



**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED MAY 31, 2025**



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September 10, 2025

Independent Auditors' Report

To the Mayor and Board of Aldermen
Town of Woodworth, Louisiana

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Woodworth, as of and for the year ended May 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Woodworth, as of May 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 Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Woodworth'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.



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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require the information listed below to supplement the basic financial statements.

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Woodworth's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to the Agency Head or Chief Executive Officer, the Schedule of Per Diem Paid to Board Members, and the Justice System Funding Schedules, described as additional information in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The additional information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in

accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2025 on our consideration of the Town of Woodworth's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town of Woodworth's internal control over financial reporting and compliance.

A handwritten signature in blue ink, reading "Rozier, McKay & Willis".

Rozier, McKay & Willis
Certified Public Accountants

Town of Woodworth

MANAGEMENT'S DISCUSSION AND ANALYSIS

May 31, 2025

This section of the Town of Woodworth's annual financial report presents our discussion and analysis of the Town's financial performance during the fiscal year ended May 31, 2025.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government –Wide Financial Statements

The government-wide financial statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Town's assets (including infrastructure acquired after July 1, 1980) and all of the Town's liabilities (including long-term debt).

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

- **Governmental Activities** – Expenses incurred in connection with providing basic services including public safety, recreation, public works and general administration are reported as governmental activities. The governmental activities are financed by taxes, license and permit fees, fines and forfeitures, and intergovernmental sources.
- **Business-Type Activities** – Expenses associated with providing utility services are recovered through fees paid by the customers that utilize these services. These activities are operated in a manner similar to commercial enterprises. Accordingly, activities associated with these services are reported as business type activities.

Fund Financial Statements

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

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

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

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

Net Position

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

Town of Woodworth

MANAGEMENT'S DISCUSSION AND ANALYSIS

May 31, 2025

	For the Year Ended May 31, 2025			For the Year Ended May 31, 2024
	Govern- mental Activities	Business- Type Activities	Total	
<u>Assets:</u>				
Current and Other Assets	\$ 326,859	\$ 909,914	\$ 1,236,773	\$ 1,383,615
Internal Balances	4,485,996	(4,485,996)	----	----
Capital Assets	9,037,213	7,502,719	16,539,932	15,794,349
Total Assets	<u>13,850,068</u>	<u>3,926,637</u>	<u>17,776,705</u>	<u>17,177,964</u>
Deferred Outflows of Resources	<u>792,553</u>	<u>102,098</u>	<u>894,651</u>	<u>1,089,988</u>
<u>Liabilities:</u>				
Current and Other Liabilities	332,520	491,920	824,440	799,705
Long-term Liabilities	7,661,120	251,063	7,912,183	8,311,523
Total Liabilities	<u>7,993,640</u>	<u>742,983</u>	<u>8,736,623</u>	<u>9,111,228</u>
Deferred Inflows of Resources	<u>95,980</u>	<u>14,437</u>	<u>110,417</u>	<u>30,481</u>
<u>Net Position:</u>				
Invested in Capital Assets (Net)	8,316,784	3,016,723	11,333,507	10,546,900
Restricted	3,654	----	3,654	1,630
Unrestricted	(1,767,437)	254,592	(1,512,845)	(1,422,287)
Total Net Position	<u>\$ 6,553,001</u>	<u>\$ 3,271,315</u>	<u>\$ 9,824,316</u>	<u>\$ 9,126,243</u>

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

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

The Town reports a deficit in unrestricted net position as a result of reporting liabilities associated with participation in cost sharing defined benefit pension plans.

Changes in Net Position

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

Town of Woodworth

MANAGEMENT'S DISCUSSION AND ANALYSIS

May 31, 2025

	For the Year Ended May 31, 2025			For the Year Ended May 31, 2024
	Govern- mental Activities	Business- Type Activities	Total	
<u>Revenues:</u>				
Program Revenue:				
Charges for Services	\$ 1,863,352	\$ 2,189,896	\$ 4,053,248	\$ 3,758,975
Operating Grants and Contributions	432,472	----	432,472	661,413
Capital Grants and Contributions	----	641,154	641,154	274,245
General Revenue:				
Property Taxes	113,628	----	113,628	103,535
Sales Taxes	886,143	----	886,143	799,126
Franchise Taxes	80,935	----	80,935	82,138
Licenses & Permits	88,109	----	88,109	99,009
Other	191,517	72	191,589	142,353
Total Revenue	<u>3,656,156</u>	<u>2,831,122</u>	<u>6,487,278</u>	<u>5,920,794</u>
<u>Program Expenses:</u>				
General Government	1,178,531	----	1,178,531	1,143,670
Public Safety				
Police Department	1,066,020	----	1,066,020	1,067,996
Fire Department	711,477	----	711,477	746,704
Public Works				
Streets & Drainage	630,127	----	630,127	842,145
Sanitation	228,033	----	228,033	220,117
Recreation	18,354	----	18,354	11,557
Interest on Long-Term Debt	171,743	----	171,743	239,539
Utility Service	----	1,784,920	1,784,920	2,067,608
Total Expenses	<u>4,004,285</u>	<u>1,784,920</u>	<u>5,789,205</u>	<u>6,339,336</u>
Increase in Net Position Before Transfers	(348,129)	1,046,202	698,073	(418,542)
Transfers	<u>792,422</u>	<u>(792,422)</u>	<u>----</u>	<u>----</u>
Change in Net Position	444,293	253,780	698,073	(418,542)
Net Position Beginning	<u>6,108,708</u>	<u>3,017,535</u>	<u>9,126,243</u>	<u>9,544,785</u>
Net Position Ending	<u>\$ 6,553,001</u>	<u>\$ 3,271,315</u>	<u>\$ 9,824,316</u>	<u>\$ 9,126,243</u>

Governmental activities increased the Town's net position by \$444,293. The increase is attributable to transfers to the General Fund. Business-type activities increased the Town's net position by \$253,780. The increase is attributable revenue from capital grants.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Town of Woodworth

MANAGEMENT'S DISCUSSION AND ANALYSIS

May 31, 2025

- The Town's governmental funds reported combined fund balance of \$4,480,334, which represents a decrease of \$128,524 attributable to carefully budgeting and resource management.
- Amounts reported for business-type activities in the Town's individual funds are identical to the business-type activities reported in the government-wide presentation.

GENERAL FUND BUDGET HIGHLIGHTS

Budgets were amended in order to adapt to circumstances that were not anticipated when the original budget was adopted.

CAPITAL ASSET ADMINISTRATION

In addition to expanding a fire station, and work on improvements to the utility system, capital asset activity consisted primarily of equipment additions and replacing items that had reached the end of useful lives.

DEBT ADMINISTRATION

Activity was limited to making required payments on existing long-term obligations, and issuing Sales Tax Revenue Bonds for the purpose of refunding Series 2014 debt and providing additional funds to finance fire station expansion.

FACTORS EXPECTED TO AFFECT FUTURE OPERATIONS

Factors expected to have a significant impact on future operations are not anticipated at the present time.

Town of Woodworth

STATEMENT OF NET POSITION

May 31, 2025

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 123,462	\$ 409,394	\$ 532,856
Receivables (net)	160,435	500,520	660,955
Restricted cash and cash equivalents	3,654	-	3,654
Other assets	39,308	-	39,308
Internal balances	4,485,996	(4,485,996)	-
Capital assets			
Non depreciable capital assets	1,685,848	952,127	2,637,975
Depreciable capital assets, net	<u>7,351,365</u>	<u>6,550,592</u>	<u>13,901,957</u>
Total assets	<u>13,850,068</u>	<u>3,926,637</u>	<u>17,776,705</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Pension funding deferrals	<u>792,553</u>	<u>102,098</u>	<u>894,651</u>
<u>LIABILITIES</u>			
Bank overdraft	223,958	-	223,958
Accounts and other payables	108,562	261,470	370,032
Deposits Due Others	-	230,450	230,450
Long-term liabilities			
Compensated absences	78,915	11,982	90,897
Net Pension Liability	2,375,780	239,081	2,614,861
Long-term debt			
Due within one year	135,750	-	135,750
Due in more than one year	<u>5,070,675</u>	<u>-</u>	<u>5,070,675</u>
Total liabilities	<u>7,993,640</u>	<u>742,983</u>	<u>8,736,623</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Pension funding deferrals	<u>95,980</u>	<u>14,437</u>	<u>110,417</u>
<u>NET POSITION</u>			
Invested in capital assets, net of related debt	8,316,784	3,016,723	11,333,507
Restricted:			
Debt service	3,654	-	3,654
Unrestricted	<u>(1,767,437)</u>	<u>254,592</u>	<u>(1,512,845)</u>
Total net position (deficit)	<u>\$ 6,553,001</u>	<u>\$ 3,271,315</u>	<u>\$ 9,824,316</u>

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

Town of Woodworth

STATEMENT OF ACTIVITIES

Year Ended May 31, 2025

	Expenses	Program Revenues			Net (Expenses) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	
<u>Governmental Activities:</u>					
General Government	\$ 1,178,531	\$ -	\$ 1,446	\$ -	\$ (1,177,085)
Public Safety					
Police Department	1,066,020	1,425,631	85,500	-	445,111
Fire Department	711,477	157,000	41,526	-	(512,951)
Public Works					
Streets and Public Facilities	630,127	17,100	304,000	-	(309,027)
Sanitation	228,033	263,621	-	-	35,588
Recreation	18,354	-	-	-	(18,354)
Debt Service	171,743	-	-	-	(171,743)
Total Governmental Activities	4,004,285	1,863,352	432,472	-	(1,708,461)
<u>Business-Type Activities:</u>					
Utility System	1,784,920	2,189,896	-	641,154	1,046,130
Total Business-Type Activities	1,784,920	2,189,896	-	641,154	1,046,130
Total	\$ 5,789,205	\$ 4,053,248	\$ 432,472	\$ 641,154	\$ (662,331)

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

Continued...

Town of Woodworth

STATEMENT OF ACTIVITIES (Continued) ***Year Ended May 31, 2025***

	Governmental Activities	Business- Type Activities	Total
Net (Expense) Revenue (Continued From Previous Page)	\$ (1,708,461)	\$ 1,046,130	\$ (662,331)
<u>General Revenues:</u>			
Taxes:			
Ad Valorem	113,628	-	113,628
Sales	886,143	-	886,143
Franchise	80,935	-	80,935
Licenses & Permits	88,109	-	88,109
Other	191,517	72	191,589
Transfers	<u>792,422</u>	<u>(792,422)</u>	<u>-</u>
Total General Revenues, and Transfers	<u>2,152,754</u>	<u>(792,350)</u>	<u>1,360,404</u>
 Change in Net Position	 444,293	 253,780	 698,073
Net Position Beginning	<u>6,108,708</u>	<u>3,017,535</u>	<u>9,126,243</u>
 Net Position Ending	 <u>\$ 6,553,001</u>	 <u>\$ 3,271,315</u>	 <u>\$ 9,824,316</u>

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

Town of Woodworth

Balance Sheet

Governmental Funds - May 31, 2025

	General	Fire	Total
	Fund	Department	Governmental
			Funds
Assets			
Cash and Cash Equivalents	\$ 121,768	\$ 1,694	\$ 123,462
Receivables (net)	92,396	68,039	160,435
Interfund Receivables	4,492,129	20,500	4,512,629
Restricted Cash	3,654	-	3,654
Other Assets	39,308	-	39,308
Total assets	<u>\$ 4,749,255</u>	<u>\$ 90,233</u>	<u>\$ 4,839,488</u>
Liabilities and Fund Balance			
<u>Liabilities</u>			
Bank Overdraft	\$ 223,958	\$ -	223,958
Accounts Payable	95,035	13,528	108,563
Interfund Payables	-	26,633	26,633
Total liabilities	<u>318,993</u>	<u>40,161</u>	<u>359,154</u>
<u>Fund Balance</u>			
Nonspendable	4,374,370	-	4,374,370
Restricted		-	
Debt Service	3,654	-	3,654
Unassigned	52,238	50,072	102,310
Total Fund Balances	<u>4,430,262</u>	<u>50,072</u>	<u>4,480,334</u>
Total Liabilities and Fund			
Balance	<u>\$ 4,749,255</u>	<u>\$ 90,233</u>	<u>\$ 4,839,488</u>

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

Town of Woodworth

Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Position of Governmental Activities on the Statement of Net Position

Year Ended May 31, 2025

Total Fund Balances - Governmental Funds	\$ 4,480,334
Amounts reported for governmental activities in the statement of net position are different because:	
Liabilities not due and payable in the current period are excluded from the Governmental Fund Balance Sheet	(5,285,339)
Pension liabilities and deferrals subject to exclusion for governmental fund reporting purposes	(1,679,207)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>9,037,213</u>
Net Position of Governmental Activities	<u>\$ 6,553,001</u>

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

Town of Woodworth

Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds - Year Ended May 31, 2025

	General Fund	Fire Department	Total Governmental Funds
<u>Revenues:</u>			
Taxes:			
Ad Valorem	\$ 113,628	\$ -	\$ 113,628
Sales	202,431	683,712	886,143
Franchise	80,935	-	80,935
Licenses & Permits	88,109	-	88,109
Charges for Services	263,621	-	263,621
Intergovernmental	408,047	198,525	606,572
Fines and Forfeitures	1,425,631	-	1,425,631
Other	190,874	643	191,517
Total Revenues	2,773,276	882,880	3,656,156
<u>Expenditures:</u>			
Current:			
General Government	1,063,697	-	1,063,697
Public Safety			
Police Department	963,065	-	963,065
Fire Department	419,931	236,944	656,875
Public Works			
Streets and Public Facilities	368,192	-	368,192
Sanitation	228,033	-	228,033
Recreation	9,512	-	9,512
Capital Expenditures	185,061	889,900	1,074,961
Debt Service	403,175	559,592	962,767
Total Expenditures	3,640,666	1,686,436	5,327,102
Excess (Deficiency) of Revenue Over Expenditures	(867,390)	(803,556)	(1,670,946)
<u>Other Financing Sources (Uses):</u>			
Proceeds From Long-Term Debt	-	750,000	750,000
Operating Transfers In	1,124,619	-	1,124,619
Operating Transfers Out	-	(332,197)	(332,197)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	257,229	(385,753)	(128,524)
Fund Balance (Deficit) - Beginning of Year	4,173,033	435,825	4,608,858
Fund Balance (Deficit) - End of Year	\$ 4,430,262	\$ 50,072	\$ 4,480,334

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

Town of Woodworth

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

Year Ended May 31, 2025

Net change in fund balances of Governmental Funds \$ (128,524)

Amounts reported for governmental activities in the statement of
activities are different because:

Governmental funds report capital outlays as expenditures. However, in the
statement of activities the cost of those assets is allocated over
estimated useful lives and reported as depreciation expense. The effect
of capital asset activity is presented as follows:

Capital Expenditures	1,074,961	
Depreciation	<u>(588,534)</u>	486,427

Changes in pension obligations and related deferrals are considered in preparing the statement of activities	26,436
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures by governmental funds until payment is made.	18,930
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Proceeds from issuing debt are reported as income by the governmental funds but are reported as a liability in the government wide presentation	(750,000)
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	<u>791,024</u>
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Change in net position of governmental activities	<u>\$ 444,293</u>
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The accompanying notes are an integral part of the financial statements.

Town of Woodworth

Statement of Net Position Proprietary Funds - May 31, 2025

	Business-Type Activities Enterprise Funds <u>Utility System</u>
<u>ASSETS:</u>	
Current Assets:	
Cash and cash equivalents	\$ 409,394
Receivables (net)	500,520
Interfund receivables	<u>-</u>
Total current assets	909,914
Noncurrent Assets:	
Non depreciable capital assets	952,127
Depreciable capital assets, net	<u>6,550,592</u>
Total assets	<u>8,412,633</u>
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>	
Pension funding deferrals	<u>102,098</u>
<u>LIABILITIES:</u>	
Current Liabilities:	
Accounts and other payables	261,470
Interfund payables	4,485,996
Deposits due other	<u>230,450</u>
Total current liabilities	4,977,916
Noncurrent Liabilities:	
Net pension liability	239,081
Compensated absences	<u>11,982</u>
Total liabilities	<u>5,228,979</u>
<u>DEFERRED INFLOWS OF RESOURCES:</u>	
Pension funding deferrals	<u>14,437</u>
<u>NET POSITION:</u>	
Invested in capital assets, net of related debt	3,016,723
Unrestricted	<u>254,592</u>
Total net position (deficit)	<u>\$ 3,271,315</u>

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

Town of Woodworth

Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds - May 31, 2025

	Business-Type Activities Enterprise Funds <hr/> Utility System
<u>Operating Revenues:</u>	
Service Fees	
Natural Gas Sales	\$ 423,506
Water Sales	948,499
Sewer Service Fees	533,396
Other	284,495
Total Operating Revenues	<hr/> 2,189,896
<u>Operating Expenses:</u>	
Purchases (Natural Gas and Water)	357,992
Salaries and Benefits	319,266
Legal and Professional	22,869
Repairs & Maintenance	231,706
Supplies & Chemicals	43,797
Utilities	58,600
Permits and Testing	16,013
Depreciation	560,748
Other	173,929
Total Operating Expenses	<hr/> 1,784,920
Operating Income (Loss)	404,976
<u>Nonoperating Revenues (Expenses):</u>	
Interest Revenue	72
Grant Funds	641,154
Change in Net Position Before Contributions and Transfers	1,046,202
<u>Contributions and Transfers:</u>	
Operating Transfers Out	(792,422)
Change in net position	253,780
Total net position - beginning	<hr/> 3,017,535
Total net position - ending	<hr/> \$ 3,271,315

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

Town of Woodworth

Statement of Cash Flows

Proprietary Funds - Year Ended May 31, 2025

	Business-Type Activities Enterprise Funds <u>Utility System</u>
<u>Cash flow from operating activities:</u>	
Cash received from customers	\$ 2,149,565
Cash payments to suppliers of goods and services	(1,031,008)
Cash payments to employees for services	<u>(318,143)</u>
Net cash provided (used) by operating activities	<u>800,414</u>
<u>Cash flows from non-capital financing activities:</u>	
Change in interfund balances	93,799
Operating transfers	<u>(792,422)</u>
Net cash provided (used) by non-capital financing activities	<u>(698,623)</u>
<u>Cash flows from capital and related financing activities:</u>	
Capital expenditures	(601,039)
Capital grant proceeds	<u>443,315</u>
Net cash provided (used) by capital and related financing activities	<u>(157,724)</u>
<u>Cash flows from investing activities:</u>	
Interest and other income	<u>72</u>
Net cash provided (used) by investing activities	<u>72</u>
Net increase (decrease) in cash	(55,861)
Beginning cash balance	<u>465,255</u>
Cash and cash equivalents	<u>\$ 409,394</u>

Town of Woodworth

Statement of Cash Flows (Continued)

Proprietary Funds - Year Ended May 31, 2025

	Business-Type Activities
	Enterprise Funds
	<u>Utility System</u>
<u>Reconciliation of operating income (loss) to net cash provided (used)</u>	
<u>by operating activities</u>	
Operating income (loss)	\$ 404,976
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	560,748
(Increase) decrease in accounts receivable	(46,373)
(Decrease) increase in accounts and other payables	(87,302)
(Decrease) increase in deposits	6,042
(Decrease) increase in compensated absences	1,123
(Decrease) increase in net pension obligations	<u>(38,800)</u>
Net cash provided (used) by operating activities	<u>\$ 800,414</u>

Supplemental disclosures of cash flow information:

During the year ended May 31, 2025 there were no operating, financing, or investing activities that did not result in cash receipts or payments.

TOWN OF WOODWORTH

Notes To Financial Statements

May 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Woodworth (the Town) was incorporated under the provisions of the Lawrason Act. The Town is governed by a Mayor and a Board of Alderman consisting of five (5) members. Services provided by the Town include police protection, fire protection, street maintenance, drainage, recreation and sanitation. The Town also operates a natural gas distribution system, a water distribution system and a sewer system.

The accompanying policies conform to generally accepted accounting principles for governmental units.

Financial Reporting Entity

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

Governmental Accounting Standards establish criteria for determining which component units should be considered part of the Town of Woodworth for financial reporting purposes. Based on these criteria the Town has no potential component units. The criteria considered are listed as follows:

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

Basic Financial Statements

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

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

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

Town of Woodworth

Notes To Financial Statements

May 31, 2025

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Major Governmental Funds

General Fund – The general fund is the primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Fire Department – A special revenue fund used to account for tax revenue dedicated to fire protection.

Major Business-Type Funds

Utility System – Used to account for natural gas distribution, water distribution and sewer service provided by the Town's utility department in exchange for fees charged to consumers.

Business-Type funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with the funds ongoing operations. Principal operating revenues are charges to customers for natural gas, water and sewer service.

Basis of Accounting and Measurement Focus

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

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

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

Under the modified accrual basis of accounting and the current financial resources measurement focus revenue is recognized when it is considered measurable and available. Revenue is considered available if it is collected within 60 days of year end or due under a cost reimbursement arrangement. In addition, expenses are generally recorded when a liability has been incurred; however, debt service, compensated absences, claims and judgments are recorded as expenses

Town of Woodworth

Notes To Financial Statements

May 31, 2025

when payment is made. Furthermore, when the current financial resources measurement focus is used, amounts recorded as assets exclude capital assets and the acquisition of capital assets is treated as an expenditure of funds. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt are reported as other financing source and repayment of long-term debt is reported as an expenditure of funds.

Use of Estimates

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

Restricted Assets:

Restricted assets represent resources that must be expended in a specific manner. Restrictions of this nature are imposed by various contractual obligations including grant agreements and bond covenants. Whenever restricted assets can be used to satisfy an obligation, the restricted assets are typically consumed before utilizing any unrestricted resources.

Budget Practices:

Budgets including any amendments are prepared in the manner prescribed by Louisiana revised statutes. Town budgets present revenue and expenditures on a basis which is consistent with generally accepted accounting principles. Budgets are adopted annually for the general fund and each special revenue fund. The remaining funds are not required to adopt budgets.

Capital Assets

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

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value when received by the Town. Capital assets are depreciated using the straight-line method and estimated useful lives ranging from 4 to 50 years. Useful lives are selected depending on the expected durability of the particular asset.

Cash and Cash Equivalents:

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

Inventory

Inventory consists entirely of fuel purchased in bulk. Inventory is stated at the lower of cost or market. Cost is determined based on the first-in first-out method of identifying inventory.

Internal Activity

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

Town of Woodworth

Notes To Financial Statements

May 31, 2025

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

Compensated Absences

Full time employees earn vacation at rates ranging from 10 to 20 days per year depending on length of service. Unused vacation that employees are allowed to carry forward is reported as a liability. The portion of the liability for compensated absences attributable to governmental funds and activities is typically liquidated by the general fund.

Fund Balance Classification:

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

Use of Estimates:

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

NOTE 2 - CASH AND CASH EQUIVALENTS

At May 31, 2025, cash and cash equivalents included the following amounts:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash and cash equivalents	\$ 123,462	\$ 409,394	\$ 532,856
Restricted cash and cash equivalents	3,654	----	3,654
Bank overdraft	<u>(223,958)</u>	<u>----</u>	<u>(223,958)</u>
Total	<u>\$ (96,842)</u>	<u>\$ 409,394</u>	<u>\$ 312,552</u>

Cash deposited in banks is stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance, the pledge of securities owned by the fiscal agent bank, or a letter credit from another financial institution. On May 31, 2025, the Town's collected bank balance was \$338,703. These deposits are secured from risk by federal deposit insurance in the amount of \$338,703.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable for the year ended May 31, 2025 are summarized as follows:

Town of Woodworth

Notes To Financial Statements

May 31, 2025

	Governmental Activities	Business-Type Activities	Total
<u>Accounts Receivable</u>			
Charges for Services	\$ 43,043	\$ 302,321	\$ 345,364
Other	12,344	360	12,704
Total Accounts Receivable	<u>55,387</u>	<u>302,681</u>	<u>358,068</u>
<u>Due From Other Governmental Units</u>			
Insurance Premium Taxes	12,829	----	12,829
Capital Grants	----	197,839	197,839
Sales Tax	86,519	----	86,519
Other	5,700	----	5,700
Total Due From Other Governments	<u>105,048</u>	<u>197,839</u>	<u>302,887</u>
Receivables (Net)	<u>\$ 160,435</u>	<u>\$ 500,520</u>	<u>\$ 660,955</u>

NOTE 4 – CAPITAL ASSETS

Changes in governmental and business-type capital assets are presented as follows:

	Non Depreciable Capital Assets			
	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental Activities</u>				
Land	\$ 396,702	\$ 125,000	\$ ----	\$ 521,702
Construction in Process	274,246	889,900	----	1,164,146
Total Governmental Activities	<u>\$ 670,948</u>	<u>\$ 1,014,900</u>	<u>\$ ----</u>	<u>\$ 1,685,848</u>
<u>Business-Type Activities</u>				
Land	\$ 78,891	\$ ----	\$ ----	\$ 78,891
Construction in Process	53,330	819,906	----	873,236
Total Business-Type Activities	<u>\$ 132,221</u>	<u>\$ 819,906</u>	<u>\$ ----</u>	<u>\$ 952,127</u>
	Depreciable Capital Assets			
	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental Activities</u>				
Buildings and Improvements	\$ 6,704,176	\$ 23,201	\$ ----	\$ 6,727,377
Furniture, Fixtures and Equipment	2,755,269	36,860	81,050	2,711,079
Infrastructure	5,335,008	----	----	5,335,008
Accumulated Depreciation	(6,914,614)	(588,535)	(81,050)	(7,422,099)
Total Governmental Activities	<u>\$ 7,879,839</u>	<u>\$ (528,474)</u>	<u>\$ ----</u>	<u>\$ 7,351,365</u>

Town of Woodworth

Notes To Financial Statements

May 31, 2025

	Depreciable Capital Assets			
	Beginning Balance	Additions	Disposals	Ending Balance
<u>Business-Type Activities</u>				
Natural Gas System				
Buildings and Improvements	\$ 49,984	\$ ----	\$ ----	\$ 49,984
Furniture, Fixtures and Equipment	187,150	----	----	187,150
Natural Gas System	1,696,808	----	----	1,696,808
Accumulated Depreciation	(1,667,796)	(45,098)	----	(1,712,894)
Water System				
Buildings and Improvements	46,017	----	----	46,017
Furniture, Fixtures and Equipment	308,225	----	----	308,225
Water System	6,857,758	----	----	6,857,758
Accumulated Depreciation	(4,652,830)	(184,076)	----	(4,836,906)
Sewer System				
Buildings and Improvements	178,789	----	----	178,789
Furniture, Fixtures and Equipment	825,285	----	----	825,285
Sewer System	9,142,262	----	----	9,142,262
Accumulated Depreciation	(5,860,310)	(331,576)	----	(6,191,886)
Total Business-Type	<u>\$ 7,111,342</u>	<u>\$ (560,750)</u>	<u>\$ ----</u>	<u>\$ 6,550,592</u>

Depreciation expense charged to various functions presented on the statement of activities is presented as follows:

	Governmental Activities	Business-Type Activities	Total
Police Department	\$ 93,403	\$ ----	\$ 93,403
Fire Department	88,507	----	88,507
Streets and Drainage	265,021	----	265,021
General Government	132,762	----	132,762
Recreation	8,842	----	8,842
Utility System	----	560,750	560,750
Total Depreciation Expense	<u>\$ 588,535</u>	<u>\$ 560,750</u>	<u>\$ 1,149,285</u>

NOTE 5 – ACCOUNTS AND OTHER PAYABLES

Details related to amounts reported as accounts and other payables are provided as follows:

	Governmental Activities	Business-Type Activities	Total
Payable to Vendors	\$ 67,880	\$ 39,550	\$ 107,430
Construction Contracts	----	218,866	218,866
Payroll Taxes and Withholding	30,866	----	30,866
Other	9,816	3,054	12,870
Total	<u>\$ 108,562</u>	<u>\$ 261,470</u>	<u>\$ 370,032</u>

Town of Woodworth

Notes To Financial Statements

May 31, 2025

NOTE 6 - LONG-TERM LIABILITIES

The Town's long-term liabilities are summarized as follows:

	Governmental Activities	Business-Type Activities	Total
Compensated Absences	\$ 78,915	\$ 11,982	\$ 90,897
Net Pension Liability	2,375,780	239,081	2,614,861
Long-Term Debt	5,206,425	----	5,206,425
Total Long-Term Liabilities	<u>\$ 7,661,120</u>	<u>\$ 251,063</u>	<u>\$ 7,912,183</u>

Payments to employees for compensated absences and contributions to retirement systems are typically made from the fund that provides the employees ordinary compensation. Details regarding the Town's long-term debt are provided as follows:

	Governmental Activities
<u>Long-Term Debt</u>	
Sales Tax Revenue Bonds	\$ 719,184
Refunding Revenue Bonds	<u>4,487,241</u>
Total Long-term Debt	5,206,425
Due Within One Year	<u>135,750</u>
Due in More Than One Year	<u>\$ 5,070,675</u>

Long-term debt activity during the year ended May 31, 2025 is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Public Improvement Bonds	\$ 541,939	\$ ----	\$ 541,939	\$ ----
Sales Tax Revenue Bonds	----	750,000	30,816	719,184
Refunding Revenue Bonds	<u>4,705,510</u>	<u>----</u>	<u>218,269</u>	<u>4,487,241</u>
Total Long-term Debts	<u>\$ 5,247,449</u>	<u>\$ 750,000</u>	<u>\$ 791,024</u>	<u>\$ 5,206,425</u>

Sales Tax Revenue Bonds

The Town has issued sales tax revenue bonds for the purpose of providing funds to (i) refinance the Series 2014 debt that was issued to build a fire station and (ii) finance expansion of the fire station.

\$750,000 Sales Tax Revenue Bonds Series 2024, bearing interest at a rate of 4.00%.

The bonds are payable in 120 monthly installments of principal and interest totaling \$7,593 each. Final maturity is scheduled for November, 2034

\$ 719,184

Refunding Revenue Bonds

The Town has issued refunding revenue bonds to repay certain public improvement and utility revenue bond issues. The refunding bonds are secured by and payable lawfully available funds of the Town. Refunding revenue bonds outstanding at May 31, 2025 are described as follows:

Town of Woodworth

Notes To Financial Statements

May 31, 2025

\$6,355,000 Refunding Revenue Bond Series 2015, payable in 25 annual installments ranging from \$185,000 to \$385,000 plus interest determined at rates ranging from 2.00 to 5.00%. Final maturity is scheduled for March, 2041, unless the Town elects to redeem the bonds prior to maturity.

\$ 4,487,241

Maturity of Long-term Debt

A schedule of maturities of long-term debt excluding compensated absences and capital leases is presented as follows:

<u>Year Ended</u>	Governmental Activities		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	135,750	173,340	309,090
2027	286,097	203,208	489,305
2028	298,790	193,915	492,705
2029	306,592	183,982	490,574
2030	319,509	173,134	492,643
2031 – 2035	1,764,687	646,468	2,411,155
2036 – 2040	1,710,000	294,475	2,004,475
2041 – 2045	385,000	15,785	400,785
Total	<u>\$ 5,206,425</u>	<u>\$ 1,884,307</u>	<u>\$ 7,090,732</u>

NOTE 7 – TAXES:

Ad Valorem Taxes:

The Town bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Rapides Parish. Property taxes are limited to an assessment for general alimony as permitted by State Law. Ad valorem taxes are assessed on a calendar year basis and are due on or before December 31 in the year the tax is levied. Revenues from ad valorem taxes are recognized as revenue in the year billed by the Town's General Fund.

Sales Taxes:

Sales taxes are collected by the Parish of Rapides and remitted to the Town on a monthly basis. For the year ended May 31, 2025 the Town has levied sales taxes described as follows:

- A 1% sales and use tax for acquiring, constructing, improving, maintaining and operating the Town's fire protection facilities vehicles and equipment, including the payment of salaries, insurance and other expenses of the fire department. Since revenue from this source is subject to various restrictions, it is reported in a special revenue fund that is used exclusively to report fire department activity.
- A perpetual 1% sales and use tax for providing first responder medical assistance and related services by the Town's Fire Department. Based on the restrictions imposed by the sales tax proposition, it is reported in the special revenue fund that is used exclusively to report fire department activity.
- The Town is also entitled to receive a portion of a parish wide sales tax. Since the parish wide tax is unrestricted, its proceeds are reported as revenue by the general fund.

Town of Woodworth

Notes To Financial Statements

May 31, 2025

NOTE 8- RISK MANAGEMENT

The Town is exposed to various risk of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town insures against these risks by participating in public entity risk pools that operate as common insurance programs and by purchasing commercial insurance. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

NOTE 9 – RESTRICTIONS AND COMMITMENTS

Details regarding limitations imposed on the use of various resources are summarized as follows:

Debt Service

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

NOTE 10 – PENSION PLANS

Substantially all Town employees are members of statewide retirement systems. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Information regarding each plan is presented as follows:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Municipal Employees' Retirement System	\$ 1,042,550	\$ 287,600	\$ 40,668
Municipal Police Employees' Retirement System	1,088,608	274,258	58,245
Firefighters' Retirement System of Louisiana	483,703	332,792	11,504
Total	2,614,861	894,650	110,417
Portion Applicable to Business Type Activities	239,081	102,097	14,437
Portion Applicable to Governmental Type Activities	<u>\$ 2,375,780</u>	<u>\$ 792,553</u>	<u>\$ 95,980</u>

Municipal Employees' Retirement System of Louisiana:

Plan Description - The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan A. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Town of Woodworth

Notes To Financial Statements

May 31, 2025

Funding Policy - Under Plan A, members are required by state statute to contribute 9.25% of their annual covered salary and the Town is required to contribute at an actuarially determined rate. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the system were equal to the required contributions for the year.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at mersla.com. The plans net pension liability was determined at June 30, 2024 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 1,343,032,392
Plan Fiduciary Net Position	1,061,632,500
Net Pension Liability	<u>281,399,892</u>
Town's Proportionate Share (Percentage)	0.37049%
Town's Proportionate Share (Amount)	<u>\$ 1,042,550</u>

The Town's proportionate share has been determined based on employer contributions received by the plan. The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2024 are provided as follows:

Beginning Net Pension Liability	\$ 1,241,389
Employer Contributions	(223,907)
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	159,553
Employee Contributions	<u>(30,323)</u>
Change in Deferred Outflows of Resources	(74,845)
Change in Deferred Inflows of Resources	<u>(29,317)</u>
Ending Net Pension Liability	<u>\$ 1,042,550</u>

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

Town of Woodworth

Notes To Financial Statements

May 31, 2025

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences Between Expected and Actual Experience	\$ ----	\$ 34,513	\$ (34,513)
Net Difference Between Projected and Actual			
Investment Earnings on Pension Plan Investments	14,042	----	14,042
Changes of Assumptions	----	6,155	(6,155)
Changes in Proportion	75,980	----	75,980
Employer Contributions Made After the Measurement Date	197,578	----	197,578
Total Deferrals	287,600	40,668	246,932
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	197,578	----	197,578
Deferrals Subject to Amortization	<u>\$ 90,022</u>	<u>\$ 40,668</u>	<u>\$ 49,354</u>

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

<u>For the Year Ending:</u>	
June 30, 2025	\$ 7,698
June 30, 2026	103,325
June 30, 2027	(35,788)
June 30, 2028	<u>(25,881)</u>
Total	<u>\$ 49,354</u>

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

Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Rate of Return	6.85%, net of investment expense
<u>Projected Salary Increases</u>	
1 to 2 Years of Service	9.0%
More Than 2 Years of Service	4.4%
Inflation Rate	2.5%
Annuitant and Beneficiary Mortality	PubG-2010(B) Healthy Retiree Table set equal to 115% for males and females, each adjusted using their respective male and female MP2021 scales.

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Employee Mortality	PubG-2010(B) Employee Table set equal to 115% for males and 120% females, each adjusted using their respective male and female MP2021 scales.
Disabled Lives Mortality	PubNS-2010(B) Disabled Retiree Table set equal to 115% for males and 120% females with the full generational MP2021 scale.
Expected Remaining Service Lives	3 Years

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimated ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the System's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Portfolio Real Rate of Return
Public Equity	56%	2.44%
Public Fixed Income	29%	1.26%
Alternatives	15%	0.65%
Totals	100%	4.35%
Inflation		2.50%
Expected Arithmetic Nominal Return		6.85%

The discount rate used to measure the total pension liability was 6.85% for the year ended June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease 5.85% Discount	Current Discount Rate 6.85%	1% Increase 7.85% Discount
Net Pension Liability	\$ 1,569,926	\$ 1,042,550	\$ 597,353

Town of Woodworth

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Municipal Police Employees' Retirement System of Louisiana

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

Funding Policy - Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the plan were equal to the required contributions for each of the past three years.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at lampers.org. The plans net pension liability was determined at June 30, 2010 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 3,750,021,042
Plan Fiduciary Net Position	2,844,025,169
Net Pension Liability	905,995,873
Town's Proportionate Share (Percentage)	0.120156%
Town's Proportionate Share (Amount)	<u>\$ 1,088,608</u>

The Town's proportionate share has been determined based on employer contributions received by the plan. The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2024 are provided as follows:

Beginning Net Pension Liability	\$ 1,311,356
Employer Contributions	(143,937)
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	196,174
Employee Contributions	<u>(31,255)</u>
	164,919
Change in Deferred Outflows of Resources	(190,821)
Change in Deferred Inflows of Resources	<u>(52,909)</u>
Ending Net Pension Liability	<u>\$ 1,088,608</u>

There were no changes between June 30, 2024 and the Plan's measurement date that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

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	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Resources
Differences Between Expected and Actual Experience	\$ 58,940	\$ 32,931	\$ 26,009
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	30,263	----	30,263
Changes of Assumptions	----	----	----
Changes in Proportion	43,057	25,314	17,743
Employer Contributions Made After the Measurement Date	141,998	----	141,998
Total Deferrals	274,258	58,245	216,013
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	141,998	----	141,998
Deferrals Subject to Amortization	<u>\$ 132,260</u>	<u>\$ 58,245</u>	<u>\$ 74,015</u>

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

<u>For the Year Ending:</u>	
June 30, 2025	\$ 21,361
June 30, 2026	117,032
June 30, 2027	(45,303)
June 30, 2028	<u>(19,075)</u>
Total	<u>\$ 74,015</u>

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

Valuation Date	June 30, 2024	
Actuarial Cost Method	Entry Age Normal Cost	
Investment Rate of Return	6.750% per annum	
Expected Remaining Service Lives	4 Years	
Inflation Rate	2.5% per annum	
Projected Salary Increases Including Inflation and Merit	<u>Years of Service</u> 1 - 2 Above 2	<u>Salary Growth Rate</u> 12.30% 4.70%
Mortality Rates	<ul style="list-style-type: none"> For annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 sale was used. 	

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- For disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale was used.
- For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale was used.

Cost-of-Living Adjustments

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost-of-living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

The best estimates of the arithmetic nominal rates of return for each major asset class included in the System's target allocation as of June 30, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Portfolio Real Rate of Return
Equity	52.00%	3.14%
Fixed Income	34.00%	1.07%
Alternatives	14.00%	1.03%
Totals	100.00%	5.24%
Inflation		2.62%
Expected Arithmetic Nominal Return		7.86%

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

The mortality rate assumption used was set based upon an experience study performed by the prior actuary on plan data for the period of July 1, 2014 through June 30, 2019, and review of similar law enforcement mortality. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a set-back of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables.

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

Town of Woodworth

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	1% Decrease 5.75% Discount Rate	Current Discount Rate 6.750%	1% Increase 7.75% Discount Rate
Net Pension Liability	\$ 1,617,101	\$ 1,088,608	\$ 647,420

Firefighters' Retirement System of Louisiana

Plan Description – Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to $3\frac{1}{3}$ percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established or amended by state statute.

Funding Policy – Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the Town are established and may be amended by state statute. As proved by state law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the plan were equal to the required contributions for each of the past three years.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at lafirefightersret.com. The plans net pension liability was determined at June 30, 2022 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 3,073,207,753
Plan Fiduciary Net Position	2,510,150,455
Net Pension Liability	563,057,298
Town's Proportionate Share (Percentage)	0.08591%
Town's Proportionate Share (Amount)	\$ 483,703

The Town's proportionate share has been determined based on employer contributions received by the plan. The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2024 are provided as follows:

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Beginning Net Pension Liability		\$ 402,625
Employer Contributions		(82,252)
<u>Pension Expense</u>		
Proportionate Share of Plan Pension Expense	138,835	
Employee Contributions	<u>(26,787)</u>	112,048
Change in Deferred Outflows of Resources		48,992
Change in Deferred Inflows of Resources		<u>2,290</u>
Ending Net Pension Liability		<u>\$ 483,703</u>

There were no changes between June 30, 2024 and the Plan's measurement date that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Resources
Differences Between Expected and Actual Experience	\$ 36,315	\$ 11,504	\$ 24,711
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	4,893	----	4,893
Changes of Assumptions	20,693	----	20,693
Changes in Proportion	192,488	----	192,488
Employer Contributions Made After the Measurement Date	<u>78,403</u>	<u>----</u>	<u>78,403</u>
Total Deferrals	332,792	11,504	321,288
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>78,403</u>	<u>----</u>	<u>78,403</u>
Deferrals Subject to Amortization	<u>\$ 254,389</u>	<u>\$ 11,504</u>	<u>\$ 242,885</u>

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

<u>For the Year Ending:</u>	
June 30, 2025	\$ 47,285
June 30, 2026	99,993
June 30, 2027	19,961
June 30, 2028	21,399
June 30, 2029	32,363
June 30, 2030	<u>21,884</u>
Total	<u>\$ 242,885</u>

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

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Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
Expected Remaining Service Lives	7 Years, Closed Period
Investment Rate of Return	6.90% per annum (net of investment expenses)
Inflation Rate	2.50% per annum
Projected Salary Increases	Vary from 14.10% in the first two years of service to 5.20% three or more years of service, including inflation and merit increases.
Cost of Living Adjustments	For the purpose of determining the present value of benefits, COLAs were deemed not to be substantively automatic and only those previously granted were included.

The June 30, 2024, estimated long-term expected rate of return on pension plan investments was determined by the System's actuary using the System's target asset allocation as of January 2024 and the Curran Actuarial Consulting average study for 2024. The consultant's average study included projected nominal rates of return, standard deviations of returns, and correlations of returns for a list of common asset classes collected from several investment consultants and investment management firms. Each consultant's response included nominal expected long term rates of return. In order to arrive at long-term expected arithmetic real rates of return, the actuary normalized the data received from responses in the following ways. Where nominal returns received were arithmetic, the actuary simply reduced the return assumption by the long-term inflation assumption. Where nominal returns were geometric, the actuary converted the return to arithmetic by adjusting for the longterm standard deviation and then reduced the assumption by the long-term inflation assumption. Using the target asset allocation for the System and the average values for expected real rates of return, standard deviation of returns, and correlation of returns, an arithmetic expected nominal rate of return and standard deviation for the portfolio was determined. The target asset allocation changed slightly from June 30, 2023 to June 30, 2024. These changes included a decrease to target weight in U.S. public equity, a decrease to emerging market equity, a decrease to U.S. Core fixed income, and an increase to multisector fixed income. The System's long-term assumed rate of inflation of 2.50% was used in this process for the fiscal year ended June 30, 2024.

Best estimates of arithmetic real rates of return for each major class included in the System's target asset allocation as of June 30, 2024, are summarized in the following tables:

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Asset Class	Long-Term Target Asset Allocation	Long-Term Expected Real Rate of Return
U. S. Equity	28.50%	6.24%
Non-U.S. Equity	11.00%	6.36%
Global Equity	10.00%	6.42%
Emerging Market Equity	4.50%	8.26%
U.S. Core Fixed Income	22.00%	2.09%
U.S. TIPS	2.00%	2.00%
Emerging Market Debt	2.00%	4.05%
Multisector Fixed Income	4.00%	2.34%
Private Equity	9.00%	9.77%
Real Estate	4.00%	4.85%
Real Assets	3.00%	5.93%
Totals	100.00%	

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates, and that contributions from participating employers and non-employer contributing entities will be made at the actuarially-determined rates approved by the Board of Trustees and by the Public Retirement Systems' Actuarial Committee taking into consideration the recommendation of the System's actuary. Based on these assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

For the June 30, 2024 valuation, assumptions for mortality rates were based on the following:

- For active members, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees.
- For annuitants and beneficiaries, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees.
- For disabled retirees, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Safety Disabled Retirees.
- In all cases the base table was multiplied by 105% for males and 115% for females, each with full generational projection using the appropriate MP2019 scale.

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

	1% Decrease 5.90% Discount Rate	Current Discount Rate 6.90%	1% Increase 7.90% Discount
Net Pension Liability	\$ 803,048	\$ 483,703	\$ 217,338

NOTE 11 – INTERNAL BALANCES

The general fund has advanced funds to the utility system for the purpose of refinancing debt that was incurred in connection with improving the system. The utility system makes regular payments toward eliminating the balance due to the general fund. Amounts outstanding at year end are summarized as follows:

Town of Woodworth

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	Interfund Receivables	Interfund Payables	Net
General Fund	\$ 4,492,129	\$ ----	\$ 4,492,129
Fire Department	20,500	26,633	(6,133)
Utility System	----	4,485,996	(4,485,996)
Total Fund Presentation	4,512,629	4,512,629	----
Interfund Eliminations	26,633	26,633	----
Government-Wide	<u>\$ 4,485,996</u>	<u>\$ 4,485,996</u>	<u>\$ ----</u>

NOTE 12 - TRANSFERS

In the ordinary course of business, the Town routinely transfers resources between its funds to utilize resources where needed. Transfers during the year ended May 31, 2025 are summarized as follows:

	Operating Transfers In	Operating Transfers Out	Net
<u>Governmental Funds</u>			
General Fund	\$ 1,124,619	\$ ----	\$ 1,124,619
Fire Department Fund	----	332,197	(332,197)
Total Governmental Funds	<u>1,124,619</u>	<u>332,197</u>	<u>792,422</u>
<u>Business Type Funds</u>			
Utility System	----	792,422	(792,422)
Total	<u>\$ 1,124,619</u>	<u>\$ 1,124,619</u>	<u>\$ ----</u>

NOTE 13 – CONTINGENCIES:

Existing conditions that may have financial consequences are referred to as contingencies. Contingencies existing on May 31, 2025 are described as follows:

Litigation

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

Grant Compliance

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

NOTE 14 – ON BEHALF PAYMENTS

The State of Louisiana provides supplemental pay for public safety employees that meet certain requirements. Amounts reported as revenue and expenditures in connection with State Supplemental Pay are presented as follows:

Town of Woodworth

Notes To Financial Statements

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Police Department	\$ 49,320
Fire Department	<u>42,780</u>
Total	<u>\$ 92,100</u>

Town of Woodworth

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended May 31, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
<u>Revenues:</u>				
Taxes	\$ 380,000	\$ 421,357	\$ 396,994	\$ (24,363)
Licenses & Permits	108,000	121,753	88,109	(33,644)
Charges for Services	278,000	262,220	263,621	1,401
Intergovernmental	453,500	405,870	408,048	2,178
Fines and Forfeitures	1,450,000	1,416,193	1,425,631	9,438
Other	132,770	121,676	190,874	69,198
Total Revenues	2,802,270	2,749,069	2,773,277	24,208
<u>Expenditures:</u>				
Current:				
General Government	998,115	1,111,535	1,063,697	47,838
Public Safety				
Police Department	964,900	1,003,968	963,065	40,903
Fire Department	456,060	422,000	419,931	2,069
Public Works				
Streets and Drainage	321,800	351,571	368,192	(16,621)
Sanitation	215,000	209,112	228,033	(18,921)
Recreation	63,650	9,581	9,512	69
Capital Expenditures	150,000	83,200	185,061	(101,861)
Debt Service	403,200	403,284	403,175	109
Total Expenditures	3,572,725	3,594,251	3,640,666	(46,415)
Excess (Deficiency) of Revenue Over Expenditures	(770,455)	(845,182)	(867,389)	(22,207)
<u>Other Financing Sources (Uses):</u>				
Operating Transfers In	960,000	1,309,062	1,124,619	(184,443)
Operating Transfers Out	-	-	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	189,545	463,880	257,230	(206,650)
Fund Balance (Deficit) - Beginning of Year	4,173,033	4,173,033	4,173,033	-
Fund Balance (Deficit) - End of Year	\$ 4,362,578	\$ 4,636,913	\$ 4,430,263	\$ (206,650)

Town of Woodworth

Fire Department

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - Year Ended May 31, 2025

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final	Amounts	
<u>Revenues:</u>				
Taxes	\$ 720,000	\$ 767,558	\$ 683,712	\$ (83,846)
Intergovernmental	201,000	172,771	198,525	25,754
Other	10,050	643	643	-
Total Revenues	<u>931,050</u>	<u>940,972</u>	<u>882,880</u>	<u>(58,092)</u>
<u>Expenditures:</u>				
Current:				
Public Safety				
Fire Department	206,950	229,767	236,944	(7,177)
Capital Expenditures	700,000	849,627	889,900	(40,273)
Debt Service	58,344	69,870	559,592	(489,722)
Total Expenditures	<u>965,294</u>	<u>1,149,264</u>	<u>1,686,436</u>	<u>(537,172)</u>
Excess (Deficiency) of Revenue Over Expenditures	(34,244)	(208,292)	(803,556)	(595,264)
<u>Other Financing Sources (Uses):</u>				
Proceeds From Long-Term Debt	400,000	750,000	750,000	-
Operating Transfers Out	(360,000)	(492,000)	(332,197)	159,803
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	5,756	49,708	(385,753)	(435,461)
Fund Balance (Deficit) - Beginning of Year	<u>435,825</u>	<u>435,825</u>	<u>435,825</u>	<u>-</u>
Fund Balance (Deficit) - End of Year	<u>\$ 441,581</u>	<u>\$ 485,533</u>	<u>\$ 50,072</u>	<u>\$ (435,461)</u>

Town of Woodworth

Schedule of Net Pension Liability Data Cost Sharing Retirement Systems

Retirement System / Measurement Date	Share of Collective Net Pension Liability		Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Pension Plans Fiduciary Net Position as a Percentage of Total Pension Liability
	Percent	Amount			
Municipal Employees' Retirement System					
June 30, 2015	0.30706%	1,096,852	553,000	198.3%	66.2%
June 30, 2016	0.32671%	1,339,097	552,992	242.2%	62.1%
June 30, 2017	0.34790%	1,455,404	635,371	229.1%	62.5%
June 30, 2018	0.31439%	1,413,603	619,525	228.2%	63.9%
June 30, 2019	0.34867%	1,456,977	648,720	224.6%	64.7%
June 30, 2020	0.31061%	1,342,894	588,005	228.4%	64.5%
June 30, 2021	0.32876%	914,434	650,610	140.6%	77.8%
June 30, 2022	0.33192%	1,378,550	636,408	216.6%	67.9%
June 30, 2023	0.33965%	1,241,389	677,103	183.3%	72.5%
June 30, 2024	0.37049%	1,042,550	748,068	139.4%	79.0%
Municipal Police Employees' Retirement System					
June 30, 2015	0.11413%	894,089	302,000	296.1%	70.7%
June 30, 2016	0.10753%	1,007,812	301,658	334.1%	66.0%
June 30, 2017	0.09640%	841,579	287,959	292.3%	70.1%
June 30, 2018	0.09615%	812,816	278,675	291.7%	71.9%
June 30, 2019	0.11025%	1,001,229	344,118	291.0%	71.0%
June 30, 2020	0.11429%	1,056,306	352,466	299.7%	70.9%
June 30, 2021	0.11204%	597,229	342,325	174.5%	84.1%
June 30, 2022	0.11487%	1,174,196	352,178	333.4%	70.8%
June 30, 2023	0.12412%	1,311,356	412,734	317.7%	71.3%
June 30, 2024	0.12016%	1,088,608	381,924	285.0%	75.8%
Firefighter's Retirement System					
June 30, 2015	0.00157%	84,956	35,000	242.7%	72.4%
June 30, 2016	0.01551%	101,418	34,840	291.1%	68.2%
June 30, 2017	0.02179%	124,909	49,060	254.6%	73.5%
June 30, 2018	0.02645%	152,154	60,182	252.8%	74.8%
June 30, 2019	0.03401%	212,993	80,040	266.1%	74.0%
June 30, 2020	0.04296%	297,766	105,388	282.5%	72.6%
June 30, 2021	0.04478%	158,690	112,907	140.5%	86.8%
June 30, 2022	0.05078%	358,079	128,347	279.0%	74.7%
June 30, 2023	0.06169%	402,625	162,650	247.5%	77.7%
June 30, 2024	0.08591%	483,703	244,084	198.2%	81.7%

Notes to Schedule:

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

Town of Woodworth

Schedule of Employer Contributions Cost Sharing Retirement Systems

Retirement System / Fiscal Year Ending	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
Municipal Employees' Retirement System					
June 30, 2015	109,000	103,504	5,496	553,000	18.72%
June 30, 2016	109,216	116,758	(7,542)	552,992	21.11%
June 30, 2017	141,332	144,310	(2,978)	635,371	22.71%
June 30, 2018	152,380	154,946	(2,566)	619,525	25.01%
June 30, 2019	168,014	170,661	(2,647)	648,720	26.31%
June 30, 2020	162,313	166,449	(4,136)	588,005	28.31%
June 30, 2021	190,973	194,396	(3,423)	650,610	29.88%
June 30, 2022	187,679	197,461	(9,782)	636,408	31.03%
June 30, 2023	199,746	201,882	(2,136)	677,103	29.82%
June 30, 2024	220,680	223,907	(3,227)	748,068	29.93%
Municipal Police Employees' Retirement System					
June 30, 2015	89,000	96,166	(7,166)	302,000	31.84%
June 30, 2016	89,480	88,945	535	301,658	29.49%
June 30, 2017	90,885	91,429	(544)	287,959	31.75%
June 30, 2018	85,931	87,334	(1,403)	278,675	31.34%
June 30, 2019	110,544	111,149	(605)	344,118	32.30%
June 30, 2020	114,479	114,993	(514)	352,466	32.63%
June 30, 2021	115,163	115,374	(211)	342,325	33.70%
June 30, 2022	105,500	105,648	(148)	352,178	30.00%
June 30, 2023	128,505	131,634	(3,129)	412,734	31.89%
June 30, 2024	128,627	143,937	(15,310)	381,924	37.69%
Firefighter's Retirement System					
June 30, 2015	10,000	9,785	215	35,000	27.96%
June 30, 2016	10,191	9,541	650	34,840	27.39%
June 30, 2017	12,445	12,877	(432)	49,060	26.25%
June 30, 2018	15,890	16,729	(839)	60,182	27.80%
June 30, 2019	21,211	21,839	(628)	80,040	27.28%
June 30, 2020	29,137	29,757	(620)	105,388	28.24%
June 30, 2021	35,953	36,308	(355)	112,907	32.16%
June 30, 2022	44,155	44,261	(106)	128,347	34.49%
June 30, 2023	54,142	55,207	(1,065)	162,650	33.94%
June 30, 2024	81,158	82,252	(1,094)	244,084	33.70%

Notes to Schedule:

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

Town of Woodworth

Schedule of Compensation Paid to Board Members For the year ended May 31, 2025

David Butler	\$ 67,829
Charles Reich	5,400
Jimmie S. Cranford	5,400
Kevin Kitchen	5,400
Lisa Aymond	5,400
Carrie Harrington	3,600
Tommy Melder	<u>1,350</u>
Total Compensation	<u>\$ 94,379</u>

Town of Woodworth

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer For the year ended May 31, 2025

Agency Head (Mayor) - David Butler

Purpose:

Compensation	\$ 67,829
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Benefits

Health Insurance	
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Retirement	
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Reimbursements	
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Town of Woodworth

Justice System Funding Schedule - Collecting / Disbursing Entity as Required by Act 87 of the

2020 Regular Legislative Session

For the Year Ended May 31, 2025

	First Six Month Period Ended November 30, 2024	Second Six Month Period Ended May 31, 2025
Cash Basis Presentation		
Beginning Balance of Amounts Collected	<u>\$ -</u>	<u>\$ -</u>
Add: Collections		
Criminal Court Costs/Fees	143,558	162,978
Criminal Fines - Contempt	51,328	72,012
Criminal Fines - Other	515,036	622,273
Services/Collection Fees	59,068	92,628
Other	<u>35</u>	<u>137</u>
Subtotal Collections	<u>769,025</u>	<u>950,028</u>
Less: Disbursements to Governments & Nonprofits		
Criminal Court Cost / Fees		
Louisiana Commission on Law Enforcement	3,804	4,380
CMIS Trial Court Case Management System	1,903	2,187
Crime Stoppers of Cenla, Inc.	3,610	4,098
Louisiana Department of Health and Hospitals	2,725	3,160
North Louisiana Crime Lab	50,230	57,240
Louisiana Judicial college	949	1,089
Less: Amounts Retained by the Town of Woodworth		
Collection Fee for Collecting / Disbursing to Others	74	87
Town of Woodworth, Criminal Court Cost/Fees	131,656	162,835
Town of Woodworth, Criminal Fines	515,006	622,324
Less: Disbursements to Individuals /3rd Party Collection		
Payments to 3rd Party Collection / Processing Agencies	<u>59,068</u>	<u>92,628</u>
Subtotal Disbursements / Retainage	<u>769,025</u>	<u>950,028</u>
Ending Balance of Amounts Collected but not Disbursed	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Other Information:		
Total Waivers During the Fiscal Period	\$ 15,810	\$ 6,585



September 10, 2025

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

To the Mayor and Board of Aldermen
Town of Woodworth, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund, as of and for the year ended May 31, 2025, and the related notes to the financial statements, which collectively comprise the Town of Woodworth's basic financial statements, and have issued our report thereon dated September 10, 2025.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the Town of Woodworth'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 of Woodworth's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Woodworth's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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 of Woodworth's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2025-001.



Rozier, McKay & Willis
Certified Public Accountants
Voice: 318.442.1608

160 Brown's Bend Road
Alexandria, Louisiana 71303
Online: CenlaCPAs.com

RESPONSE TO FINDINGS

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

PURPOSE OF THIS REPORT

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

A handwritten signature in blue ink that reads "Rozier, McKay & Willis". The signature is written in a cursive, flowing style.

Rozier, McKay & Willis
Certified Public Accountants

TOWN OF WOODWORTH

Summary of Findings

May 31, 2025

PART I - SUMMARY OF AUDITOR'S RESULTS

- The Independent Auditor's Report on the financial statements for the Town of Woodworth as of May 31, 2025 and for the year then ended expressed an unmodified opinion.
- No control deficiencies were disclosed during the audit of the financial statements. Accordingly, there were no material weaknesses.
- There was an instance of noncompliance material to the financial statements reported as 2025-001.

PART II - FINDINGS RELATING TO THE FINANCIAL STATEMENTS WHICH ARE REQUIRED TO BE REPORTED IN ACCORDANCE WITH GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS:

2025-001	Budgeting (Originally Reported 2025)
Condition	Expenditures by the Fire Department exceed appropriations by an amount exceeding the limit imposed by State Law.
Criteria	State Law prohibits unfavorable budget variances exceeding 5% of the budget.
Cause	A portion of bond proceeds were used to refund existing debt. The refunding of existing debt was excluded from debt service appropriations.
Effect	Non compliance with State Law.
Recommendations	Budget implications should be considered if any future refunding of debt is conducted.

TOWN OF WOODWORTH

Management's Corrective Action Plan

May 31, 2025

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
<u>FINDINGS</u>	<u>RESPONSE</u>
<u>2025-001, BUDGETING</u> Expenditures by the Fire Department exceed appropriations by an amount exceeding the limit imposed by State Law.	<u>2025-001, BUDGETING</u> In the future, we will be aware of the need to include proceeds from debt in budget appropriations.
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
<u>FINDINGS</u>	<u>RESPONSE</u>
<u>No Findings of this nature.</u>	<u>No response necessary</u>
<u>SECTION III</u> MANAGEMENT LETTER	
<u>FINDINGS</u>	<u>RESPONSE</u>
<u>No Findings of this nature.</u>	<u>No response necessary</u>

TOWN OF WOODWORTH

Summary of Prior Year Findings

May 31, 2025

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
<u>FINDINGS</u>	<u>RESPONSE</u>
<u>No Findings of this nature.</u>	<u>No response necessary</u>
<u>SECTION II</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
<u>FINDINGS</u>	<u>STATUS</u>
<u>No Findings of this nature.</u>	<u>No response necessary</u>
<u>SECTION III</u> MANAGEMENT LETTER	
<u>FINDINGS</u>	<u>STATUS</u>
<u>No Findings of this nature.</u>	<u>No response necessary</u>