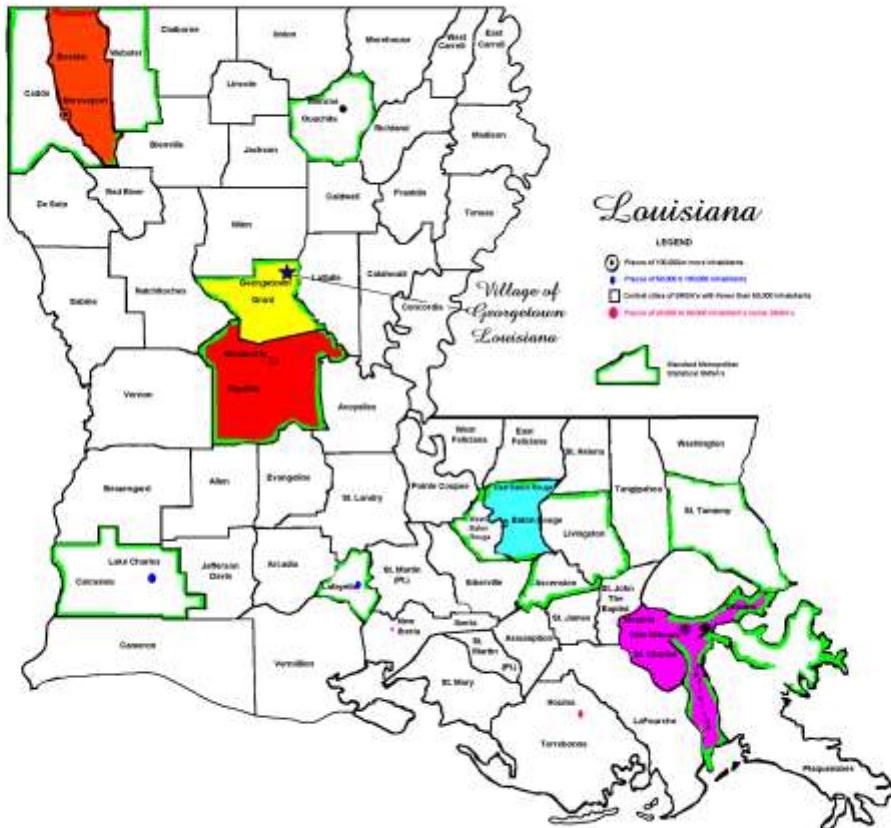


VILLAGE OF GEORGETOWN, LOUISIANA

Annual Financial Statements

June 30, 2025

VILLAGE OF GEORGETOWN GEORGETOWN, LOUISIANA



The Village of Georgetown was incorporated under the Lawrason Act and the Village operates under the Mayor-Board of Alderman form of government. The Village provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with Parish, State and Federal governing bodies.

Village of Georgetown, Louisiana
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INDEPENDENT AUDITOR'S REPORT

The Honorable Stuart Huntsberry, Mayor
& Members of the Village Council
Georgetown, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the business-type activities of the Village of Georgetown, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of Georgetown'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 and the business-type activities of the Village of Georgetown, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, the schedules of the Village's proportionate share of the net pension liability and, the schedules of the Village's contributions, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Georgetown's basic financial statements. The Schedule of Compensation, Benefits and other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and other Payments to Agency Head or Chief Executive Officer and the Justice System Funding Schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2025, on our consideration of the Village of Georgetown's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Georgetown's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Georgetown's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated October 24, 2025, on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

The Vercher Group

Jena, Louisiana
October 24, 2025

Village of Georgetown

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Village, we offer readers of the Village of Georgetown's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the Village's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Governmental Funds

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$1,108,512 (*net position*). This is a \$345,091 increase from last year.
- The Village had total revenue of \$1,216,105. This is a \$369,513 increase from last year's revenues, mainly due to an increase in intergovernmental income in the amount of \$460,599.
- The Village had total expenditures of \$922,437, which is a \$265,141 increase from last year, mainly due to an increase in police expenses in the amount of \$165,018.

Enterprise Fund

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$1,641,427 (*net position*). This is a \$28,449 decrease from last year.
- The Village had total revenue of \$312,046. This is a \$46,433 increase from last year due to an increase in water sales in the amount of \$71,552.
- The Village had total expenses of \$316,837 in which \$101,793 was for depreciation, which is a non-cash transaction. This is a \$45,531 decrease in total expenses from last year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Village is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the Village adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*. Comparative analysis will be available in future years when prior information becomes available.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

USING THIS ANNUAL REPORT

The Village's annual report consists of financial statements that show information about the Village's funds, enterprise funds and governmental funds.

Our accountant has provided assurance in his independent accountant's report, located immediately following this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the accountant regarding the other information included in this report. A user of this report should read the independent accountant's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Reporting the Village's Most Significant Funds

The Village's financial statements provide detailed information about the most significant funds. The Village may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Village's enterprise fund uses the following accounting approach:

All of the Village's services are reported in an enterprise fund. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.

MD&A

GOVERNMENTAL FUNDS Statement of Net Position

The following table represents the Comparative Statement of Net Position as of June 30, 2025:

Assets	2024	2025	% Change
Cash & Investments	\$ 280,813	\$ 617,062	119.8
Receivables, Net	64,987	40,116	-38.3
Capital Assets, Net of Accumulated Depreciation	551,944	602,787	9.3
Total Assets	<u>897,744</u>	<u>1,259,965</u>	40.4
 Deferred Outflow of Resources	 -0-	 106	 100.0
 Liabilities			
Accounts, Salaries, & Other Payables	105,277	20,023	-81.0
Current Lease & Long-Term Payable	12,800	21,787	70.3
Non-Current Lease Payable & Long-Term Debt	16,246	72,516	346.4
Total Liabilities	<u>134,323</u>	<u>114,326</u>	-14.9
 Deferred Inflows of Resources	 -0-	 37,233	 100.0
 Net Position			
Net Investment in Capital Assets	522,898	589,448	12.8
Unrestricted	240,523	519,064	115.8
Total Net Position	<u>\$ 763,421</u>	<u>\$ 1,108,512</u>	45.2

Comparative Changes in Fund Balances

The following table reflects the Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2025:

REVENUES	2024	2025	% Change
Fines	\$ 797,583	\$ 695,086	-12.9
Fees & Charges	20,195	25,500	26.3
Ad Valorem Taxes	8,541	8,753	2.5
Rental	4,556	7,017	54.1
Intergovernmental – Maintenance Income	-0-	460,599	100.0
Other	15,717	19,150	21.9
TOTAL REVENUES	<u>846,592</u>	<u>1,216,105</u>	43.7
 EXPENDITURES			
General Expense	453,120	446,797	-1.4
Police Expense	190,188	355,206	86.8
Debt Service	13,988	13,988	0.0
Capital Outlay	-0-	106,446	100.0
TOTAL EXPENDITURES	<u>657,296</u>	<u>922,437</u>	40.4
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	 <u>189,296</u>	 <u>293,668</u>	 55.2
 OTHER FINANCING SOURCES (USES)			
Transfers In (Out)	(90,853)	22,000	124.3
TOTAL OTHER FINANCING SOURCES (USES)	<u>(90,853)</u>	<u>22,000</u>	124.3
 NET CHANGE IN FUND BALANCE	 98,443	 315,668	 220.7
 PRIOR PERIOD ADJUSTMENT	 (80,964)	 80,964	 200.0
 FUND BALANCES--BEGINNING	 <u>223,044</u>	 <u>240,523</u>	 7.9
 FUND BALANCES--ENDING	 <u>\$ 240,523</u>	 <u>\$ 637,155</u>	 164.9

MD&A

ENTERPRISE FUND

Comparative Statement of Net Position

The following table represents the Comparative Statement of Net Position as of June 30, 2025:

	2024	2025	% Change
CURRENT ASSETS			
Cash & Cash Equivalents	\$ 80,705	\$ 80,547	-0.2
Receivables, Net	19,466	17,144	-12.0
TOTAL CURRENT ASSETS	<u>100,171</u>	<u>97,691</u>	-2.5
NON-CURRENT ASSETS			
Restricted Assets	30,326	29,324	-3.3
Capital Assets (Net of Accumulated Depreciation)	1,744,306	1,710,649	-2.0
TOTAL NON-CURRENT ASSETS	<u>1,774,632</u>	<u>1,739,973</u>	-2.0
TOTAL ASSETS	<u><u>1,874,803</u></u>	<u><u>1,837,664</u></u>	-2.0
CURRENT LIABILITIES			
Accounts, Salaries, & Other Payables	10,963	14,273	30.2
Current Notes Payable	12,000	12,000	0.0
TOTAL CURRENT LIABILITIES	<u>22,963</u>	<u>26,273</u>	14.5
NON-CURRENT LIABILITIES			
Customer Deposits	13,464	13,464	0.0
Non-Current Notes Payable	168,500	156,500	-7.2
TOTAL NON-CURRENT LIABILITIES	<u>181,964</u>	<u>169,964</u>	-6.6
TOTAL LIABILITIES	<u><u>204,927</u></u>	<u><u>196,237</u></u>	-4.3
NET POSITION			
Net Investment in Capital Assets	1,563,806	1,542,149	-1.4
Unrestricted	106,070	99,278	-6.4
TOTAL NET POSITION	<u><u>\$ 1,669,876</u></u>	<u><u>\$ 1,641,427</u></u>	-1.7

MD&A

Comparative Changes in Net Position

The following table reflects the Comparative Statement of Revenues, Expenses, and Changes in Net Position for the year ended June 30, 2025:

	2024	2025	% Change
OPERATING REVENUES			
Water Sales	\$ 83,977	\$ 155,529	85.2
Sewer Charges	49,317	31,013	-37.2
Sales Tax	106,210	98,019	-7.8
Other	4,109	1,650	-59.9
TOTAL OPERATING REVENUES	<u>243,613</u>	<u>286,211</u>	17.5
OPERATING EXPENSES			
Administration	127,276	53,196	-58.2
Operating	133,742	161,848	21.1
Depreciation	101,350	101,793	0.5
TOTAL OPERATING EXPENSES	<u>362,368</u>	<u>316,837</u>	-12.6
OPERATING INCOME (LOSS)	<u>(118,755)</u>	<u>(30,626)</u>	74.3
NON-OPERATING REVENUES (EXPENSES)			
Interest Expense	(1,658)	(1,658)	0.0
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(1,658)</u>	<u>(1,658)</u>	0.0
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	<u>(120,413)</u>	<u>(32,284)</u>	73.2
OTHER FINANCING SOURCES (USES)			
Transfers In/(Out)	90,853	(22,000)	-124.3
TOTAL OTHER FINANCING SOURCES (USES)	<u>90,853</u>	<u>(22,000)</u>	-124.3
CAPITAL CONTRIBUTIONS	<u>22,000</u>	<u>25,835</u>	17.5
CHANGE IN NET POSITION	<u>(7,560)</u>	<u>(28,449)</u>	-276.3
TOTAL NET POSITION – BEGINNING	<u>1,677,436</u>	<u>1,669,876</u>	-0.5
TOTAL NET POSITION – ENDING	<u>\$ 1,669,876</u>	<u>\$ 1,641,427</u>	-1.7

CAPITAL ASSETS & LONG-TERM DEBT

Capital Assets – Governmental Fund

At June 30, 2025, the Village had \$602,787 invested in capital assets, including land, the walking track, street improvements, police cars, and equipment.

	Capital Assets At Year-End	
	2024	2025
Land *	\$ 8,000	\$ 8,000
Buildings/Walking Track/Street	949,944	966,192
Right of Use Asset-Police Cars	77,356	77,356
Equipment	428,387	495,278
Accumulated Depreciation	(911,743)	(944,039)
Capital Assets, Net	<u>\$ 551,944</u>	<u>\$ 602,787</u>

* Land in the amount of \$8,000 is not being depreciated.

MD&A

Capital Assets – Enterprise Fund

At June 30, 2025, the Village had \$1,710,649 invested in capital assets, including the sewer system, water system, machinery, and equipment.

Capital Assets At Year-End

	2024	2025
Sewer System	\$ 2,221,710	\$ 2,255,648
Water System	1,766,574	1,800,347
Accumulated Depreciation	<u>(2,243,978)</u>	<u>(2,345,346)</u>
Capital Assets, Net	<u>\$ 1,744,306</u>	<u>\$ 1,710,649</u>

Long Term Debt

The following is a summary of bonds and lease payable of the Village of Georgetown for the year ended June 30, 2025.

	Balance 6-30-2024	Additions	Principal Paid	Balance 6-30-2025
Police Auto Lease	\$ 26,579	\$ -0-	\$ (13,240)	\$ 13,339
Retirement Agreement Payment	-0-	80,964	-0-	80,964
Utility Revenue Bond – Series 2017	<u>180,500</u>	<u>-0-</u>	<u>(12,000)</u>	<u>168,500</u>
Total	<u>\$ 207,079</u>	<u>\$ 80,964</u>	<u>\$ (25,240)</u>	<u>\$ 262,803</u>

Bond and lease payable at June 30, 2025, are comprised of the following issues:

Police Auto Lease (General Fund)

\$64,252 lease purchase with Government Capital starting 07/02/2021. Due in monthly installments of \$1,166 with an interest rate of 3.39% for 60 months. 13,339

Police Retirement Agreement Payment

\$80,964 agreement with the Municipal Police Employees Retirement System. Due in monthly installments of \$704 starting July 1, 2025 for 15 years. 80,964

Utility Revenue Bond (Enterprise Fund)

\$247,500 sewer bond dated 11/16/2017 due in annual installments of \$11,000 to \$13,500 through June 1, 2038 interest at .95%. 168,500

Total \$ 262,803

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Stuart Huntsberry, Mayor, at the Village of Georgetown, phone (318) 827-5527.

Basic Financial Statements

Village of Georgetown, Louisiana
Statement of Net Position
June 30, 2025

	PRIMARY GOVERNMENT		
	BUSINESS-		TOTAL
	GOVERNMENTAL	TYPE	
ACTIVITIES	ACTIVITIES		
ASSETS			
Cash	\$ 617,062	\$ 80,547	\$ 697,609
Receivables, Net	40,116	17,144	57,260
Restricted Assets	-0-	29,324	29,324
Capital Assets (Net of Accumulated Depreciation)	602,787	1,710,649	2,313,436
TOTAL ASSETS	<u>1,259,965</u>	<u>1,837,664</u>	<u>3,097,629</u>
DEFERRED OUTFLOWS	106	-0-	106
CURRENT LIABILITIES			
Accounts, Salaries, & Other Payables	20,023	14,273	34,296
Current Lease Payable	13,339	-0-	13,339
Current Portion of Long-term Debt	8,448	12,000	20,448
TOTAL CURRENT LIABILITIES	<u>41,810</u>	<u>26,273</u>	<u>68,083</u>
NON-CURRENT LIABILITIES			
Customer Deposits	-0-	13,464	13,464
Non-Current Portion of Long-Term Debt	72,516	156,500	229,016
TOTAL NON-CURRENT LIABILITIES	<u>72,516</u>	<u>169,964</u>	<u>242,480</u>
TOTAL LIABILITIES	<u>114,326</u>	<u>196,237</u>	<u>310,563</u>
DEFERRED INFLOWS	37,233	-0-	37,233
NET POSITION			
Net Investment in Capital Assets	589,448	1,542,149	2,131,597
Unrestricted	519,064	99,278	618,342
TOTAL NET POSITION	<u>\$ 1,108,512</u>	<u>\$ 1,641,427</u>	<u>\$ 2,749,939</u>

The accompanying notes are an integral part of this statement.

Statement B

**Village of Georgetown, Louisiana
Statement of Activities
For the Year Ended June 30, 2025**

	NET REVENUES (EXPENSES) & CHANGES OF PRIMARY GOVERNMENT					
	PROGRAM REVENUES			Business Type Activities		
	Governmental Activities	Business	Governmental Activities	Business Type Activities	Total	
	Expenses	Charges for Services	Operating Grants & Contributions	Net Revenue (Expense)		
Governmental Activities						
General	\$ (614,640)	\$ 25,500	\$ -0-	\$ (589,140)	\$ (589,140)	\$ (589,140)
Police	(358,592)	-0-	-0-	(358,592)	(358,592)	(358,592)
Interest Expense	(748)	-0-	-0-	(748)	(748)	(748)
Total Governmental Activities	(973,980)	25,500	-0-	(948,480)	(948,480)	(948,480)
Business Type Activities						
Sewer	(113,104)	31,013	15,535	(66,556)	\$ (66,556)	(66,556)
Water	(203,733)	157,179	10,300	(36,254)	(36,254)	(36,254)
Interest Expense	(1,658)	-0-	-0-	(1,658)	(1,658)	(1,658)
Total Business Type Activities	(318,495)	188,192	25,835	(104,468)	(104,468)	(104,468)
Total Primary Government	\$ (1,292,475)	\$ 213,692	\$ 25,835	\$ (1,052,948)		(1,052,948)
General Revenues						
Fines				695,086	-0-	695,086
Taxes:						
Ad valorem Taxes				8,753	-0-	8,753
Sales Tax				-0-	98,019	98,019
Other				486,768	-0-	486,768
Transfers In (Out)				22,000	(22,000)	-0-
Total General Revenues				1,212,607	76,019	1,288,626
Change in Net Position						
				264,127	(28,449)	235,678
Prior Period Adjustment						
				80,964	-0-	80,964
Net Position - Beginning						
				763,421	1,669,876	2,433,297
Net Position - Ending						
				\$ 1,108,512	\$ 1,641,427	\$ 2,749,939

The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Balance Sheet
Governmental Funds
June 30, 2025

**GENERAL
FUND**

ASSETS

Cash	\$ 617,062
Receivables	40,116
TOTAL ASSETS	<u>657,178</u>

LIABILITIES

Accounts, Salaries, & Other Payables	20,023
TOTAL LIABILITIES	<u>20,023</u>

FUND BALANCES

Unassigned	637,155
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TOTAL LIABILITIES & FUND BALANCE	<u>\$ 657,178</u>
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The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Financial Statement of Net Position
June 30, 2025

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund Balance, Total Governmental Funds (Statement C)	\$ 637,155
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	1,570,133
	<u>(967,346)</u>
	602,787
Deferred outflows and inflows are not financial resources or currently payable.	
Deferred Outflows	106
Deferred Inflows	<u>(37,233)</u>
	(37,127)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Other	<u>(94,303)</u>
Net Position of Governmental Activities (Statement A)	\$ <u>1,108,512</u>

The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Statement of Revenues, Expenditures &
Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

GENERAL

REVENUES	
Fines	\$ 695,086
Fees & Charges	25,500
Ad Valorem Taxes	8,753
Maintenance Income	460,599
Rental	7,017
Other	19,150
TOTAL REVENUES	<u>1,216,105</u>
 EXPENDITURES	
General Expense	446,797
Police Expense	355,206
Debt Service	13,988
Capital Outlay	106,446
TOTAL EXPENDITURES	<u>922,437</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>293,668</u>
 OTHER FINANCING SOURCES (USES)	
Transfers In (Out)	22,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>22,000</u>
 NET CHANGE IN FUND BALANCE	<u>315,668</u>
 PRIOR PERIOD ADJUSTMENT	<u>80,964</u>
 FUND BALANCES--BEGINNING	<u>240,523</u>
FUND BALANCES--ENDING	<u>\$ 637,155</u>

The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Reconciliation of the Statement of Revenues, Expenditures,
& Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2025

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

Net Change in Fund Balances, Total Governmental Funds, Statement E	\$ 315,668
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	106,446
Current Depreciation	<u>(55,603)</u>

50,843

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Loan Proceeds	-0-
Principal Paid	<u>(13,240)</u>

(13,240)

Net pension is reported in governmental funds as expenditure as they are paid; however, in the statement of activities the net pension expense is reported according to estimates required by GASB 68. This is the amount that the pension estimate defers from pension expenses paid in the current year.

Net Pension Expense	792
Pension Revenue	<u>(89,936)</u>

(89,144)

Changes in Net Position of Governmental Activities, Statement B

\$ 264,127

The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Statement of Net Position
Proprietary Funds
June 30, 2025

	BUSINESS TYPE ACTIVITIES		
	MAJOR ENTERPRISE FUND		
	SEWER	WATER	TOTAL
CURRENT ASSETS			
Cash & Cash Equivalents	\$ 43,658	\$ 36,889	\$ 80,547
Receivables, Net	6,355	10,789	17,144
TOTAL CURRENT ASSETS	<u>50,013</u>	<u>47,678</u>	<u>97,691</u>
NON-CURRENT ASSETS			
Restricted Assets	14,817	14,507	29,324
Capital Assets (Net of Accumulated Depreciation)	1,158,286	552,363	1,710,649
TOTAL NON-CURRENT ASSETS	<u>1,173,103</u>	<u>566,870</u>	<u>1,739,973</u>
TOTAL ASSETS	<u>1,223,116</u>	<u>614,548</u>	<u>1,837,664</u>
CURRENT LIABILITIES			
Accounts, Salaries, & Other Payables	4,981	9,292	14,273
Current Notes Payable	12,000	-0-	12,000
TOTAL CURRENT LIABILITIES	<u>16,981</u>	<u>9,292</u>	<u>26,273</u>
NON-CURRENT LIABILITIES			
Customer Deposits	-0-	13,464	13,464
Current Notes Payable	156,500	-0-	156,500
TOTAL NON-CURRENT LIABILITIES	<u>156,500</u>	<u>13,464</u>	<u>169,964</u>
TOTAL LIABILITIES	<u>173,481</u>	<u>22,756</u>	<u>196,237</u>
NET POSITION			
Net Investment in Capital Assets	989,786	552,363	1,542,149
Unrestricted	59,849	39,429	99,278
TOTAL NET POSITION	<u>\$ 1,049,635</u>	<u>\$ 591,792</u>	<u>\$ 1,641,427</u>

The accompanying notes are an integral part of this statement.

Statement H

Village of Georgetown, Louisiana
Statement of Revenues, Expenses & Changes in Net Position
Proprietary Funds
June 30, 2025

	BUSINESS TYPE ACTIVITIES MAJOR ENTERPRISE FUND		
	SEWER	WATER	TOTAL
OPERATING REVENUES			
Sales of Services	\$ 31,013	\$ 155,529	\$ 186,542
Sales Tax	48,847	49,172	98,019
Other	-0-	1,650	1,650
TOTAL OPERATING REVENUES	<u>79,860</u>	<u>206,351</u>	<u>286,211</u>
OPERATING EXPENSES			
Administration	22,115	31,081	53,196
Operations	37,854	123,994	161,848
Depreciation	53,135	48,658	101,793
TOTAL OPERATING EXPENSES	<u>113,104</u>	<u>203,733</u>	<u>316,837</u>
OPERATING INCOME (LOSS)	<u>(33,244)</u>	<u>2,618</u>	<u>(30,626)</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest Expense	(1,658)	-0-	(1,658)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(1,658)</u>	<u>-0-</u>	<u>(1,658)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	<u>(34,902)</u>	<u>2,618</u>	<u>(32,284)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In/(Out)	18,701	(40,701)	(22,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>18,701</u>	<u>(40,701)</u>	<u>(22,000)</u>
CAPITAL CONTRIBUTIONS	<u>15,535</u>	<u>10,300</u>	<u>25,835</u>
CHANGE IN NET POSITION	<u>(666)</u>	<u>(27,783)</u>	<u>(28,449)</u>
TOTAL NET POSITION – BEGINNING	<u>\$ 1,050,301</u>	<u>619,575</u>	<u>1,669,876</u>
TOTAL NET POSITION – ENDING	<u>\$ 1,049,635</u>	<u>\$ 591,792</u>	<u>\$ 1,641,427</u>

The accompanying notes are an integral part of this statement.

Village of Georgetown, Louisiana
Statement of Cash Flows
Proprietary Funds
June 30, 2025

	BUSINESS TYPE ACTIVITIES		
	SEWER	WATER	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 34,871	\$ 157,648	\$ 192,519
Payments to Suppliers/Employees	(9,447)	(104,268)	(113,715)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	25,424	53,380	78,804
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers In/Out	18,701	(40,701)	(22,000)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	18,701	(40,701)	(22,000)
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES			
Capital Grant	15,535	10,300	25,835
Purchase of Capital Assets	(34,364)	(33,773)	(68,137)
Increase (Decrease) in Bonds Payable	(12,000)	-0-	(12,000)
Interest Paid on Bonds	(1,658)	-0-	(1,658)
NET CASH PROVIDED (USED) BY CAPITAL & RELATED FINANCING ACTIVITIES	(32,487)	(23,473)	(55,960)
CASH FLOWS FROM INVESTING ACTIVITIES			
Change in Restricted Assets	(1,948)	946	(1,002)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(1,948)	946	(1,002)
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	9,690	(9,848)	(158)
CASH & CASH EQUIVALENTS, BEGINNING OF YEAR	33,968	46,737	80,705
CASH & CASH EQUIVALENTS, END OF YEAR	43,658	36,889	80,547
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	(33,243)	2,618	(30,625)
Depreciation Expense	53,135	48,658	101,793
(Increase) Decrease in Accounts Receivable	3,858	2,359	6,217
Increase (Decrease) in Accounts Payables	1,674	1,635	3,309
Increase (Decrease) in Customer Deposits	-0-	(1,890)	(1,890)
TOTAL ADJUSTMENTS	58,667	50,762	109,429
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 25,424	\$ 53,380	\$ 78,804

The accompanying notes are an integral part of this statement.

**Notes To The Basic
Financial Statements**

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Georgetown was incorporated under the provisions of the Lawrason Act. The Village operates under the Mayor-Board of Alderman form of government. The Village provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water, gas and sewer services) and general administrative functions, including coordination of related services with parish, state and federal governing bodies.

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

The following is a summary of certain significant accounting policies:

A. GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds and proprietary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

The municipality reports the following major governmental fund:

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

The municipality reports the following major proprietary fund:

- Enterprise Fund
 - Water Activities
 - Sewer Activities

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

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

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

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

C. EQUITY CLASSIFICATIONS

In the government-wide financial statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. The decision is typically made by management at the incurrence of the expense.

In the Fund Financial Statements, governmental fund equity is classified as a fund balance. The District has implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions.” This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance – amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

- d. for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- e. Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- f. Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

D. BUDGETARY PRACTICES

The District prepares a budget at the beginning of each year. The Board approves the budget and any subsequent amendments. All appropriations end at year end.

E. CASH & CASH EQUIVALENTS

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

F. INVENTORIES

Immaterial amounts of inventory are maintained for general fund and enterprise fund operations, and accordingly, these supplies are expensed as purchased.

G. RECEIVABLES & PAYABLES

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

H. RESTRICTED ASSETS

Restricted assets include cash and cash investments in the proprietary funds which are restricted. Restricted assets were applicable to the following at June 30, 2025:

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

	Sewer	Water	Total
Debt Service Fund	\$ 1,793	\$ -0-	\$ 1,793
Depreciation & Contingency Fund	6,157	-0-	6,157
Reserve Fund	6,867	-0-	6,867
Customer Deposits	-0-	14,507	14,507
Total	\$ 14,817	\$ 14,507	\$ 29,324

I. FIXED ASSETS

For the year ended June 30, 2025, no interest costs were capitalized for construction of fixed assets. The Village maintains a threshold level of \$1,500 or more for capitalizing capital assets.

Depreciation of all exhaustible fixed assets is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet and governmental fund statement of activities. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	Life In Years
Water System	40
Sewer System	40
Post Office	40
Walking Trail	20
Equipment	5-10

J. LONG-TERM OBLIGATIONS

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

K. FUND EQUITY

In the fund equity statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plan that are subject to change.

L. USE OF ESTIMATES

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

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

M. NEW ACCOUNTING PRONOUNCEMENT

In June of 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, Leases. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities of leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financing of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

(2) CASH, CASH EQUIVALENTS, & INVESTMENTS

All cash and investments (CD's over 90 days) are reported at cost and are on deposit at federally insured banks.

It is the Village's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Village's deposits are categorized to give an indication of the level of risk assumed by the Village at fiscal year-end. All deposits were secured at the year-end. The categories are described as follows:

- *Category 1* – Insured or collateralized with securities held by the Village or by its agent in the Village's name.
- *Category 2* – Collateralized with securities held by the pledging financial institution's trust department or agent in the Village's name.
- *Category 3* – Uncollateralized.

Bank	Bank Balance 6-30-2025
Southern Heritage Bank	\$ 791,829

Amounts on deposit at the bank are secured by the following:

Description	Market Value
FDIC (<i>Category 1</i>)	\$ 250,000
Securities (<i>Category 2</i>)	679,660
Total	\$ 929,660

Deposits were fully secured as of June 30, 2025.

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Village of Georgetown. For the purpose of the proprietary

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

fund Statement of Cash Flows, “Cash and Cash Equivalents” include all demand savings accounts and certificates of deposit under 90 days.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity’s name.

(3) RECEIVABLES

The receivables at June 30, 2025, are as follows:

	Enterprise Fund		Governmental Fund
	Water	Sewer	General Fund
Fines/Fees	\$ -0-	\$ -0-	\$ 3,634
Tax /Franchise	-0-	-0-	36,482
Customer	11,172	6,497	-0-
Allowance for Bad Debts*	(383)	(142)	-0-
Total A/R, Net	\$ 10,789	\$ 6,355	\$ 40,116

*Allowance for Bad Debts is estimated at 5% of billing.

(4) AD VALOREM TAXES

The Village levies taxes on real and business personal property located within its boundaries. The Village utilizes the services of the Grant Parish Tax Assessor to assess the property values and prepare the Village's property tax roll. The Village bills and collects its own property taxes.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

Property Tax Calendar

Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On or About October 15
Total Taxes Are Due	December 31
Penalties and Interest are Added	January 1
Lien Date	January 1

For the year ended June 30, 2025, taxes of 7.75 mills were levied against property having a valuation of some \$1,126,088 which produced some \$8,753 in revenue.

Ad Valorem Taxes are broken down as follows:

	Mills
General Alimony	7.75
Total	7.75

(5) SALES TAX

Voters passed a 1% sales tax in February 1991 dedicated to the repair and maintenance of the Village's water system.

In November 2005 the voters of the Village of Georgetown passed 1% sales and use tax for the purpose of improving, operating, maintaining, and supporting the sewerage system of the Village.

(6) FIXED ASSETS

Governmental Fund:

A summary of governmental fund depreciable assets at June 30, 2025, is as follows:

	Balance 6-30-2024	Additions	(Deletions)	Balance 6-30-2025
Land *	\$ 8,000	\$ -0-	\$ -0-	\$ 8,000
Buildings/Walking Track/Street	949,944	16,248	-0-	966,192
Right of Use Asset-Police Cars	77,356	-0-	-0-	77,356
Equipment	428,387	90,198	-0-	518,585
Accumulated Depreciation	(911,743)	(55,603)	-0-	(967,346)
Net	<u>\$ 551,944</u>	<u>\$ 50,843</u>	<u>\$ -0-</u>	<u>\$ 602,787</u>

* Land in the amount of \$8,000 and is not being depreciated.

Depreciation expense was charged to governmental functions as follows:

General	\$ 39,031
Police	16,572
Total Depreciation	<u>55,603</u>

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

Enterprise Fund – Plant & Equipment:

A summary of enterprise fund property, plant, and equipment at June 30, 2025, is as follows:

	Balance		Balance	
	6-30-2024	Additions	(Deletions)	6-30-2025
Water				
Distribution System	\$ 1,766,574	\$ 33,773	\$ -0-	\$ 1,800,347
Accumulated Depreciation	(1,199,326)	(48,658)	-0-	(1,247,984)
Net	<u>567,248</u>	<u>(14,885)</u>	<u>-0-</u>	<u>552,363</u>
Sewer				
Plant	\$ 2,221,710	\$ 34,364	\$ (426)	\$ 2,255,648
Accumulated Depreciation	(1,044,227)	(53,135)	-0-	(1,097,362)
Net	<u>1,177,483</u>	<u>(18,771)</u>	<u>(426)</u>	<u>1,158,286</u>

(7) ACCOUNTS, SALARIES, AND OTHER PAYABLES

General Fund

The payables of \$20,023 at June 30, 2025, are as follows:

Accounts Payables	\$ 20,023
Retirement Payables	-0-
Total	<u>20,023</u>

Enterprise Fund

The payables of \$14,273 at June 30, 2025, are as follows:

Accounts Payables	\$ 14,273
Total	<u>14,273</u>

(8) CHANGES IN LONG-TERM DEBT

The following is a summary of bonds and lease payable of the Village of Georgetown for the year ended June 30, 2025.

	Balance		Principal		Balance
	6-30-2024	Additions	Paid		6-30-2025
Police Auto Lease	\$ 26,579	\$ -0-	\$ (13,240)	\$	\$ 13,339
Utility Revenue Bond – Series 2017	180,500	-0-	(12,000)	168,500	
Retirement Payable	-0-	80,964	-0-	80,964	
Total	<u>207,079</u>	<u>80,964</u>	<u>(25,240)</u>	<u>262,803</u>	

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

Bond and lease payable at June 30, 2025, are comprised of the following issues:

\$64,252 lease purchase with Government Capital starting 07/02/2021. Due in monthly installments of \$1,166 with an interest rate of 3.39% for 60 months.	13,339
\$80,964 agreement with the Municipal Police Employee's Retirement System. Due in monthly installments of \$704 starting July 1, 2025 for 15 years interest rate at 6.75%.	80,964

Utility Revenue Bond (Enterprise Fund)

\$247,500 sewer bond dated 11/16/2017 due in annual installments of \$11,000 to \$13,500 through June 1, 2038 interest at .95%.	168,500
Total	\$ 262,803

The annual requirements to amortize all debt outstanding as of June 30, 2025, including interest payments, are as follows:

Year Ending June 30,	Police Auto	Utility Revenue Bond	Police Retirement Repayment	Total
2026	13,339	13,972	8,444	35,755
2027	-0-	13,858	8,444	22,302
2028	-0-	13,744	8,444	22,188
2029	-0-	13,730	8,444	22,174
2030	-0-	14,411	8,444	22,855
2031-2035	-0-	70,103	42,220	112,323
2036-2040	-0-	30,184	46,232	76,416
Total	\$ 13,339	\$ 170,002	\$ 130,672	\$ 314,013

As of June 30, 2025, the Village of Georgetown has one issue of sewer revenue bond outstanding. The flow of funds and restrictions on use are governed by the bond indentures and the note resolution, the terms of which are summarized as follows:

- (a) Payment of all reasonable and necessary expenses of operating and maintaining the system.
- (b) Each month there will be set aside into a fund called the "Debt Service Fund" an amount constituting 1/12 of the next principal and interest payment.
- (c) There will be set aside into a "Reserve Fund" the amount equal to one-half of the highest annual principal and interest payment on the bond in any future year. The required amount may be deposited in one lump sum if available or may be accumulated over five years. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the Debt Service Fund. As of June 30, 2025 the Village of Georgetown had set aside the maximum required amount into this "Reserve Fund".
- (d) There will also be set aside into a "Depreciation and Contingency Fund" 5% of the monthly net revenues provided that sum is available. This shall continue until there has been accumulated

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

the sum of \$50,000, whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of \$200,000, in which event such payments shall be resumed and continue until said maximum amount is again accumulated. This fund is set up to provide an available reserve for extensions, additions, improvement, renewals and replacements necessary to properly operate the system.

(9) LITIGATION

The Village of Georgetown is involved in no litigation at June 30, 2025, which is not covered by the Village's applicable insurance policies or is considered to be significant to the Village's financial statements.

(10) WATER AND SEWER RATES

Water: (121 Customers)	Minimum Charge	Next
Residential	\$11.00 for 1 st 1,600 gals. water used	\$1.65 per 1,000 for next 2,400 gals. water used 1.35 per 1,000 for next 1,800 gals. water used 1.20 per 1,000 for next 4,200 gals. water used 1.07 per 1,000 for next 5,000 gals. water used .93 per 1,000 thereafter
Schools	\$200.00 for 1 st 71,600 gals. water used	\$.93 per 1,000 thereafter
Housing Authority	\$308.00 for 1 st 42,000 gals. water used	\$1.75 per 1,000 for next 70,000 gals. water used 1.33 per 1,000 for next 60,000 gals. water used .90 per 1,000 for next 110,000 gals. water used .80 thereafter
Sewer: (117 Customers)		
Residential	\$ 24.00 for 1 st 5,100 gals. water used	\$.10 per 1,000 gals. water used thereafter
School	\$ 48.33 a month for all water used	
Housing Authority	\$392.00 for 1 st 145,600 gals. water used	\$.07 per 1,000 gals. water used thereafter

(11) USE OF ESTIMATES

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

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

(12) PENSION PLAN

Municipal Police Employees Retirement System of Louisiana (System)

The Municipal Police Employees' Retirement System (System) is a cost-sharing, multiple-employer defined benefit pension plan established by Act 189 of 1973 to provide retirement, disability, and survivor benefits to municipal police officers in Louisiana.

Note 1 -Summary of Significant Accounting Policies

The Municipal Police Employees' Retirement System prepares its employer schedules in accordance with Governmental Accounting Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. GASB Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer's proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense, and amortization periods for deferred inflows and deferred outflows.

A. Basis of Accounting

The System's employer pension schedules were prepared using the accrual basis of accounting. Employer contributions, for which the employer allocations are based, are recognized in the period in which the employee is compensated for services performed.

B. System Employees

The System is not allocated a proportionate share of the net pension liability related to its employees. The net pension liability attributed to the System's employees is allocated to the remaining employers based on their respective employer allocation percentage.

C. Pension Amount Netting

The deferred outflows and deferred inflows of resources resulting from differences between projected and actual earnings on pension plan investments that were recorded in different years were netted to report only a deferred outflow or a deferred inflow on the schedule of pension amounts. The remaining categories of deferred outflows and deferred inflows were not presented on a net basis.

D. Plan Fiduciary Net Position

Plan fiduciary net position is a significant component of the System's collective net pension liability. The System's plan fiduciary net position was determined using the accrual basis of accounting. The System's assets, liabilities, revenues, and expenses were recorded with the use of estimates and assumptions in conformity with accounting principles generally accepted in the United States of America. Such estimates primarily related to unsettled transactions and events as of the date of the financial statements and estimates over the determination of the fair market value of the System's investments. Accordingly, actual results may differ from estimated amounts.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

Note 2 – Plan Description

The Municipal Police Employees' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in the System is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, provided he or she does not have to pay social security and providing he or she meets the statutory criteria. The System provides retirement benefits for municipal police officers. The projections of benefit payments in the calculation of the total pension liability include all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211- 11:2233. The following is a brief description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

A. Membership Prior to January 1, 2013:

A member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years creditable service and is age 55. A member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age with an actuarially reduced benefit.

Benefit rates are $3\frac{1}{3}\%$ of average final compensation (average monthly earnings during the highest 36 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from 40% to 60% of the member's average final compensation for the surviving spouse. In addition, each child under age 18 receives benefits equal to 10% of the member's average final compensation or \$200 per month, whichever is greater.

Note 2 – Plan Description (Continued)

B. Membership Commencing January 1, 2013:

Member eligibility for regular retirement, early retirement, disability and survivor benefits are based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the System and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member of the System for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are 3% (generally) and 2½%, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from 25% to 55% of the member's average final compensation for the surviving spouse. In addition, each child under age 18 receives 10% of average final compensation or \$200 per month whichever is greater. If deceased member had less than 10 years of service, beneficiary will receive a refund of employee contributions only.

C. Cost-of-Living Adjustments

The Board of Trustees is authorized to provide annual cost-of-living adjustments computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors and beneficiaries who are 65 years of age or older on the cut-off date which determines eligibility.

No regular retiree, survivor or beneficiary shall be eligible to receive a cost-of-living adjustment until benefits have been received at least one full fiscal year and the payment of such COLA, when authorized, shall not be effective until the lapse of at least one-half of the fiscal year. Members who elect early retirement are not eligible for a cost-of-living adjustment until they reach regular retirement age.

Under Act 170 of the 2013 Regular Session of the Legislature, the Board of Trustees may not take action to authorize a COLA during any calendar year prior to the end of the legislative session for that year, during the first six months of any year, or in any calendar year in which the legislature has granted a COLA unless the legislation granting such specifically allows the Board to also take COLA action.

D. Deferred Retirement Option Plan

A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in the System is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is 36 months or less. If employment is terminated after the three-year period, the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into the System shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service. For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination of DROP participation at a rate of half of one percentage point below the percentage rate of return of the System's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on the System's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account.

If the member elects a money market investment return, the funds are transferred to a government money market account and earn interest at the money market rate. If the member elects a money market investment account, the funds are transferred to a government money market account. Pursuant to Act 78 of the 2019 Regular Session of the Louisiana Legislature, DROP members can self-direct their DROP funds. For those members who elected to self-direct their DROP funds the System transferred lump sum distributions to the stable value fund of Empower Retirement. Empower Retirement acts as an agent of the System to allow participants to self-direct the investment of their lump sum balances. Participants can irrevocably elect to participate in the self-directed portion of the program. If they do so, they can invest in Vanguard Lifestrategy Funds through Empower Retirement.

E. Initial Benefit Option Plan

In 1999, the State Legislature authorized the System to establish an Initial Benefit Option program. Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest is computed on the balance based on the same criteria as DROP.

Statutes should be read for more detail on eligibility and benefit provisions.

Note 3 – Employer Contributions

Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees' earnable compensation excluding overtime but including state supplemental pay.

For the year ended June 30, 2024, employee and employer contribution rates were as follows:

	Contribution Rates		
	<u>Employee</u>	<u>Employer</u>	Total
Members hired prior to 1/1/2013	10.00%	33.925%	43.925%
Hazardous Duty Members hired after 1/1/2013	10.00%	33.925%	43.925%
Non-Hazardous Duty Members hired after 1/1/2013	8.00%	33.925%	41.925%
Members whose earnable compensation is less than the poverty guidelines	7.50%	36.425%	43.925%

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

A. Non-Employer Contributions

The System also receives insurance premium tax monies as additional employer contributions. The tax is considered support from a non-contributing entity and appropriated by the legislature each year based on an actuarial study. Non-employer contributions were recognized as revenue during the year ended June 30, 2024, and excluded from pension expense.

Note 4 – Schedule of Employer Allocations

The schedule of employer allocations reports the historical employer contributions in addition to the employer allocation percentages for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of the Municipal Police Employees' Retirement System. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The allocation percentages were used in calculating each employer's proportionate share of pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the System during the year ended June 30, 2024, as compared to the total of all employers' contributions to the System during the year ended June 30, 2024.

Note 5 – Schedule of Pension Amounts by Employer

The schedule of pension amounts by employer displays each employer's allocation of the net pension liability, the various categories of deferred outflows of resources, the various categories of deferred inflows of resources, and the various categories of pension expense. The schedule of pension amounts by employer was prepared using the allocations included in the schedule of employer allocation.

Note 6 – Actuarial Methods and Assumptions

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

The components of the net pension liability of the System's employers as of June 30, 2024, are as follows:

Total Pension Liability	\$ 3,750,021,042
Plan Fiduciary Net Position	<u>(2,844,025,169)</u>
Total Collective Net Pension Liability	<u><u>\$ 905,995,873</u></u>

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

The actuarial assumptions used in the June 30, 2024, valuation were based on the assumptions used in the June 30, 2024 actuarial funding valuation and were based on the results of an actuarial experience study for the period of July 1, 2014 through June 30, 2019. In cases where benefit structures were changed after the study period, assumptions were based on estimates of future experience.

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

Valuation Date	June 30, 2024	
Actuarial Cost Method	Entry age normal cost	
Investment Rate of Return	6.750%, net of investment Expense	
Expected Remaining Service Lives	2024 -4 years 2023- 4 years 2022- 4 years 2021- 4 years	
Inflation Rate	2.50%	<u>Salary Growth Rate</u>
Salary increases, including Inflation & merit	Years 1-2 Above 2	12.30% 4.70%
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.	

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

The mortality rate assumption used was set based upon an experience study for the period of July 1, 2014, through June 30, 2019. A change was made full generational mortality which combines the use of a base mortality table with appropriate mortality improvement scales. In order to set the base mortality table, actual plan mortality experience was assigned a credibility weighting and combined with a standard table to produce current levels of mortality.

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

The best estimates of the arithmetic 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	June 30, 2024	
		Long-Term Expected	Portfolio Real Rate of Return
Equity	52.00%	3.14 %	
Fixed Income	34.00%	1.07%	
Alternative	14.00%	1.03%	
Totals	100.00%	5.24%	
Inflation		2.62%	
Expected Arithmetic 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.

Note 7 – Sensitivity to Changes in Discount Rate

The following presents the net pension liability of the participating employers calculated using the discount rate of 6.750%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower, 5.750%, or one percentage point higher, 7.750%, than the current rate as of June 30, 2024.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

	Changes in Discount Rate		
	1%	Current	1%
	Decrease	Discount Rate	Increase
	5.750%	6.750%	7.750%
Net Pension Liability	\$ 1,345,834,495	\$ 905,995,873	\$ 538,816,087

Note 8 – Change in Net Pension Liability

The changes in the net pension liability for the year ended June 30, 2024, were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience:

The differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized as pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in deferred inflows of resources and deferred outflows of resources as of June 30, 2024, as follows:

Differences between Expected and Actual Experience:

June 30, 2024					
	Deferred <u>Outflows</u>	Deferred <u>Inflows</u>	Pension Expense (Benefit)	Deferred <u>Outflows</u>	Deferred <u>Inflows</u>
2024	\$ -0-	\$ 36,542,191	\$ (9,135,548)	\$ -0-	\$ 27,406,643
2023	71,058,874	-0-	23,686,292	47,372,582	-0-
2022	3,360,907	-0-	1,680,454	1,680,453	-0-
2021	-0-	442,855	(442,855)	-0-	-0-
			Total	\$ 49,053,035	\$ 27,406,643

Differences between Projected and Actual Investment Earnings:

The differences between projected and actual investment earnings on pension plan investments were recognized in pension expense (benefit) using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a net deferred outflow of resources as of June 30, 2024, as follows:

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

June 30, 2024						
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows	Net Deferred Inflows
2024	\$ -0-	\$ 79,382,791	\$ (15,876,588)	\$ -0-	\$ 63,506,203	\$ (63,506,203)
2023	-0-	22,674,080	(5,668,520)	-0-	17,005,560	(17,005,560)
2022	287,171,615	-0-	95,723,871	191,447,744	-0-	191,447,744
2021	-0-	171,499,764	(85,749,882)	-0-	85,749,882	(85,749,882)
2020	21,057,293	-0-	21,057,293	\$ -0-	\$ -0-	\$ -0-
			Total	<u>191,447,744</u>	<u>166,261,645</u>	<u>25,186,099</u>

Changes of Assumptions or Other Inputs:

The changes of assumptions about future economic or demographic factors were recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The changes of assumptions or other inputs resulted in deferred outflows of resources as of June 30, 2024, as follows:

June 30, 2024						
	Deferred Outflows	Deferred Inflows	Pension Expense (Benefit)	Deferred Outflows	Deferred Inflows	
2024	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
2023	-0-	-0-	-0-	-0-	-0-	-0-
2022	35,259,420	-0-	17,629,711	-0-	-0-	-0-
2021	-0-	7,602,903	(7,602,903)	-0-	-0-	-0-
Totals				17,629,709		-0-

Changes in Proportion:

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense (benefit) using a the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The unamortized amounts arising from changes in the employer's proportionate shares are presented in the Schedule of Pension Amounts as deferred outflows or deferred inflows as of June 30, 2024.

Note 9 – Contributions – Proportionate share

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense (benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Note 10 – Retirement System Audit Report

The Municipal Police Employees' Retirement System issued a stand-alone audit report on its financial statements for the year ended June 30, 2024. Access to the audit report can be found on the System's website: www.lampers.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

(13) CONTRACTUAL AGREEMENTS

The Village of Georgetown entered into a contractual agreement with Redhill Waterworks, Inc., on October 14, 2010. The agreements of the contract are as follows:

Redhill hereby agrees to sell water to Georgetown under the following terms and conditions:

1. Georgetown agrees to construct, at its own expense, a High Flow Connection to tie its water system to Redhill. Construction will commence after the signing of this contract.
2. This contract shall be for a term of five (5) years which shall commence on the date that the construction referenced above is complete.
3. Georgetown agrees to compensate Redhill as follows:
 - a. Georgetown agrees to pay for its actual water usage under the following terms:
 - i. Monthly, on a date set by this contract, Georgetown's actual water usage shall be calculated. Georgetown agrees to pay Redhill \$2.50 per one thousand gallons used for all usage. This payment shall be due no later than 15 days after the date specified in Section 3.a.ii.
 - i. A representative from Redhill and Georgetown shall jointly record the monthly consumption on the 21st day of every month in which the connection is active.
 - b. Also, on the anniversary date of this contract, Redhill will calculate the actual pumping costs of producing the water. These costs include, but are not limited to, electrical and chemical expenses. In the event that these costs increase, the percentage of increase over the previous year shall be calculated and will be applied the following year to the \$2.50 per thousand gallons actual usage fee as defined in Section 3.a.i.

(14) TRANSFERS

Transfers were made between the general and enterprise funds to cover general expenses.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

(15) ELECTED OFFICIAL'S SALARIES

Name	Title	Term of Office	Annualized Salary
Stuart Huntsberry 153 Beale St Georgetown, LA 71432 (318) 880-8131	Mayor	Jan. 1, 2025 – Dec. 31, 2028	\$ 10,804
Jonathan Spurgeon 261 Hwy 502 Georgetown, LA 71432 (318) 623-2823	Alderman	Jan. 1, 2025 – Dec. 31, 2028	\$ 7,813
Ray Williamson PO Box 132 Georgetown, LA 71432 (318) 715-3390	Alderman	Jan. 1, 2025 – Dec. 31, 2028	\$ 8,533
Bettye Shelton Po Box 127 Georgetown, LA 71432 (318) 452-6047	Alderman	Jan. 1, 2025 – Dec. 31, 2028	\$ 7,813
Victor Williams 605 Hwy 524 Pollock, LA 71465 (318) 419-7882	Police Chief	Oct. 1, 2025 – Dec. 31, 2028	\$ 46,800

(16) SUBSEQUENT EVENTS

Management has evaluated events and transactions subsequent to the Statement of Net Position date through October 24, 2025, of the independent auditor's report for potential recognition or disclosure in the financial statements.

(17) RETIREMENT REPAYMENT AGREEMENT

Prior period adjustment was made in the amount of \$80,964 to correct Retirement payable. This is a result of an agreement with the Municipal Police Employee's Retirement System regarding partial dissolution of Georgetown from June 30, 2021, to June 30, 2022. The amount of \$80,964 is to be paid in 15 years at 6.75% interest rate beginning July 1, 2025 with monthly payments of \$704.

VILLAGE OF GEORGETOWN, LOUISIANA

NOTES TO THE BASIC FINANCIAL STATEMENTS – CONTINUED

(18) PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to book deferred outflows and deferred inflows related to Police Retirement System in the amount of \$80,964 and to move the prior year adjustment to long-term debt.

(19) EXCESS EXPENDITURES OVER APPROPRIATIONS

The Village over spent its budget by \$183,437 or 24.9% in its general fund.

**Required Supplemental
Information**

Village of Georgetown, Louisiana
Statement of Revenues, Expenditures, & Changes in Fund Balance
Budget & Actual
General Fund
For the Year Ended June 30, 2025

	BUDGET AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	BUDGET TO ACTUAL DIFFERENCES FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Fines	\$ 600,000	\$ 625,000	\$ 695,086	\$ 70,086
Fees & Charges	9,500	10,000	25,500	15,500
Taxes	6,000	8,000	8,753	753
Post Office Lease	-0-	-0-	7,017	7,017
Intergovernmental-Maintenance Income	-0-	-0-	460,599	460,599
Other	-0-	10,000	19,150	9,150
TOTAL REVENUES	615,500	653,000	1,216,105	563,105
EXPENDITURES				
General Expense	555,500	664,000	445,995	218,005
Police Expense	25,000	75,000	356,008	(281,008)
Debt Service	-0-	-0-	13,988	(13,988)
Capital Outlay	-0-	-0-	106,446	(106,446)
TOTAL EXPENDITURES	580,500	739,000	922,437	(183,437)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 35,000	\$ (86,000)	293,668	\$ 379,668
OTHER FINANCING SOURCES (USES)				
Loan Proceeds			-0-	
Transfers In (Out)			22,000	
TOTAL OTHER FINANCING SOURCES (USES)			22,000	
NET CHANGE IN FUND BALANCE				315,668
PRIOR PERIOD ADJUSTMENT				(37,127)
FUND BALANCES--BEGINNING				240,523
FUND BALANCES--ENDING				\$ 519,064

The accompanying notes are an integral part of this statement.

See independent auditor's report.

VILLAGE OF GEORGETOWN, LOUISIANA

Schedule of the Village's Proportionate Share of the Net Pension Liability Louisiana Municipal Employees' Retirement System

Year	Village's Proportion of the Net Position Liability	Village's Proportionate Share of the Net Pension Liability	Village's Covered- Employee Payroll	Village's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	-0-	-0-	-0-	-0-	-0-

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

Statement 3**VILLAGE OF GEORGETOWN, LOUISIANA****Schedule of the Village's Proportionate Share of the Net Pension Liability
Louisiana Municipal Police Employees' Retirement System**

Year	Village's Proportion of the Net Position Liability	Village's Proportionate Share of the Net Pension Liability	Village's Covered-Employee Payroll	Village's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	-0-	-0-	-0-	-0-	-0-

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

See independent auditor's report

Other Information

Village of Georgetown, Louisiana
Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2025

Honorable Danny Olden, Mayor (July 2024 to December 2024)

Purpose	Amount
Salary	\$ 5,402
Benefits-Insurance	-0-
Benefits-Retirement	-0-
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

Village of Georgetown, Louisiana
Schedule of Compensation Benefits and Other Payments
to Agency Head or Chief Executive Officer
For the Year Ended June 30, 2025

Honorable Stuart Huntsberry, Mayor (January 2025 to June 2025)

Purpose	Amount
Salary	\$ 5,402
Benefits-Insurance	-0-
Benefits-Retirement	-0-
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

**Village of Georgetown
Georgetown, Louisiana**
Justice System Funding Schedule – Collecting/Disbursing Entity
Year Ended June 30, 2025

	First Six Months Ended 12/31/2024	Second Six Months Ended 06/30/2025
Beginning Balance of Amounts Collected	\$	\$
Add: Collections		
Criminal Court Costs/Fees	50,998	40,918
Criminal Fines – Contempt	45,070	40,585
Criminal Fines – Other	294,143	242,354
Subtotal Collections	390,211	323,857
Less: Disbursements to Governments & Nonprofits		
Department of Health and Hospital	5,785	4,330
State Treasurer – CMIS	1,673	1,366
North LA Crime Lab	1,730	2,180
LA Commission on Law Enforcement	3,279	2,677
LA Supreme Court Education Fund	836	683
Central LA Juvenile Fund	12,528	10,245
Less: Amounts Retained by Collecting Agency		
Amounts Self-Disbursed – Criminal Fines – Other	321,923	264,143
Less: Disbursements to Individuals/3rd Party Collection or Processing Agency		
American Municipal Services-Collection Agency	12,049	15,754
NCourt Processing Agency	1,667	2,366
Quick Court	28,741	20,113
Subtotal Disbursements/Retainage	390,211	323,857
Total: Ending Balance of Amounts Collected but not Disbursed/Retained	-0-	-0-
Ending Balance of “Partial Payments” Collected but not Disbursed	-0-	-0-
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	-0-	-0-
Total Waivers During the Fiscal Period	\$	\$ -0- -0-

See independent auditor's report.



OTHER REPORTS

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

The Honorable Stuart Huntsberry, Mayor
& Members of the Village Council
Georgetown, 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 and business-type activities of the Village of Georgetown, Louisiana as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of Georgetown's basic financial statements, and have issued our report thereon dated October 24, 2025.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies

may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedules of findings and questioned costs as items [**2025-1 Small Size of Entity**] that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Georgetown's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and described in the accompanying schedule of findings and questioned cost as item: **2025-2 Bond Reserve Accounts required by bond covenants and 2025-3 Budget Variance.**

The Village of Georgetown's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village of Georgetown's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Village of Georgetown's response was not subject 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.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

The Vercher Group

Jena, Louisiana
October 24, 2025

VILLAGE OF GEORGETOWN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COST For the Year Ended June 30, 2025

We have audited the basic financial statements of the Village of Georgetown, Louisiana, as of and for the year ended June 30, 2025, and have issued our report thereon dated October 24, 2025. We conducted our audit in accordance with generally accepted auditing standards 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.

Section I - Summary of Auditor's Results

Our audit of the financial statements as of June 30, 2025, resulted in an unmodified opinion.

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses Yes Significant Deficiencies Yes

Compliance

Compliance Material to Financial Statements Yes

b. Federal Awards (Not Applicable)

Internal Control

Material Weaknesses Yes No Other Conditions Yes No

Type of Opinion on Compliance Unmodified Qualified
For Major Programs Disclaimer Adverse

Are the finding required to be reported in accordance with OMG Uniform Guidance?

Yes No

c. Identification Of Major Programs:

CFDA Number (s)	Name Of Federal Program (or Cluster)
Dollar threshold used to distinguish between Type A and Type B Programs:	\$
Is the auditee a 'low-risk' auditee, as defined by OMB Uniform Guidance?	<input type="checkbox"/> Yes <input type="checkbox"/> No

VILLAGE OF GEORGETOWN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.) For the Year Ended June 30, 2025

Section II - Financial Statement Findings

2025-1 Small Size of Entity (Internal Control)

Condition: Because of the small size of the Village and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the Village's cash.

Criteria: Important elements of good internal controls often require that the same employee does not handle the functions of accounting, collections, billing, receiving and check writing.

Cause of Condition: Small size of entity and lack of employees.

Effect of Condition: Significant deficiency in internal controls.

Recommendation: We recommend that management continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

Client Response and Corrective Action: Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

2025-2 Bond reserve accounts required by bond covenants (Compliance)

Condition: The Village did not maintain its bond reserve accounts as required by its bond indentures.

Criteria: The Village has one issue of revenue bonds outstanding. The flow of funds and restrictions on use are governed by the bond indentures, the terms of which are summarized as follows:

- Payment of all reasonable and necessary expenses of operating and maintaining the system.
- Each month there will be set aside into a fund called the "Debt Service Fund" an amount constituting 1/12 of the next principal and interest payment.
- There will be set aside into a "Reserve Fund" the amount equal to one-half of the highest annual principal and interest payment on the bond in any future year. The required amount may be deposited in one lump sum if available or may be accumulated over five years. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the Debt Service Fund. As of June 30, 2024, the Village of Georgetown had set aside the maximum required into the Reserve Fund.
- There will also be set aside into a "Depreciation and Contingency Fund" 5% of the monthly net revenues provided that sum is available. This shall continue until there has been accumulated the sum of \$50,000, whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced.

VILLAGE OF GEORGETOWN, LOUISIANA

SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)
For the Year Ended June 30, 2025

- below the sum of \$200,000, in which event such payments shall be resumed and continue until said maximum amount is again accumulated. This fund is set up to provide an available reserve for extensions, additions, improvements, renewals, and replacement necessary to properly operate the system.

Cause of Condition: Not depositing money into the reserve accounts.

Effect of Condition: Noncompliance with bond indentures.

Recommendation: The Village should maintain its reserve accounts in accordance with bond indentures requirements.

Client Response and Corrective Action: The Village will maintain its reserve accounts in accordance with bond indenture

2025-3 Budget Variance

Condition: The Village had a favorable revenue and an unfavorable expenditure of \$184,239 or 25.0% in its general fund budget for the year ended June 30, 2025.

Criteria: The Budget Act requires that budgets be amended when the variance exceeds 5%.

Cause of Condition: The Village did not budget the revenue and expenses correctly.

Potential Effect of Condition: The general fund having unfavorable revenue or an unfavorable expenditure variance violates the Budget Act.

Recommendation: The Village should budget revenue and expenses for general operating.

Client Response and Corrective Action: The management of the Village will begin properly budgeting operations as needed.

Contact Person: Stuart Huntsberry, Mayor

Anticipated Completion Date: 06/30/2026

Section III – Federal Awards Findings and Questioned Costs

Not applicable.

VILLAGE OF GEORGETOWN, LOUISIANA

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS

Legislative Auditor
State of Louisiana
Baton Rouge, Louisiana 70804-9397

The management of the Village of Georgetown, Louisiana has provided the following action summaries relating to findings brought to their attention as a result of their financial audit for the year ended June 30, 2024.

PRIOR YEAR FINDINGS

2024-1 Small Size of Entity (Unresolved)

Condition: Because of the small size of the Village and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the Village's cash.

Criteria: Important elements of good internal controls often require that the same employee does not handle the functions of accounting, collections, billing, receiving and check writing.

Cause of Condition: Small size of entity and lack of employees.

Effect of Condition: Significant deficiency in internal controls.

Recommendation: We recommend that management continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

Client Response and Corrective Action: Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

2024-2 Bond reserve accounts required by bond covenants (Unresolved)

Condition: The Village did not maintain its bond reserve accounts as required by its bond indentures.

Criteria: The Village has one issue of revenue bonds outstanding. The flow of funds and restrictions on use are governed by the bond indentures, the terms of which are summarized as follows:

- Payment of all reasonable and necessary expenses of operating and maintaining the system.
- Each month there will be set aside into a fund called the "Debt Service Fund" an amount constituting 1/12 of the next principal and interest payment.

VILLAGE OF GEORGETOWN, LOUISIANA

MANAGEMENT'S SUMMARY OF PRIOR YEAR FINDINGS-CONTINUED

- There will be set aside into a “Reserve Fund” the amount equal to one-half of the highest annual principal and interest payment on the bond in any future year. The required amount may be deposited in one lump sum if available or may be accumulated over five years. These funds may be used only for the payment of maturing bonds and interest coupons for which sufficient funds are not available in the Debt Service Fund. As of June 30, 2024, the Village of Georgetown had set aside the maximum required into the Reserve Fund.
- There will also be set aside into a “Depreciation and Contingency Fund” 5% of the monthly net revenues provided that sum is available. This shall continue until there has been accumulated the sum of \$50,000, whereupon such payments may cease and need be resumed thereafter only if the total amount of money on deposit in said fund is reduced below the sum of \$200,000, in which event such payments shall be resumed and continue until said maximum amount is again accumulated. This fund is set up to provide an available reserve for extensions, additions, improvements, renewals, and replacement necessary to properly operate the system.

Cause of Condition: Not depositing money into the reserve accounts.

Effect of Condition: Noncompliance with bond indentures.

Recommendation: The Village should maintain its reserve accounts in accordance with bond indentures requirements.

Client Response and Corrective Action: The Village will maintain its reserve accounts in accordance with bond indenture

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Village of Georgetown, Louisiana

We have performed the procedures enumerated below, which were agreed to by Village of Georgetown (entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the period July 1, 2024, to June 30, 2025. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
 - b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
 - c) **Disbursements**, including processing, reviewing, and approving.
 - d) **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- h) **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- l) **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

No exceptions performing these procedures.

Board or Finance Committee

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - b) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds. *Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- d) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

No exceptions performing these procedures.

Bank Reconciliations

- 3. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - c) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

No exceptions performing these procedures.

Collections (excluding electronic funds transfers)

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

Observations: The Village Hall.

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

- a) Employees responsible for cash collections do not share cash drawers/registers.
- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

Exception: Job duties are not properly segregated for any of the above categories.

Managements response: The Village does not have enough employees to implement these procedures.

- 6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions performing these procedures.

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

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions performing these procedures.

Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)

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

Observations: The Village Hall.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
 - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
 - b) At least two employees are involved in processing and approving payments to vendors.
 - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
 - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
 - e) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

No exceptions performing these procedures.

10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:
 - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
 - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.
 - c) Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was approved by only those persons authorized to disburse funds per the entity's policy and approved by the required number of authorized signers per the entity's policy.

No exceptions performing these procedures.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

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

No exceptions performing these procedures.

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:
 - a) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]
 - b) Observe that finance charges and late fees were not assessed on the selected statements.

No exceptions performing these procedures.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

No exceptions performing these procedures.

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

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
 - a) If reimbursed using a per diem, observe the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
 - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
 - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

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

No exceptions performing these procedures.

Contracts

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

- a) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
- b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
- c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions performing these procedures.

Payroll and Personnel

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

No exceptions performing these procedures.

17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
- b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.

- c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions performing these procedures.

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

No exceptions performing these procedures.

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

No exceptions performing these procedures.

Ethics

20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above obtain ethics documentation from management, and:

- a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
- b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- c) Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

No exceptions performing these procedures.

Debt Service

21. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing,

obtain supporting documentation, and observe State Bond Commission approval was obtained for each debt instrument issued.

No exceptions performing these procedures.

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

No exceptions performing these procedures.

Fraud Notice

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

There were no exceptions performing these procedures.

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

There were no exceptions performing these procedures.

Information Technology Disaster Recovery/Business Continuity

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

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
- b) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- c) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

d) Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9c. Observe evidence that the selected terminated employee have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

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

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

Exception: One out of the five employees/officials tested did not have one hour cybersecurity training.

Management: The Village will ensure that all employees/officials have one hour cybersecurity training.

Prevention of Sexual Harassment

27. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

No exceptions performing these procedures.

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

No exceptions performing these procedures.

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

1. Number and percentage of public servants in the agency who have completed the training requirements;
2. Number of sexual harassment complaints received by the agency;
3. Number of complaints which resulted in a finding that sexual harassment occurred;

4. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
5. Amount of time it took to resolve each complaint.

No exceptions performing these procedures.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures other matters might have come to our attention that would have been reported to you.

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

The Vercher Group

Jena, Louisiana
October 24, 2025