	79,976	3,146
Capital outlay	470,000	470,000	103,853	366,147
Total expenditures	564,735	553,122	183,829	369,293
Excess of revenues over expenditures	173,000	291,850	652,843	360,993
Other financing uses:				
Transfers out	(384,000)	(384,000)	(492,319)	(108,319)
Net change in fund balance	(211,000)	(92,150)	160,524	252,674
Fund balances, beginning	523,300	523,300	523,300	-
Fund balances, ending	$ 312,300	$ 431,150	$ 683,824	$ 252,674

The accompanying notes are an integral part of this schedule.

TOWN OF MAMOU, LOUISIANA

Schedule of Employer's Share of Net Pension Liability
For the Year Ended December 31, 2025 *

Year ended December 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Municipal Police Employees' Retirement System of Louisiana:					
2025	0.053224%	$ 367,570	$ 183,368	200.5%	81.94%
2024	0.043982%	398,475	155,045	257.0%	75.84%
2023	0.034009%	359,304	117,150	306.7%	71.30%
2022	0.000000%	-	-	0.0%	70.80%
2021	0.006865%	36,594	20,946	174.7%	84.09%
2020	0.011733%	108,440	36,210	299.5%	70.94%
2019	0.011604%	105,384	36,240	290.8%	71.01%
2018	0.011323%	95,725	36,240	264.1%	71.89%
2017	0.012529%	109,383	37,403	292.4%	70.08%
2016	0.012009%	112,558	33,641	334.6%	66.04%

* The amounts presented have a measurement date of June 30th of each fiscal year.

The accompanying notes are an integral part of this schedule.

TOWN OF MAMOU, LOUISIANA

Schedule of Employer Contributions
For the Year Ended December 31, 2025

Year ended December 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
Municipal Police Employees' Retirement System of Louisiana:					
2025	$ 77,241	$ 76,442	$ 799	$ 224,252	34.09%
2024	55,046	55,484	(438)	158,252	35.06%
2023	54,247	74,527	(20,280)	166,578	44.74%
2022	10,152	9,992	160	32,485	30.76%
2021	954	954	-	2,826	33.76%
2020	12,005	12,004	1	36,240	33.12%
2019	11,723	11,733	(10)	36,210	32.40%
2018	11,416	11,416	-	36,240	31.50%
2017	11,325	11,353	(28)	36,240	31.33%
2016	11,383	10,893	490	37,115	29.35%

The accompanying notes are an integral part of this schedule.

TOWN OF MAMOU, LOUISIANA

Notes to Required Supplementary Information

1. Budget and Budgetary Accounting

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

1. The Town Clerk prepares a proposed operating at the end of each fiscal year and submits it to the Mayor and Board of Aldermen not 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 propose 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 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 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.

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

7. Budgets for all funds are adopted on a basis consistent with GAAP. Budgeted amounts are as originally adopted or as amended by the Board of Aldermen. Such amendments were not material in relation to the original appropriations.

2. Pension Plan

Changes in Assumptions --- Changes in assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

Amounts reported in fiscal year ended December 31, 2025 for the pension plan reflect the following changes used to measure the total pension liability.

* Year ended December 31,	Discount Rate	Investment Rate of Return	Inflation Rate	Expected Remaining Service Lives	Projected Salary Increase
2025	6.750%	6.750%	2.50%	4	4.75-13.00%
2024	6.750%	6.750%	2.50%	4	4.70-12.30%
2023	6.750%	6.750%	2.50%	4	4.70-12.30%
2022	6.750%	6.750%	2.50%	4	4.70-12.30%
2021	6.750%	6.750%	2.50%	4	4.70-12.30%
2020	6.950%	6.950%	2.50%	4	4.70-12.30%
2019	7.125%	7.125%	2.50%	4	4.25-9.75%
2018	7.20%	7.20%	2.60%	4	4.25-9.75%
2017	7.325%	7.325%	2.70%	4	4.25-9.75%
2016	7.50%	7.50%	2.875%	4	4.25-9.75%

SUPPLEMENTARY INFORMATION

TOWN OF MAMOU, LOUISIANA

Statement of Net Position
December 31, 2025
With Comparative Totals for December 31, 2024

	2025			
	Governmental Activities	Business-Type Activities	Total	2024 Totals
ASSETS				
Current assets:				
Cash and interest-bearing deposits	$1,615,150	$ 289,518	$ 1,904,668	$ 1,427,825
Receivables, net	107,128	397,359	504,487	496,397
Due from other governmental units	37,698	118,083	155,781	23,081
Inventory	-	40,377	40,377	62,604
Prepaid items	45,002	14,042	59,044	39,237
Total current assets	1,804,978	859,379	2,664,357	2,049,144
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	-	727,884	727,884	675,530
Land and construction in progress	1,008,661	664,687	1,673,348	533,036
Capital assets, net	3,442,418	6,859,631	10,302,049	10,853,975
Total noncurrent assets	4,451,079	8,252,202	12,703,281	12,062,541
Total assets	6,256,057	9,111,581	15,367,638	14,111,685
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	229,962	-	229,962	263,811
LIABILITIES				
Current liabilities:				
Accounts and other payables	155,424	36,899	192,323	286,999
Claims payable	72,548	-	72,548	12,834
Contracts and retainage payable	-	123,990	123,990	40,829
Internal balances	133,079	(133,079)	-	-
Customer deposits	-	287,433	287,433	279,926
Revenue bonds	-	210,000	210,000	204,000
Accrued interest payable	-	33,014	33,014	34,680
Total current liabilities	361,051	558,257	919,308	859,268
Noncurrent liabilities:				
Net pension liability	367,570	-	367,570	398,475
Revenue bonds	-	3,845,000	3,845,000	4,055,000
Total noncurrent liabilities	367,570	3,845,000	4,212,570	4,453,475
Total liabilities	728,621	4,403,257	5,131,878	5,312,743
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	60,027	-	60,027	25,101
NET POSITION				
Net investment in capital assets	4,451,079	3,578,421	8,029,500	7,344,441
Restricted for sales tax dedications	683,824	-	683,824	523,300
Restricted for debt service	-	197,196	197,196	226,044
Unrestricted	562,468	932,707	1,495,175	943,867
Total net position	$5,697,371	$4,708,324	$10,405,695	$ 9,037,652

TOWN OF MAMOU, LOUISIANA

Balance Sheet
Governmental Funds
December 31, 2025
With Comparative Amounts as of December 31, 2024

	2025			
	General	Sales Tax Special Revenue	Total	2024
ASSETS				
Cash and interest-bearing deposits	$ 786,100	$ 802,690	$1,588,790	$1,192,046
Receivables:				
Taxes	104,217	-	104,217	128,352
Other	2,911	-	2,911	3,069
Due from other governmental units	37,698	-	37,698	10,651
Total assets	$ 930,926	$ 802,690	$1,733,616	$1,334,118
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts and other payables	$ 153,976	$ 1,448	$ 155,424	$ 227,498
Due to other funds	63,117	117,418	180,535	49,902
Total liabilities	217,093	118,866	335,959	277,400
Deferred inflows of resources:				
Unavailable revenue	8,892	-	8,892	19,996
Fund balances -				
Restricted - operations and maintenance	-	343,737	343,737	222,406
Restricted - capital expenditures	-	304,946	304,946	209,058
Restricted - industry and tourism inducement	-	35,141	35,141	91,836
Unassigned	704,941	-	704,941	513,422
Total fund balances	704,941	683,824	1,388,765	1,036,722
Total liabilities, deferred inflows of resources, and fund balances	$ 930,926	$ 802,690	$1,733,616	$1,334,118

TOWN OF MAMOU, LOUISIANA

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025			
	General	Sales Tax Special Revenue	Total	2024
Revenues:				
Taxes	$ 344,750	$ 820,645	$1,165,395	$ 1,040,521
Licenses and permits	166,351	-	166,351	174,950
Intergovernmental	756,044	-	756,044	218,073
Fines and forfeits	445,121	-	445,121	176,373
Miscellaneous	445,678	16,027	461,705	477,323
Total revenues	2,157,944	836,672	2,994,616	2,087,240
Expenditures:				
Current -				
General government:				
Administrative	678,606	79,976	758,582	814,260
Public safety:				
Police	985,386	-	985,386	1,002,297
Highways and streets	495,092	-	495,092	455,063
Culture and recreation	215,807	-	215,807	188,619
Judicial	63,083	-	63,083	73,203
Capital outlay	618,897	103,853	722,750	82,815
Total expenditures	3,056,871	183,829	3,240,700	2,616,257
Excess (deficiency) of revenues over expenditures	(898,927)	652,843	(246,084)	(529,017)
Other financing sources (uses):				
Transfers in	1,090,446	-	1,090,446	1,328,167
Transfers out	-	(492,319)	(492,319)	(362,339)
Total other financing sources (uses)	1,090,446	(492,319)	598,127	965,828
Net changes in fund balances	191,519	160,524	352,043	436,811
Fund balances, beginning	513,422	523,300	1,036,722	599,911
Fund balances, ending	$ 704,941	$ 683,824	$1,388,765	$ 1,036,722

TOWN OF MAMOU, LOUISIANA

Comparative Statement of Net Position
Proprietary Funds
December 31, 2025 and 2024

	Business-type Activities - Enterprise Fund		Governmental Activities - Internal Service Fund	
ASSETS	2025	2024	2025	2024
Current assets:				
Cash and interest-bearing deposits	$ 289,518	$ 204,078	$ 26,360	$ 31,701
Receivables -				
Accounts, net	220,392	187,123	-	-
Unbilled utility receivables	171,268	171,908	-	-
Accrued interest receivable	358	600	-	-
Other	5,341	5,345	-	-
Due from other funds	133,079	22,446	47,456	27,456
Due from other governmental agencies	118,083	12,430	-	-
Inventory - natural gas	40,377	62,604	-	-
Prepaid items	14,042	9,577	-	-
Total current assets	992,458	676,111	73,816	59,157
Noncurrent assets:				
Restricted assets -				
Cash and interest-bearing deposits	727,884	675,530	-	-
Land and construction in progress	664,687	151,318	-	-
Capital assets, net	6,859,631	7,185,981	-	-
Total noncurrent assets	8,252,202	8,012,829	-	-
Total assets	9,244,660	8,688,940	73,816	59,157
LIABILITIES				
Current liabilities (payable from current assets):				
Accounts and other payables	36,899	59,501	-	-
Claims payable	-	-	72,548	12,834
Contracts and retainage payable	123,990	40,829	-	-
Total	160,889	100,330	72,548	12,834
Current liabilities (payable from restricted assets):				
Customer deposits	287,433	279,926	-	-
Revenue bonds	210,000	204,000	-	-
Accrued interest payable	33,014	34,680	-	-
Total	530,447	518,606	-	-
Total current liabilities	691,336	618,936	72,548	12,834
Noncurrent liabilities:				
Revenue bonds	3,845,000	4,055,000	-	-
Total liabilities	4,536,336	4,673,936	72,548	12,834
NET POSITION				
Net investment in capital assets	3,578,421	3,294,729	-	-
Restricted for debt service	197,196	226,044	-	-
Unrestricted	932,707	494,231	1,268	46,323
Total net position	$ 4,708,324	$ 4,015,004	$ 1,268	$ 46,323

TOWN OF MAMOU, LOUISIANA

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Years Ended December 31, 2025 and 2024

	Business-type Activities- Enterprise Fund		Governmental Activities- Internal Service Fund	
	2025	2024	2025	2024
Operating revenues:				
Charges for services	$ 2,348,837	$ 2,251,841	$ 567,390	$ 488,252
Permits, reconnections and penalties	66,008	85,225	-	-
Miscellaneous	13,840	20,941	-	-
Total operating revenues	2,428,685	2,358,007	567,390	488,252
Operating expenses:				
Gas department expenses	450,771	375,847	-	-
Water department expenses	395,990	421,302	-	-
Sewerage department expenses	344,753	309,096	-	-
Depreciation expense	364,350	355,136	-	-
Self insurance expenses	-	-	612,445	478,930
Total operating expenses	1,555,864	1,461,381	612,445	478,930
Operating income (loss)	872,821	896,626	(45,055)	9,322
Nonoperating revenues (expenses):				
Interest income	11,791	7,368	-	-
Interest expense	(102,375)	(107,288)	-	-
Loss on disposal of assets	-	(4,033)	-	-
Total nonoperating revenues	(90,584)	(103,953)	-	-
Income (loss) before contributions and transfers	782,237	792,673	(45,055)	9,322
Capital contributions	509,210	47,484	-	-
Income (loss) before transfers	1,291,447	840,157	(45,055)	9,322
Transfers out	(598,127)	(965,828)	-	-
Change in net position	693,320	(125,671)	(45,055)	9,322
Net position, beginning	4,015,004	4,140,675	46,323	37,001
Net position, ending	$ 4,708,324	$ 4,015,004	$ 1,268	$ 46,323

TOWN OF MAMOU, LOUISIANA
Enterprise Fund
Utility Fund

Departmental Analysis of Revenues and Expenses
Years Ended December 31, 2025 and 2024

	Totals		Gas		Water		Sewer	
	2025	2024	2025	2024	2025	2024	2025	2024
Operating revenues:								
Customers service charges	$2,348,837	$2,251,841	$ 690,243	$ 562,931	$1,097,168	$1,134,396	$ 561,426	$ 554,514
Permits, reconnections and penalties	66,008	85,225	61,496	81,645	4,512	3,580	-	-
Miscellaneous	13,840	20,941	10,264	13,413	276	3,928	3,300	3,600
Total operating revenues	2,428,685	2,358,007	762,003	657,989	1,101,956	1,141,904	564,726	558,114
Operating expenses:								
Salaries	269,142	234,650	84,067	67,286	103,761	109,537	81,314	57,827
Payroll taxes	22,084	23,148	6,904	6,785	8,567	10,611	6,613	5,752
Group Insurance	48,888	59,556	16,296	14,889	16,296	14,889	16,296	29,778
Gas purchased	179,423	122,450	179,423	122,450	-	-	-	-
Maintenance and supplies	268,007	294,281	62,178	68,564	151,102	186,338	54,727	39,379
Safe water drinking fee	18,018	22,737	-	-	18,018	22,737	-	-
Lab fees	6,010	12,139	-	-	-	1,510	6,010	10,629
Depreciation expense	364,350	355,136	40,734	33,829	247,408	243,036	76,208	78,271
Utilities	115,552	102,873	2,466	2,786	7,252	6,459	105,834	93,628
Telephone	12,588	11,227	2,719	2,823	8,366	7,217	1,503	1,187
Truck operation	38,493	36,095	13,235	14,808	11,120	10,366	14,138	10,921
Bad debt expense	14,378	14,646	5,413	5,298	6,050	6,495	2,915	2,853
Insurance	62,181	69,462	18,800	23,078	20,817	21,897	22,564	24,487
Miscellaneous	22,650	28,894	3,844	7,293	6,023	5,377	12,783	16,224
Professional fees	109,452	69,121	53,176	39,306	36,647	14,595	19,629	15,220
Training	4,648	4,966	2,250	481	1,971	3,274	427	1,211
Total operating expenses	1,555,864	1,461,381	491,505	409,676	643,398	664,338	420,961	387,367
Operating income	$ 872,821	$ 896,626	$ 270,498	$ 248,313	$ 458,558	$ 477,566	$ 143,765	$ 170,747

TOWN OF MAMOU, LOUISIANA
Mamou, Louisiana

Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session

Entity Name: Town of Mamou, Louisiana
LLA Entity ID#: 2285
Date that reporting period ended: December 31, 2025

Cash Basis Presentation	First Six Month Period Ended June 30, 2025	Second Six Month Period Ended December 31, 2025
Beginning balance of amounts collected	$ 1,258	$ 781
Add: Collections		
Cash bonds	6,200	1,750
Criminal court costs/fees	4,251	3,096
Criminal fines - other	25,836	13,610
Subtotal Collections	36,287	18,456
Less Amounts Retained by Town of Sunset, Louisiana		
Criminal fines/costs - other	25,835	13,610
Less Disbursements to Individuals/3rd party collection or processing agencies:		
Bond fee refunds	6,200	1,750
Less Disbursements to Governments & Nonprofits		
Louisiana Traumatic Head & Spinal Court Injury Trust Fund - Criminal court costs & fees	290	210
Louisiana Commission on Law Enforcement - Criminal court costs and fees	273	196
Louisiana Supreme Court - Criminal court costs and fees	59	31
Department of the Treasury - CMIS - Criminal court costs and fees	351	186
Criminalistics Laboratory Acadiana - Criminal court costs and fees	3,756	2,240
Subtotal Disbursements/Retainage	36,764	18,223
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	$ 781	$ 1,014

TOWN OF MAMOU, LOUISIANA

Combined Schedule of Interest-Bearing Deposits - All Funds
December 31, 2025

		Interest Rate	Maturity Date	Total Book Value
Major Governmental Funds:				
General Fund -				
Savings Account - Hospital Revenue	(J)	0.30%	N/A	$ 322,294
Interest-bearing checking - General	(J)	0.10%	N/A	170,480
Interest-bearing checking - Payroll	(J)	0.10%	N/A	101,424
Interest-bearing checking - Insurance Contingency	(S)	0.05%	N/A	90,097
Total General Fund				684,295
Special Revenue Funds -				
Sales Tax Fund				
Interest-bearing checking - Sales Tax Fund	(S)	0.25%	N/A	787,641
Interest-bearing checking - Construction Account	(S)	0.05%	N/A	15,049
Total Sales Tax Fund				802,690
Total Governmental Funds				1,486,985
Proprietary Fund:				
Utility Fund:				
Operating Account -				
Interest-bearing checking	(C)	0.10%	N/A	20,280
Certificate of Deposit	(J)	2.53%	02/25/25	54,283
Water Revenue Fund -				
Interest-bearing checking	(S)	0.25%	N/A	186,742
Interest-bearing checking	(S)	0.05%	N/A	118,214
Interest-bearing checking	(S)	0.25%	N/A	157,214
Interest-bearing checking	(S)	0.25%	N/A	164,782
Meter Deposit Fund -				
Certificate of Deposit	(S)	3.95%	07/28/25	199,698
Interest-bearing checking	(J)	0.10%	N/A	115,007
Total Proprietary Fund				1,016,220
Total Interest-bearing Deposits - All Funds				$ 2,503,205

Certificates of deposit, savings account and interest-bearing checking accounts with ---

(C) Investar Bank, Ville Platte, Louisiana
(J) JD Bank, Mamou, Louisiana
(S) Sabine State Bank, Many, Louisiana

OTHER INFORMATION

TOWN OF MAMOU, LOUISIANA
General Fund

Budgetary Comparison Schedule - Revenues
For the Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025				
	Budget			Variance with Final Budget Positive	2024
	Original	Final	Actual	(Negative)	Actual
Taxes:					
Ad valorem	$ 183,000	$ 168,000	$ 199,637	$ 31,637	$ 167,503
Franchise -					
Electric	117,000	142,000	139,982	(2,018)	119,192
Telephone	1,000	1,000	-	(1,000)	867
Cable TV	4,500	4,500	5,131	631	5,718
Total taxes	305,500	315,500	344,750	29,250	293,280
Licenses and permits:					
Occupational licenses	160,000	175,000	153,807	(21,193)	161,332
Permits	-	-	12,544	12,544	13,618
Total licenses and permits	160,000	175,000	166,351	(8,649)	174,950
Intergovernmental:					
Federal grants -					
LCDBG	540,000	540,000	540,933	933	-
State of Louisiana -					
Beer taxes	5,400	5,400	5,217	(183)	5,287
Highway maintenance	6,000	6,000	-	(6,000)	6,250
State grants	72,800	154,000	96,966	(57,034)	93,799
Housing of state prisoners	182,000	122,000	90,378	(31,622)	88,565
Housing Authority	12,000	12,000	22,550	10,550	24,172
Total intergovernmental	818,200	839,400	756,044	(83,356)	218,073
Fines and forfeits:					
Fines and court costs	376,000	440,000	445,121	5,121	176,373
Total fines, forfeits, etc.	376,000	440,000	445,121	5,121	176,373
Miscellaneous:					
Interest	1,000	1,500	1,036	(464)	1,105
Local contribution - Hospital grant revenue	120,000	120,000	120,000	-	120,000
Nursing home lease revenue	240,000	240,000	240,000	-	240,000
Recreation complex	-	-	21,225	21,225	22,420
Other sources	34,000	80,000	63,417	(16,583)	81,187
Total miscellaneous	395,000	441,500	445,678	4,178	464,712
Total revenues	$2,054,700	$2,211,400	$2,157,944	$ (53,456)	$1,327,388

TOWN OF MAMOU, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025				
	Budget			Variance with Final Budget Positive	2024
	Original	Final	Actual	(Negative)	Actual
Current:					
General government -					
Administrative:					
Mayor and council salaries	$ 93,600	$ 93,600	$ 93,600	$ -	$ 93,600
Other salaries and wages	235,400	203,400	190,886	12,514	234,706
Group insurance	83,200	90,000	162,963	(72,963)	163,777
Insurance	39,000	39,500	34,525	4,975	38,080
Payroll taxes	30,000	25,000	23,221	1,779	29,580
Materials and supplies	39,500	53,000	34,529	18,471	53,368
Advertisements and recordings	6,000	8,000	6,875	1,125	5,425
Accounting and auditing	60,000	60,000	14,545	45,455	14,315
Professional fees	40,000	40,000	42,397	(2,397)	51,893
Miscellaneous	23,300	26,800	24,838	1,962	20,171
Utilities and telephone	37,000	41,000	42,328	(1,328)	36,565
Repairs and maintenance	5,400	8,200	5,438	2,762	5,406
Training	2,000	3,000	2,461	539	86
Total administrative	694,400	691,500	678,606	12,894	746,972
Public safety -					
Police:					
Salaries	529,315	443,000	457,132	(14,132)	489,919
Payroll taxes	47,000	40,000	36,721	3,279	43,932
Retirement contribution	81,000	81,000	82,259	(1,259)	61,301
Group insurance	86,400	94,000	162,964	(68,964)	134,000
Utilities and telephone	37,800	61,000	34,455	26,545	36,544
Insurance	95,200	116,000	87,547	28,453	93,653
Auto	33,500	37,000	38,542	(1,542)	37,019
Gas and repairs	26,750	54,700	9,915	44,785	21,421
Professional fees	900	2,900	-	2,900	669
Court and lab fees	34,075	15,075	6,458	8,617	27,990
Miscellaneous	101,210	44,700	37,262	7,438	32,031
Supplies	9,400	13,500	20,601	(7,101)	11,870
Training	13,200	14,000	11,530	2,470	11,948
Total police department	1,095,750	1,016,875	985,386	31,489	1,002,297

(continued)

TOWN OF MAMOU, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025				
	Budget			Variance with Final Budget Positive	2024
	Original	Final	Actual	(Negative)	Actual
Highways and streets -					
Salaries	159,000	160,000	172,639	(12,639)	165,540
Payroll taxes	14,000	15,000	14,342	658	14,664
Maintenance and supplies	57,000	89,000	70,765	18,235	70,305
Lighting	93,000	93,000	111,465	(18,465)	95,635
Group insurance	70,000	77,000	48,889	28,111	29,778
Telephone	3,000	3,000	2,535	465	2,427
Insurance	45,000	49,000	43,716	5,284	45,075
Miscellaneous	15,000	12,000	4,772	7,228	12,666
Auto	19,000	19,000	13,787	5,213	17,970
Equipment rental	-	-	332	(332)	1,003
Professional fees	-	9,000	11,850	(2,850)	-
Total highways and streets	475,000	526,000	495,092	30,908	455,063
Culture and recreation -					
Salaries	-	16,600	16,800	(200)	16,604
Payroll taxes	-	1,400	1,425	(25)	1,630
Repairs and maintenance	37,900	40,400	57,938	(17,538)	39,887
Materials and supplies	5,300	7,300	6,582	718	5,050
Auto	12,500	12,000	4,963	7,037	8,747
Utilities and telephone	42,600	49,100	49,736	(636)	40,401
Insurance	58,800	67,500	60,037	7,463	60,110
Miscellaneous	15,200	19,100	18,226	874	16,190
Professional fees	-	-	100	(100)	-
Total culture and recreation	172,300	213,400	215,807	(2,407)	188,619
Judicial -					
Salaries	36,900	38,550	40,263	(1,713)	37,097
Payroll taxes	3,000	3,000	3,163	(163)	3,149
Insurance	400	500	355	145	280
Group insurance	-	-	16,296	(16,296)	14,889
Materials and supplies	3,000	300	93	207	1,961
Telephone	1,500	1,500	1,174	326	1,335
Professional fees	12,000	6,000	1,000	5,000	13,000
Miscellaneous	2,000	2,300	739	1,561	1,492
Total judicial	58,800	52,150	63,083	(10,933)	73,203

(continued)

TOWN OF MAMOU, LOUISIANA
General Fund

Budgetary Comparison Schedule - Expenditures (Continued)
For the Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025				
	Budget			Variance with Final Budget Positive	2024
	Original	Final	Actual	(Negative)	Actual
Capital outlay:					
Public safety -					
Vehicles and equipment	4,250	50,000	77,964	(27,964)	8,195
Highways and streets -					
Street improvements	550,000	550,000	540,933	9,067	-
Total capital outlay	554,250	600,000	618,897	(18,897)	8,195
Total expenditures	$3,050,500	$3,099,925	$3,056,871	$ 43,054	$2,474,349

TOWN OF MAMOU, LOUISIANA
Special Revenue Fund
Sales Tax Fund

Budgetary Comparison Schedule
For the Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025				
	Budget			Variance with Final Budget Positive	2024
	Original	Final	Actual	(Negative)	Actual
Revenues:					
Taxes	$ 736,735	$ 828,572	$ 820,645	$ (7,927)	$ 747,241
Miscellaneous:					
Interest	1,000	2,000	1,627	(373)	1,111
Other	-	14,400	14,400	-	11,500
Total revenues	737,735	844,972	836,672	(8,300)	759,852
Expenditures:					
Current -					
General government:					
Audit and accounting	-	-	13,000	(13,000)	10,610
Miscellaneous	14,735	16,572	16,273	299	14,829
Industry and tourism inducement	80,000	66,550	50,703	15,847	41,849
Total general government	94,735	83,122	79,976	3,146	67,288
Capital outlay -					
General government:					
Improvements	10,000	10,000	4,000	6,000	-
Highways and streets:					
Street and drainage improvements	450,000	450,000	93,981	356,019	74,620
Culture and recreation:					
Ballpark improvements	10,000	10,000	5,872	4,128	-
Total capital outlay	470,000	470,000	103,853	366,147	74,620
Total expenditures	564,735	553,122	183,829	369,293	141,908
Excess of revenues over expenditures	173,000	291,850	652,843	360,993	617,944
Other financing uses:					
Transfers out	(384,000)	(384,000)	(492,319)	(108,319)	(362,339)
Net change in fund balance	(211,000)	(92,150)	160,524	252,674	255,605
Fund balance, beginning	523,300	523,300	523,300	-	267,695
Fund balance, ending	$ 312,300	$ 431,150	$ 683,824	$ 252,674	$ 523,300

TOWN OF MAMOU, LOUISIANA
Enterprise Fund
Utility Fund

Schedule of Number of Utility Customers
(Unaudited)
December 31, 2025

Records maintained by the Town indicated the following number of customers were being serviced during the month of December 31, 2025 and 2024:

Department	2025	2024
Gas	766	779
Water	1,575	1,588
Sewerage	1,143	1,154

TOWN OF MAMOU, LOUISIANA

Schedule of Insurance In Force
(Unaudited)
December 31, 2025

Description of Coverage	Coverage Amounts
Workmen's compensation -	Statutory
Employer's liability- policy limit	500,000
Bodily injury by accident	100,000
Bodily injury by disease	100,000
Surety bonds -	
Fidelity bond	210,000
Commercial general liability	500,000
Law enforcement officers' comprehensive liability	500,000
Automobile liability	500,000
Public officials' errors and omissions liability	500,000
Commercial fire and extended coverage -	
Buildings and contents	9,479,293
Vehicle physical damage	416,086

INTERNAL CONTROL,

COMPLIANCE, AND

OTHER MATTERS

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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 Leisa Deshotel, Mayor
and Members of the Board of Aldermen
Town of Mamou, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund other than the Savoy Medical Management Group, Inc. Fund, and the aggregate remaining fund information of the Town of Mamou, Louisiana (the Town), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated June 22, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Lafayette, Louisiana
June 22, 2026

TOWN OF MAMOU, LOUISIANA

Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
For the Year Ended December 31, 2025

Part I: Current Year Findings and Management's Corrective Action Plan

A. Internal Control Over Financial Reporting

There were no items to be reported under this section.

B. Compliance

There were no items to be reported under this section.

Part II: Prior Year Findings:

A. Internal Control Over Financial Reporting

There were no items to be reported under this section.

B. Compliance

There were no items to be reported under this section.

TOWN OF MAMOU, LOUISIANA

Statewide Agreed-Upon Procedures Report

Year Ended December 31, 2025

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Aldermen of
Town of Mamou, 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 January 1, 2025 through December 31, 2025. The Town of Mamou, Louisiana's management is responsible for those C/C areas identified in the SAUPs.

The Town of Mamou, 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 January 1, 2025 through December 31, 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.

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

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

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

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

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

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

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

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

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

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

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

2) Board or Finance Committee

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

i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

ii. For those entities reporting on the governmental accounting model, 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.

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

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

3) Bank Reconciliations

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

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

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

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

4) Collections (excluding electronic funds transfers)

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

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

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

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

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

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

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

D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and:

   i. Observe that receipts are sequentially pre-numbered.

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

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

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

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

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).

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

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

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

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

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

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

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

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

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

D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

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

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

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

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

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

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

D. Using the list of terminated employees obtained in Payroll and Personnel procedure #9C identify those individuals who had access to cards and randomly select 5 terminated employees (or all terminated employees with card access if less than 5) from this population. Observe evidence that the cards have been deactivated for these terminated employees. In cases where a card is shared by multiple users, obtain evidence that the terminated employees' authorization has been removed.

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

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

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

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

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

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

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. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

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

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

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

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

9) Payroll and Personnel

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

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

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

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

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

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

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

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

10) Ethics

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

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

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

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

11) Debt Service

A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

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

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.

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.

13) Information Technology Disaster Recovery/Business Continuity

Perform the following procedures:

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.

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.

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.

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.

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 the initial service or employment.

14) Prevention of Sexual Harassment

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

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

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

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

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

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

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

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

Exceptions

No exceptions were found as a result of applying the procedures listed above except:

Written Policies and Procedures

1. The Town's written policies and procedures do not include sufficient information regarding the approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

   Management's response: *The Town will update the written policies and procedures to include sufficient information regarding the approval process for employee(s) rate of pay and approval and maintenance of pay rate schedules.*

2. The Town's written policies and procedures do not include sufficient information regarding the standard terms and conditions for contracts and the monitoring process for contracts.

   Management's response: *The Town will update the written policies and procedures to include sufficient information regarding the standard terms and conditions for contracts and the monitoring process for contracts.*

3. The Town's written policies and procedures do not include sufficient information regarding continuing disclosure/EMMA reporting requirements, debt reserve requirements, and debt service requirements.

   Management's response: *The Town will update the written policies and procedures to include sufficient information regarding continuing disclosure/EMMA reporting requirements, debt reserve requirements, and debt service requirements.*

Bank Reconciliations

4. Five of the five bank reconciliations selected for testing did not contain documentation reflecting that management has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.

   Management's response: *Management will ensure that they have documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date.*

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards

5. Finance charges and late fees were assessed for one of five credit card statement selected for testing.

   Management's response: *Management will ensure that they will pay the monthly balance of all credit cards, debit cards, fuel cards, and purchase card statements in a timely manner so that finance and late charges do not get assessed.*

Sexual Harassment

6. Management did not prepare the annual sexual harassment report for the current fiscal period.

   Management's response: *Management will ensure that the annual sexual harassment report be completed in future fiscal periods and includes the applicable requirements of R.S. 42:344.*

Management's Response

Management of the Town of Mamou, Louisiana concurs with the exceptions and are working to address the deficiencies identified.

We were engaged by the Town of Mamou, 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 Town of Mamou, 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.

Kolder, Slaven & Company, LLC
Certified Public Accountants

Ville Platte, Louisiana
June 22, 2026