

TOWN OF JEAN LAFITTE

FINANCIAL REPORT

**For the Year Ended
June 30, 2025**

(THIS PAGE LEFT BLANK INTENTIONALLY)

TABLE OF CONTENTS

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
REQUIRED SUPPLEMENTARY INFORMATION – PART I	
Management's Discussion and Analysis	7
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	18
Statement of Activities	19
Fund Financial Statements	
Balance Sheet – Governmental Funds	20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	21
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	22
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities	23
Notes to the Financial Statements	
Note 1 – Summary of Significant Accounting Policies	25
Note 2 – Stewardship, Compliance and Accountability	32
Note 3 – Cash, Cash Equivalents, and Investments	34
Note 4 – Receivables	35
Note 5 – Capital Assets	36
Note 6 – Long-Term Debt	39
Note 7 – Interfund Transactions	39
Note 8 – Restrictions on Net Position and Fund Balance Components	39
Note 9 – Sales Taxes	40
Note 10 – Leases	40
Note 11 – Employee Pension Plans	42
Note 12 – Commitments and Contingencies	48
Note 13 – New Accounting and Reporting Pronouncements	50
REQUIRED SUPPLEMENTARY INFORMATION – PART II	
Net Pension Liability Schedules	
Schedule of the Town's Proportionate Share of the Net Pension Liability – Municipal Employee's Retirement System – Plan A	52
Schedule of the Town's Pension Contributions – Municipal Employees' Retirement System – Plan A	53
Schedule of the Town's Proportionate Share of the Net Pension Liability – Municipal Police Employee's Retirement System	54
Schedule of the Town's Pension Contributions – Municipal Police Employees' Retirement System	55
Notes to Required Supplementary Information – Changes in Benefit Terms and Changes in Assumptions	56

TABLE OF CONTENTS (CONTINUED)

FINANCIAL SECTION (CONTINUED)

REQUIRED SUPPLEMENTARY INFORMATION – PART II (CONTINUED)

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual.....	57
---	----

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Schedule of Revenues – Budget to Actual – General Fund	60
--	----

Schedule of Expenditures – Budget to Actual – General Fund.....	61
---	----

Schedule of Revenues, Expenditures and Changes in Fund Balances – Capital Projects Fund	63
--	----

OTHER SUPPLEMENTARY INFORMATION

Schedule of Councilpersons' Compensation	67
--	----

Schedule of Compensation and Other Payments to Agency Head Or Chief Executive Officer	68
--	----

Schedule of State Funding	69
---------------------------------	----

Justice System Funding Schedule – Collecting/Disbursing Entity (Cash Basis).....	70
--	----

Schedule of Expenditures of Federal Awards	72
--	----

COMPLIANCE SECTION

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	75
---	----

Schedule of Findings and Responses	77
--	----

Summary Schedule of Prior Audit Findings	78
--	----

FINANCIAL SECTION

(THIS PAGE LEFT BLANK INTENTIONALLY)

INDEPENDENT AUDITORS' REPORT

Honorable Yvette Crain, Mayor
and Members of the Council
Town of Jean Lafitte, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Town of Jean Lafitte (the "Town"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise of the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Town, as of June 30, 2025, and the respective changes in financial position 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 7 - 15; Schedule of the Town's Proportionate Share of the Net Pension Liability - Municipal Employee's Retirement System-Plan A on page 52; Schedule of the Town's Pension Contributions - Municipal Employee's Retirement System-Plan A on page 53; Schedule of the Town's Proportionate Share of the Net Pension Liability - Municipal Police Employee's Retirement System on page 54; Schedule of the Town's Pension Contributions - Municipal Police Employee's Retirement System on page 55; Notes to Required Supplementary Information on page 56; and the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget to Actual on page 57, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Schedule of Revenues - Budget to Actual - General Fund; Schedule of Expenditures - Budget to Actual - General Fund; Schedule of Revenues, Expenditures and Changes in Fund Balances - Capital Projects Fund; Schedule of Councilpersons' Compensation; Schedule of Compensation and Other Payments to Agency Head or Chief Executive Officer; Schedule of State Funding; Justice System Funding Schedule - Collecting/Disbursing Entity (Cash Basis); and the Schedule of Expenditures of Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the Schedule of Revenues - Budget to Actual - General Fund; Schedule of Expenditures - Budget to Actual - General Fund; Schedule of Revenues, Expenditures and Changes in Fund Balances - Capital Projects Fund; Schedule of Councilpersons' Compensation; Schedule of Compensation and Other Payments to Agency Head or Chief Executive Officer; Schedule of State Funding; Justice System Funding Schedule - Collecting/Disbursing Entity (Cash Basis); and the Schedule of Expenditures of Federal Awards 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 December 30, 2025, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town's internal control over financial reporting and compliance.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
December 30, 2025



REQUIRED SUPPLEMENTARY INFORMATION - PART I

(THIS PAGE LEFT BLANK INTENTIONALLY)

TOWN OF JEAN LAFITTE, LOUISIANA MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2025

The Management's Discussion and Analysis is intended to provide readers of the Town of Jean Lafitte's (the "Town") financial report with an overview and analysis of the financial activities of the Town for the year ended June 30, 2025. It should be read in conjunction with the financial statements and the notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The Auditors' report/opinion was "unmodified" (i.e., a clean opinion) for the year ended June 30, 2025.
- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at June 30, 2025 by \$36,758,771. Of this amount, \$37,117,542 or 101.0% is invested in capital assets, such as land, buildings, equipment, vehicles and infrastructure. The remaining balance of \$(358,771) or 1.0% is reported as unrestricted.
- The Town's total net position decreased by \$(1,040,520) during 2025. The majority of this decrease has to do with drops in federal and state funding received on expenses that were capitalized into capital assets.
- Under GASB Codification Section P20, the Town records its proportionate share of the Net Pension Liability reported by the pension plan it participates in. At year end, this net pension obligation totaled \$366,509. There are also a number of deferred inflows of resources and deferred outflows of resources related to the pension plan that are recorded at year end and amortized over the next few years. At year end, deferred outflows related to the pension were \$73,332 and deferred inflows were \$48,838.
- At June 30, 2025, the Town's governmental funds reported an ending fund balance of \$238,529, a decrease of \$(478,228) from the prior year. This includes a fund balance of \$432,816 in the General Fund and a deficit of \$(194,287) in the Capital Projects Fund. The portion of the fund balance that is available for spending at the Town's discretion in the General Fund is \$292,232, which is 122.5% of the total governmental fund balance and 10.2% of current year expenditures in the General Fund.
- The Town continues working on several capital projects, the main one being the Wetlands Education Center. During 2025, the Town spent \$618,764 on capital projects, with \$607,558 being spent on this project. Funding to complete the project has been secured from the CPRA (BA-0236). During 2025, \$589,983 was received from the CPRA on this project, with the Town transferring \$17,575 to cover costs not covered by the State. It is anticipated that the funding agreements will remain in place until the project is completed.
- In August 2021, Hurricane Ida devastated the southwestern region of Jefferson Parish, including the Town of Jean Lafitte. While only a few lives were lost, the property damage to residences and businesses throughout the area was extensive. The Town had to work for months to clear mud and debris from the area. Residents and businesses were displaced for weeks. Claims have been filed with FEMA and with the Town's insurance companies. A Community Disaster Loan (CDL) has also been received to help with cash-flow problems as regular sales taxes and fines and forfeitures continue to lag pre-storm figures. The recovery effort has been quick in some areas and slow in others; however, it continues.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis serves as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Also included in the report is required supplementary information, individual fund statements and schedules, and other supplementary information.

TOWN OF JEAN LAFITTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2025

Government-wide financial statements. The government-wide financial statements report information about the overall finances of the Town similar to a business enterprise. The statements combine and consolidate short-term, spendable resources with capital assets and long-term obligations.

The Statement of Net Position presents information on the Town's assets and deferred outflows of resources less liabilities and deferred inflows of resources, which results in net position. The statement is designed to display the financial position of the Town. Over time, increases or decreases in net position help determine whether the Town's financial position is improving or deteriorating.

The Statement of Activities provides information showing how the Town's net position changed as a result of the year's activities. The statement uses the accrual basis of accounting, which is similar to the accounting used by private-sector businesses. All of the revenues and expenses are reported regardless of the timing of when cash is received or paid.

Both of the government-wide financial statements distinguish functions of the Town that are financed primarily by taxes, intergovernmental revenues, and charges for services. The Town's governmental activities include general government, public safety, public works, and culture and recreation.

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 and objectives. The Town uses fund accounting to ensure and demonstrate fiscal accountability. The Town uses governmental fund financial statements to provide more detailed information about the Town's funds.

Governmental funds. Governmental funds are used to report on the Town's basic services. The funds focus on the inflows and outflows of current resources and the balances of spendable resources available at the end of the fiscal year. Governmental fund statements provide a near-or-short-term view of the Town's operations. A reconciliation is prepared of the governmental funds Balance Sheet to the Statement of Net Position and the Statement of Revenues, Expenditures, and Changes in Fund Balances of the governmental funds to the Statement of Activities.

The Town maintains two governmental funds, the **General Fund** and the **Capital Projects Fund**. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for these funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information- Part II. The pension accounting and reporting standards require two historical schedules on the Town's proportionate share of the Net Pension Liabilities for the pension plans it participates in, along with a schedule of pension contributions made. These schedules are included here.

In addition, the Town adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for this fund in this Section.

Other information. Various individual fund statements and schedules for the General Fund and the Capital Projects fund follow the footnotes. Other supplemental information, including the Schedule of Councilperson's Compensation, the Schedule of State Funds, and the required Justice System Funding Schedule follow these schedules.

Compliance Section. Due to the amount of federal funding in 2025, the Town was not required to undergo an audit in accordance with the Uniform Guidance (i.e., Single Audit). The Yellow Book required auditor reports on internal control and compliance are included here, as well as the Schedule of Expenditures of Federal Awards, and the Schedule of Findings and Responses.

TOWN OF JEAN LAFITTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. The following table reflects condensed information on the Town's net position.

Net Position				
Governmental Activities				
June 30,				
	2025		2024	
Current and other assets	\$ 838,901		\$ 1,579,948	
Capital assets	37,334,832		37,745,174	
Total assets	<u>38,173,733</u>		<u>39,325,122</u>	
Deferred outflows - pension-related	<u>73,332</u>		<u>143,685</u>	
Current liabilities	574,106		827,893	
Non-current liabilities - other	472,575		265,016	
Non-current liabilities - pension-related	366,509		518,260	
Total liabilities	<u>1,413,190</u>		<u>1,611,169</u>	
Deferred inflows - leases	26,266		35,298	
Deferred inflows - pension-related	<u>48,838</u>		<u>23,049</u>	
	<u>75,104</u>		<u>58,347</u>	
Net Position				
Net investment in capital assets	37,117,542	101.0%	37,357,617	98.8%
Restricted for Capital Projects	-	0.0%	-	0.0%
Unrestricted				
Designated	-	0.0%	-	0.0%
Undesignated	(358,771)	-1.0%	441,674	1.2%
Total net position	<u>\$ 36,758,771</u>	<u>100.0%</u>	<u>\$ 37,799,291</u>	<u>100.0%</u>

Current and other assets have decreased due mainly to the drop in cash (down \$315,448) and receivables (down \$528,836). These accounts have decreased due to activity on the Wetlands Education Center (collecting receivables and paying vendor invoices). This drop in cash is offset by a slight increase in investments (up \$103,668) as the Town was able to put some funds back into savings.

Capital assets decreased \$(410,342) due to additions of \$745,615 in construction in progress (primarily the Wetlands Education Center) and equipment purchases, offset by current year depreciation of \$1,155,957. Current liabilities decreased as payables on various capital projects were paid out in 2025. Non-current liabilities increased due to the accrual of a claim payable of \$200,000, plus interest on the community disaster loan.

Reporting under GASB Codification Section P20 related to pensions results in the recognition of deferred inflows and outflows of resources related to the pension, and a non-current liability for pension obligations. Under GASB Codification Section L20 related to leases, deferred inflows on leases are also reported.

The "net investment in capital assets" totals \$37,117,542 and represents the Town's net book value of its capital assets, net of any related debt. It is the accumulation of the Town's investments in capital assets over the years. These assets are not available for spending. The remaining balance in the undesignated portion of \$(358,771) is available for spending in the future.

Changes in net position. The following table reflects condensed information on the Town's revenues and expenses, and its change in net position.

TOWN OF JEAN LAFITTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2025

For the Year Ended June 30,

	2025	2024
Revenues		
Program Revenues:		
Charges for Services	\$ 661,067	\$ 734,977
Operating Grants and Contributions	400,712	297,691
Capital Grants and Contributions	1,165,158	3,673,053
General Revenues:		
Taxes	420,280	371,494
Gaming	333,922	343,791
Unrestricted Interest Earnings	25,439	39,211
Insurance Proceeds	-	-
Miscellaneous Revenues	5,523	27,377
Gain (loss) on disposal/impairment of equipment	-	4,150
Gain (loss) on termination/waiver of lease payments	-	(249)
Total Revenues	3,012,101	5,491,495
Expenses		
General Government	2,232,001	1,566,759
Public Safety	328,982	229,243
Public Works	402,489	383,930
Culture and Recreation	1,081,590	1,066,780
Interest on Long-term Debt	7,559	13,017
Total Expenses	4,052,621	3,259,729
Change in Net Position	(1,040,520)	2,231,766
Net Position - Beginning	37,799,291	35,567,525
Net Position - Ending	\$ 36,758,771	\$ 37,799,291

Charges for services include licenses and permits, facility rentals, fines and forfeitures, and special event charges. For 2025, this category was down \$(73,910) due to 1) an increase of \$28,983 in the general government function due to an increase of \$21,864 in facility rentals and an increase of \$7,119 in various licenses and permits, 2) an increase of \$1,228 in the public safety function due to an increase in fines and forfeitures, and 3) a decrease of \$(104,121) in the culture and recreation function due to a decrease in special events revenues (primarily the seafood festival).

Operating grants include state allocations for parish transportation funds, beer taxes, state grants for the seafood market, state grants for various capital outlay purchases, senior citizen utilities grants, on-behalf payments made to the pension plan by non-employer entities, and donations from other sources. For 2025, operating grants increased \$103,021 primarily due to 1) a decrease of \$(2,465) in the general government function mainly due to a decrease in donations, 2) an increase of \$22,436 in the public safety function due to increased revenues on police patrol grants and state supplemental pay for officers, 3) an increase of \$100,000 in the public works function due to a new state grant for maintenance costs, and 4) a decrease of \$(16,950) in the culture and recreation function due to a drop in a state grant for the seafood market.

Capital Grants include various grants from federal, state and parish/local sources to help fund major construction activity in the Town. The capital funding includes CDBG Disaster Recovery Grants, DOTD Grants, FEMA grants, State Capital Outlay funds, grants from other agencies, and miscellaneous grants from the Parish for repairs and improvements. For 2025, this category was down \$(2,507,895) mainly due to 1) a decrease of \$(211,228) in the general government function primarily coming from FEMA public assistance grants (down \$61,228) and a drop in State Act 397 Funding (down \$150,000) which was used to purchase a Senior Bus in the prior year, 2) a decrease of \$(143,549) in the public safety function mainly from a drop in State Act 397 Funding (down \$150,000) which was to purchase police cars and equipment in the prior year, 3) a decrease of \$(1,125,393) in the public works function due to a decrease of \$(213,745) in

TOWN OF JEAN LAFITTE, LOUISIANA
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2025

DOTD sidewalk grants (as the project winds to a close), a decrease of \$(654,175) from state capital outlay funds which were used for construction of a storage warehouse (#50-ME1-2101) in the prior year, a decrease of \$(380,000) from State Act 397 Funding for hurricane equipment purchased in the prior year, an increase of \$279,337 from State Act 167 Funding for Hurricane Ida matching reimbursements, and a decrease of \$(156,810) in Parish funding towards the Sidewalks project, and 4) a decrease of \$(1,027,725) in the culture and recreation function resulting primarily from a decrease of \$(929,089) from the CPRA National Resource Damage Assessment grants for the Wetlands Education Center (#BA0236), a decrease of \$(15,955) from the Parish for the library, a decrease of \$(33,064) in funding from Jefferson Parish for the Wetlands Center, and a decrease of \$(10,336) in Parish funding towards the Ampitheatre project.

Taxes include sales taxes for general operations and law enforcement, as well as franchise taxes from various utility and cable companies. This revenue was up \$48,786, due to changes in sales taxes (up \$52,681) and franchise fee revenues (down \$3,895). Sales taxes were up, which seems to be an overall reflection of the local economy (as recovery from Hurricane Ida reaches 4 years). Franchise fees were down slightly as reconnections slowed.

Gaming includes money received from the Parish for the Town’s allocation of Boomtown Belle Casino boarding fees (the Town receives 5% of the fees) and the allocation received from the State for video poker machines within the Town limits. This category went down \$(9,869), mostly due to a decrease in fees from the Boomtown Belle Casino boarding fee.

Unrestricted interest was down \$(13,772) as less funds were on hand during the year earning interest for the Town.

Miscellaneous Revenues decreased \$(21,854) as workers compensation dividends were down slightly.

Gain (Loss) on Disposal/Impairment of Equipment was down \$(4,150). The prior year saw a small gain on the sale of a vehicle, which did not recur.

Expenses totaled \$4,052,621 for 2025, an increase of \$792,892. The **General Government Function** was up \$665,242 mostly due to an increase in emergency response costs – hurricanes (up \$321,974), an increase in claims & judgments (up \$200,000), an increase in repairs and maintenance (up \$55,039), an increase in insurance (up \$47,844), an increase in contract labor (up \$41,972), an increase in auditorium – food and drink costs (up \$33,624), an increase in seafood market operating costs (up \$25,608), a decrease in miscellaneous expenditures (down \$22,464), and a drop in pension expenditures (down \$53,888). **Public Safety** costs went up \$99,739, mostly due to an increase in officer salaries (up \$10,636), and an increase in depreciation expense (up \$101,680). **Public Works** were up \$18,559, mainly due to an increase of \$15,745 in road maintenance supplies. **Culture and Recreation** increased \$14,810, due mainly to an increase in Seafood Festival costs (up \$24,254), and a decrease in other special events (down \$7,942).

FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. To accomplish this, the Town maintains two “governmental funds” – the General Fund and the Capital Projects Fund. The focus on these governmental funds is to provide information on near-term inflows, outflows, and spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government’s net resources available for spending at the end of the year.

TOWN OF JEAN LAFITTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2025

As of June 30, 2025, the Town's governmental funds reported a combined ending fund balance of \$238,529, a decrease of \$(478,228) from the prior year. \$140,584 or 58.9% is classified as *non-spendable fund balance*, and the balance of \$97,945 or 41.1% is classified as *unassigned fund balance*, which would be available for spending at the Town's discretion. This amount is a net of the General Fund's *unassigned fund balance* of \$292,232 and the Capital Projects fund's *unassigned fund balance* of \$(194,287) at year-end.

Overall, revenues of the Town's governmental funds have varied over the years due to amount and timing of funding from federal, state, and parish/local grants. For the year ended June 30, 2025, governmental fund revenues totaled \$3,001,442. Of this amount, \$2,411,459 was recorded in the General Fund and \$589,983 was in the Capital Projects Fund. While the General Fund revenues are derived from various sources, the Capital Projects Fund revenues are mostly federal, state or parish/local grants.

The **General Fund** is the Town's chief operating fund. At year end, total fund balance was \$432,816. Unassigned fund balance of the General Fund totaled \$292,232, which is 122.5% of the total governmental fund balance. As a measure of the liquidity of the General Fund, it may be useful to compare the unassigned fund balance to total fund expenditures. For 2025, the unassigned fund balance equaled 10.2% of the current year expenditures of the fund (down from 26.6% last year).

The General Fund's revenues totaled \$2,411,459 for 2025.

- Taxes totaled \$420,280, including sales taxes of \$345,888 and franchise taxes of \$74,392. In total, this was an increase of \$48,786 or 13.1% from last year (mostly in sales taxes, as the local economy stabilizes after Hurricane Ida).
- Intergovernmental revenues totaled \$963,868, including \$323,297 from federal grants, \$640,571 from state grants and allocations, and \$-0- from parish/local grants. In total, this was a decrease of \$(366,327) or 27.5% from last year. The majority of this decrease had to do with 1) a net decrease in federal grants (down \$45,541) due to decreases in FEMA public assistant grants (down \$61,228), offset by small increases in the police patrol and victims assistance grants, 2) a net decrease in state grants (down \$304,831) due to non-recurrence of grants from the State for capital purchases – State Act 397 (down \$680,000), offset by an increase in Act 167 Hurricane Ida funding for matching fund reimbursements (up \$279,337), and an increase from a new State grant for maintenance costs (up \$100,000), and 3) a decrease in parish/local grants of \$(15,955) due to the non-recurrence of a grant for covering costs at the local library.
- Licenses and permits totaled \$90,001, which was an increase of \$7,119 or 8.6% over last year, as rebuilding post Hurricane Ida picked up a bit.
- Service charges, rentals and fees totaled \$157,696. In total, this was an increase of \$21,864 or 16.1% over last year (mostly in facility rentals as the Town started offering catering – food and drinks).
- Fines and forfeitures totaled \$9,937, which was an increase of \$1,228 or 14.1% over last year (mostly in Redflex tickets revenues – despite this program ending).
- Gaming fees and commissions totaled \$333,922, which is a decrease of \$(9,869) or 2.9% from last year. These fees come from the Boomtown Casino boarding fees.
- Interest income totaled \$25,439, which was a decrease of \$(13,772) or 35.1% from last year. The decrease was due to less available cash balances.
- Other income totaled \$410,316, which is down \$(128,014) or 23.8% from last year. The decrease was mostly a net change from 1) a decrease of \$(104,121) in Special Events and Festivals revenues, 2) a decrease of \$(21,854) in miscellaneous income, and a decrease of \$(2,039) in donations. The decrease in Special Events and Festivals revenues was caused by the Seafood Festival generating less revenue than the prior year festival. Miscellaneous income was down due to LWCC dividends coming in lower.

TOWN OF JEAN LAFITTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2025

Expenditures of the General Fund totaled \$2,860,906, which was \$(81,007) or 2.8% less than last year. The largest changes were seen in the General Government Function and Capital Outlay costs. The General Government Function totaled \$2,006,443, which was \$510,161 more than last year. The largest changes were seen in emergency response costs (up \$321,974), repairs and maintenance – general (up \$55,039), insurance premiums (up \$47,844), contract labor (up \$41,972), auditorium food & drink (up \$33,624), seafood market operating costs (up \$25,608), and miscellaneous expenditures (down \$22,464). Capital outlay totaled \$126,851, which was \$(632,667) or 83.3% less than last year. Most of the decrease had to do with the prior year's expenditure of funds from State Act 397 to purchase police cars, equipment, hurricane equipment, etc. (over \$600,000). The Culture and Recreation Function totaled \$528,570, which is \$17,345 more than last year. This increase is mostly related to the Seafood Festival costs being higher than the prior year.

The **Capital Projects Fund** incurred \$618,764 on various construction projects, including the Lafitte Sidewalk Beautification project, and the CDBG/CPRA-Wetlands Education Center project. This included \$95,488 in architect fees, \$515,520 in construction costs, and \$7,756 in other expenditures. \$589,983 was recognized as revenue from various federal, state and parish grants (primarily the Wetlands CPRA grant). Transfers from the General Fund also totaled \$28,781, in order to cover costs not covered by grants.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budgeted revenues of the General Fund were \$2,431,325. This final amount reflected an increase of \$370,050 to reflect 1) an increase of \$61,500 in taxes, 2) a net increase of \$293,200 in intergovernmental revenues (primarily for an increase in State Grants due to state appropriation for various local projects – State Acts 167 and 776), 3) an increase of \$33,600 in service charges, rentals and fees (primarily in facility rentals), 4) a decrease of \$(12,000) in fines and forfeitures (due to the discontinuance of the traffic camera speeding ticket program), 5) a decrease of \$(15,000) in gaming fees, and 6) an increase of \$7,500 in Other Income mainly due to an increase in special events.

Budgeted expenditures of the General Fund totaled \$2,725,250, reflecting an increase of \$358,000 over the original budget. General Government costs increased \$197,050, mostly due to 1) an increase of \$105,000 in repairs and maintenance, 2) an increase of \$45,000 in auditorium food & drink costs, 3) an increase of \$38,000 in contract labor, 4) an increase of \$34,000 seafood market operating costs, 5) an increase of \$19,400 in emergency costs, and 6) a decrease of \$(12,000) in consulting fees. Public Safety decreased \$(14,450) mostly due to a decrease in the victim's assistance grant. Capital Outlay costs increased \$174,500 primarily due to a state appropriation that provided the Town with funds to purchase a high-water truck.

The General Fund budgeted transfers in of \$200,000 from the Capital Project Fund anticipating that some prior year costs would be reimbursed. This did not happen. Budgeted transfers out from the General Fund were \$-0-; however, the Town ended up transferring \$28,781 to the Capital Projects Fund to cover costs incurred that were not covered by federal or state grants.

The Town's General Fund actual revenues were under budget by \$(19,866) or 0.8%. This is principally due to various line-items coming in slightly over/under budget. The Town's general fund actual expenditures were over budget by \$135,656 or 5.0%. The General Government Function was over budget \$130,843 primarily due to an overage of \$181,545 in emergency response costs. The Culture and Recreation Function was over budget by \$33,570 primarily due to additional costs in the Seafood Festival. The Capital Outlay Function was under budget by \$(47,649) due to additional equipment purchases made for the high-water truck coming in lower than expected. All of the overages were covered by available fund balance.

**TOWN OF JEAN LAFITTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2025**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The following table reflects the Town's investment in capital assets, net of depreciation, as of June 30, 2025 and 2024.

	Capital Assets, Net Governmental Activities	
	June 30,	
	2025	2024
Land	\$ 690,985	\$ 690,985
Construction in Progress	7,287,365	9,268,207
Land Improvements	134,694	152,819
Buildings	15,733,290	16,312,405
Building Improvements	826,392	890,415
Furniture, Fixtures, and Equipment	147,157	195,245
Vehicles and Heavy Equipment	700,010	727,962
Infrastructure (Roads and Drainage)	11,814,939	9,507,136
Capital Assets, net of depreciation	\$ 37,334,832	\$ 37,745,174
Less: Capital-related debt/payables	(217,290)	(387,557)
Net Investment in Capital Assets	\$ 37,117,542	\$ 37,357,617

The majority of the changes in capital assets were in construction in progress (down \$1,980,842), which was a net of current year additions totaling \$618,764 and a transfer of a completed project of \$(2,599,606) to infrastructure, and an addition of \$126,851 to vehicles and heavy equipment for the purchase of a new high-water truck. For the year ended June 30, 2025, depreciation expense was \$1,155,957, as compared to \$1,054,904 last year.

Long-term Debt. In April 2022, the Town was approved for a Community Disaster Loan (CDL) in the aftermath of Hurricane Ida. During 2023, drawdowns against this loan totaled \$251,999. No additional drawdowns were made. The loan bears an interest rate not to exceed 3.50% and is payable in 5 years, unless a hardship waiver can be proven. During 2025, the loan accrued interest totaling \$7,559, bringing total accrued interest to \$20,576. The principal and interest amounts are shown as a non-current liability in the Statement of Net Position.

Net Pension Liability. On the Statement of Net Position, the Town is also showing a non-current liability – pension-related totaling \$366,509. This represents the Town's proportionate share of the Net Pension Liability of the Municipal Employees' Retirement System. Under GASB Statement No. 68, the Town recognizes its share of the pension liability on its government-wide financial statements. This liability saw a decrease in the current year (down \$151,751) due to changes in expected earnings, along with changes in assumptions, changes in proportionate share, changes in experience, etc.

Reclassifications. Some amounts in the 2024 columns may have been reclassified from how they were presented in the prior year to properly reflect their function and to match how they are presented in 2025. There is no effect on net position as a result of these reclassifications.

TOWN OF JEAN LAFITTE, LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2025

ECONOMIC OUTLOOK

- The unemployment rate for the Parish of Jefferson (New Orleans-Metairie MSA) is currently 5.1 percent, which is 1.0 percent higher than it was a year ago. In the fishing community of Lafitte, which is heavily dependent on offshore oil, tourism and commercial fisheries (primarily shrimping), the rate tends to be slightly higher at times.
- Inflationary trends in the region compare favorably to national indices, although they had been trending up in the same way as they were nationally.
- The Town is continuing its construction projects, most of which are being funded through Federal, State and Parish/Local grants. These construction projects include the Levee Path #4 Bike Trail, the Wetlands Education Center, the Lafitte Amphitheatre, the Dental/Medical Center, and the Lafitte Warehouse project. It is anticipated that all of the projects will receive the funding in accordance with existing contracts and grants.
- In August 2021, Hurricane Ida devastated the southwestern region of the Parish, including the Town of Jean Lafitte. While only a few lives were lost, the property damage to residences and businesses throughout the area was extensive. The Town had to work for months to clear mud and debris from the area. Residents and businesses were displaced for weeks. The Town has had to relocate from its damaged Town Hall and continues to work to serve its residents and to begin the long-term recovery process. Claims have been filed with FEMA and with its insurance companies. A Community Disaster Loan (CDL) has been received to help with cash-flow problems as regular sales taxes and fines and forfeitures continue to lag pre-storm figures. The recovery effort has been quick in some areas and slow in others; however, it continues.

FURTHER INFORMATION

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Mayor or Town Clerk at the Temporary Town Hall, 4917 City Park Drive, Lafitte, LA 70067 or call (504) 689-2208 during office hours.

(THIS PAGE LEFT BLANK INTENTIONALLY)

BASIC FINANCIAL STATEMENTS

TOWN OF JEAN LAFITTE, LOUISIANA

**STATEMENT OF NET POSITION
JUNE 30, 2025**

	Governmental Activities
ASSETS	
Current Assets:	
Cash	\$ 65,412
Investments	105,054
Receivables - operating	499,031
Receivables - leases	28,820
Prepaid items	140,584
Total current assets	<u>838,901</u>
Capital Assets, not being depreciated	7,978,350
Capital Assets, net of depreciation	29,356,482
Total capital assets	<u>37,334,832</u>
 Total Assets	 <u>38,173,733</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows - pension-related	<u>73,332</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	544,895
Salaries and benefits payable	29,211
Unearned revenues	-
Total Current Liabilities	<u>574,106</u>
Non-Current Liabilities:	
Claims & judgments payable	200,000
Loans payable - Community Disaster Loan	251,999
Accrued interest payable - Community Disaster Loan	20,576
Net pension liability	366,509
Total Liabilities	<u>1,413,190</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - leases	26,266
Deferred inflows - pension-related	48,838
	<u>75,104</u>
NET POSITION	
Net investment in capital assets	37,117,542
Restricted for capital projects	-
Unrestricted	(358,771)
Total Net Position	<u>\$ 36,758,771</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF JEAN LAFITTE, LOUISIANA

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Position</u>
Governmental Activities:					
General Government	\$ 2,232,001	\$ 247,697	\$ 202,814	\$ 255,474	\$ (1,526,016)
Public Safety	328,982	9,937	72,503	8,520	(238,022)
Public Works	402,489	-	100,000	311,181	8,692
Culture and Recreation	1,081,590	403,433	25,395	589,983	(62,779)
Intergovernmental	-	-	-	-	-
Interest on Long-term Debt	7,559	-	-	-	(7,559)
Total Governmental Activities	<u>\$ 4,052,621</u>	<u>\$ 661,067</u>	<u>\$ 400,712</u>	<u>\$ 1,165,158</u>	<u>(1,825,684)</u>
General Revenues:					
Taxes					
Sales taxes					
Franchise taxes					
Gaming					
Boomtown fees					
Unrestricted interest					
Insurance proceeds					
Miscellaneous revenues					
Gain (loss) on disposal/impairment of equipment					
Gain (loss) on termination of lease					
Total General Revenues					
					<u>785,164</u>
Change in net position					(1,040,520)
Net Position - Beginning of year					37,799,291
Net Position - end of year					<u>\$ 36,758,771</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF JEAN LAFITTE, LOUISIANA

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2025

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 65,412	\$ -	\$ 65,412
Investments	105,054	-	105,054
Receivables - general	213,185	285,846	499,031
Due from other funds	262,843	-	262,843
Receivables - leases	28,820	-	28,820
Prepaid items	140,584	-	140,584
Total Assets	<u>\$ 815,898</u>	<u>\$ 285,846</u>	<u>\$ 1,101,744</u>
LIABILITIES			
Accounts payable	\$ 327,605	\$ 217,290	\$ 544,895
Salaries and benefits payable	29,211	-	29,211
Due to other funds	-	262,843	262,843
Claims & judgments payable	-	-	-
Unearned grant revenues	-	-	-
Total liabilities	<u>356,816</u>	<u>480,133</u>	<u>836,949</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - leases	26,266	-	26,266
Unavailable grant revenue	-	-	-
	<u>26,266</u>	<u>-</u>	<u>26,266</u>
FUND BALANCES			
Non-spendable	140,584	-	140,584
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	292,232	(194,287)	97,945
Total fund balances	<u>432,816</u>	<u>(194,287)</u>	<u>238,529</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 815,898</u>	<u>\$ 285,846</u>	<u>\$ 1,101,744</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF JEAN LAFITTE, LOUISIANA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2025**

Total fund balances at June 30, 2025 - Governmental Funds	\$ 238,529
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Some of the grants receivable are not available to pay for current period expenditures and, therefore, are reported as deferred inflows (unavailable grant revenues) in the fund financial statements.	-
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	
Capital assets	57,849,044
Less accumulated depreciation	(20,514,212)
Deferred outflows are not available to pay for current-period expenditures and, therefore, are deferred and expensed as consumed.	
Deferred outflows - pension-related	73,332
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities at year-end consist of:	
Claims and judgments payable	(200,000)
Loans payable - Community Disaster Loan	(251,999)
Accrued interest payable - Community Disaster Loan	(20,576)
Net pension liability	(366,509)
Deferred inflows related to the pension plans are not yet available and, therefore, are deferred and recognized as revenue in future periods.	
Deferred inflows - pension-related	(48,838)
Net position of governmental activities at June 30, 2025	<u>\$ 36,758,771</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF JEAN LAFITTE, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	General Fund	Capital Projects Fund	Total Governmental Funds
REVENUES			
Taxes	\$ 420,280	\$ -	\$ 420,280
Intergovernmental			
Federal	323,297	-	323,297
State	640,571	589,983	1,230,554
Parish/local	-	-	-
Licenses and permits	90,001	-	90,001
Service charges, rentals and fees	157,696	-	157,696
Fines and forfeitures	9,937	-	9,937
Gaming fees and commissions	333,922	-	333,922
Interest - banking and checking	25,439	-	25,439
Other	410,316	-	410,316
Total Revenues	<u>2,411,459</u>	<u>589,983</u>	<u>3,001,442</u>
EXPENDITURES			
Current:			
General government	2,006,443	-	2,006,443
Public safety	182,761	-	182,761
Public works	16,281	-	16,281
Culture and recreation	528,570	-	528,570
Capital Outlay	126,851	618,764	745,615
Total Expenditures	<u>2,860,906</u>	<u>618,764</u>	<u>3,479,670</u>
Excess (Deficiency) of Revenues over (under) Expenditures	(449,447)	(28,781)	(478,228)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	28,781	28,781
Transfers out	(28,781)	-	(28,781)
Proceeds from disaster loan	-	-	-
Proceeds from the sale of equipment	-	-	-
Gain (loss) on termination of lease	-	-	-
Total Other Financing Sources (Uses)	<u>(28,781)</u>	<u>28,781</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(478,228)	-	(478,228)
FUND BALANCES			
Beginning of year	911,044	(194,287)	716,757
End of year	<u>\$ 432,816</u>	<u>\$ (194,287)</u>	<u>\$ 238,529</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF JEAN LAFITTE, LOUISIANA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025**

Net Change in Fund Balances - Total Governmental Funds	\$	(478,228)
Amounts reported for governmental activities in the Statement of Net Activities are different because:		
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, disposals, impairments, and donations) is to decrease net position		-
Governmental funds do not report the long-term accrual of claims and judgments payable; however, in the Statement of Activities, these expenses are recorded in the current year.		(200,000)
Governmental funds do not report the long-term accrual of interest payable on loans; however, in the Statement of Activities, these expenses are recorded in the current year.		(7,559)
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	\$	745,615
Depreciation Expense		<u>(1,155,957)</u>
		(410,342)
In the Statement of Activities, certain pension-related inflows and outflows of resources are recognized in the current year, while others are deferred. The net effect of these pension-related transactions are as follows:		
Current year pension (expense) benefit per the retirement systems		(24,966)
Current year amortization of certain deferred inflows and outflows		1,520
Recognition of On-Behalf Payments made to pension plan by non-employer entities		10,659
Deferral of current year pension contributions made by employer		68,396
Changes in Net Position of Governmental Activities	<u>\$</u>	<u>(1,040,520)</u>

The notes to the basic financial statements are an integral part of this statement.

(THIS PAGE LEFT BLANK INTENTIONALLY)

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Jean Lafitte, Louisiana (the “Town”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town’s accounting policies are described below:

A) Financial Reporting Entity

The Town of Jean Lafitte was incorporated in 1974 under the provisions of the Lawrason Act. The Town is governed by a Mayor, Council form of government (R.S. 33:321-481). The Town’s major operations include general administrative services, public safety, public works, urban development and housing, and culture and recreational services. The accompanying financial statements include all government activities, organizations, and functions for which the Town is financially accountable.

B) Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and Statement of Activities) report information on all of the non-fiduciary activities of the Town. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which are financed to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is 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*.

Fund Financial Statements

The accounts and operations of the Town are organized into “funds”, each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements are provided for each governmental fund operated by the Town. Emphasis is now on the major funds in either the governmental or business-type categories. Nonmajor funds (by category) or fund type are normally summarized into a single column. The Town has no nonmajor funds.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Town reports only governmental funds of which the following represents the major governmental funds:

The *General Fund* is the principal fund of the Town and is used to account for all activities except those required to be accounted for in other funds.

The *Capital Projects Fund* is used to account for ongoing major capital improvement and construction projects.

C) Basis of Accounting and Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resource measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

All governmental funds are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds' present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means the resources will be collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Taxes and fees collected and held by intermediary collecting governments at year end on behalf of the Town are recognized as revenue. As such, the Town considers sales taxes collected within 60 days of year-end to be available. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within six months after amount becomes due). Other revenues susceptible to accrual are intergovernmental revenues, grants and franchise fees. Fines, forfeitures, rentals, licenses and permits are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures are recognized under the modified accrual basis of accounting when the related fund liability is incurred, except, principal and interest on general long-term debt, which is not recognized until due. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Town may also report unearned revenues on its balance sheet. Unearned revenues arise when potential revenues are transmitted before the eligibility requirements are met (excluding time requirements). These items are carried as a liability until both revenue recognition criteria are met, or when the Town has a legal claim to the resources. When earned, the unearned revenue is removed from the balance sheet and recognized as revenue.

D) Assets, Liabilities, and Fund Equity

1. CASH, CASH EQUIVALENTS, AND INVESTMENTS

For reporting purposes, cash includes demand deposits and petty cash.

Louisiana Revised Statutes, LSA - R.S. 33:2955, authorize the Town to invest in (1) direct United States Treasury obligations, (2) bonds, indentures, and notes issued or guaranteed by federal agencies, provided that such obligations are backed by the full faith and credit of the United States (including but not limited to the FHA, FFB, GNMA, FHLB, FHLMC, FNMA, etc.), (3) direct repurchase agreements of any federal book entry only securities enumerated in (1) or (2), (4) time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, savings accounts or shares of savings and loan associations and savings banks, as defined by RS 6:703(16) or (17), (5) mutual or trust funds registered with the Securities Exchange Commission, (6) guaranteed investment contracts issued by a bank or entity having one of the two highest short-term rating categories of either Standard & Poor's or Moody's Investors Services, and (7) certain commercial grade commercial paper. The portfolio of the entity is limited in certain categories, for example, the investment in mutual funds cannot exceed 25 percent of the entity's portfolio. In addition, local governments in Louisiana are authorized to invest in the Louisiana Asset Management Pool (LAMP), a state sponsored external investment pool.

2. ACCOUNTS RECEIVABLE

Accounts receivable is recorded for sales tax, franchise fees, and intergovernmental revenues, and grants. All receivables were considered fully collectible at year-end; therefore, no allowance has been provided.

3. INTERFUND RECEIVABLES/PAYABLES

Activity between the Town's two funds represent short-term lending/borrowing arrangements outstanding at year end and are referred to as either "due from or due to other funds" (i.e., the current portion of the interfund loan). As a general rule, interfund balances are eliminated for purposes of the government-wide financial statements.

4. INVENTORIES

The costs of materials and supplies acquired by the governmental funds are recorded as expenditures at the time of purchase. The inventory of such materials and supplies at June 30, 2025 would not be material to the financial statements.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. LEASES

In accordance with GASB Codification Part IV, Section L20 - *Leases*, the Town recognizes a lease receivable and a deferred inflow of resources in the financial statements for those lease contracts with an initial individual value that is material to the financial statements and whose terms call for a lease period greater than one year. The lease receivable or liability is measured at the commencement of the lease at the present value of payments expected to be received or paid during the lease term. Subsequently, the lease receivable or liability is reduced by the principal portion of lease payments received or paid. The right to use the capital asset and the deferred inflow of resources is initially measured as the initial amount of the lease receivable or liability, adjusted for lease payments received or paid at or before the lease commencement date. The right to use the capital asset is generally amortized as expenses while the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgments include (1) the discount rate used to present value the expected lease receipts, (2) lease term, and (3) lease receipts. The Town generally estimates incremental borrowing rate by looking at the most recently added debt to its books as the discount rate for measurement of the lease receivable. The current estimated rate of interest applied to the leases is 3.0%. The lease term includes the non-cancellable period of the lease plus any renewal periods that management has determined they are reasonably certain to renew. Management monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the balances recognized if certain changes occur that are expected to significantly affect the amount of the leases.

6. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. These amounts will be expended as their benefit expires.

7. CAPITAL ASSETS

Capital assets include land, land improvements, buildings and building improvements, equipment, vehicles and heavy equipment, and infrastructure assets. All assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized at completion of construction projects. In the fund financial statements, capital assets used in governmental activities are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Assets that suffer significant damage from a natural disaster but are not destroyed, may be considered "impaired" to a certain extent until repair is made. The amount of value that the asset is impaired is estimated based on evaluation and consultation with the Town engineer. Impairments are recognized as disposals in the year that they occur. As the asset is repaired and brought back into use, the repair costs are capitalized and added to the cost of the asset and depreciated as noted herein.

Depreciation on capital assets, excluding land and construction in progress, is calculated on the straight-line method over the following estimated useful lives:

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

<u>Asset Category</u>	<u>Estimated Life in Years</u>
Land improvements	20
Buildings	40
Building improvements	20
Furniture, fixtures, and equipment	5 - 12
Vehicles and heavy equipment	5 - 10
Infrastructure (Roads and Drainage)	20 - 40

8. COMPENSATED ABSENCES

Annual and sick leave is expended when claimed by the employees rather than when earned. Employees may not carry over or accumulate annual or sick leave. Employees are required to use their annual leave during the year following his/her anniversary date of employment. In the opinion of the Town's Administration, the liability due at June 30, 2025 would not be material to the financial statements.

9. LONG-TERM DEBT

In the government-wide financial statements, long-term debt (if any) is reported as a noncurrent liability in the governmental activities Statement of Net Position. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Payments of principal and interest are recorded as expenditures only when due.

10. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

In addition to assets and liabilities, the statement of financial position reports separate sections for deferred outflows of resources and deferred inflows of resources. *Deferred Outflows of Resources* represent a consumption of net assets that applies to a future period and so it will not be recognized as an outflow of resources (expense/expenditure) until then. *Deferred Inflows of Resources* represent an acquisition of net assets that is applicable to a future reporting period and so it will not be recognized as an inflow of resources (revenue) until then.

The Town, at times, reports deferred inflows related to unavailable grant revenues and leases, as well as deferred inflows and outflows of resources related to its participation in a defined benefit pension plan.

Deferred Inflows – Unavailable Grant Revenues. Under the modified accrual basis of accounting, the Town recognizes revenues on expenditure-driven grants when they are both measurable and available (i.e., received during the period or within six months of the fiscal year end). When these revenues are considered “unavailable”, they are recorded on the governmental fund balance sheet as a deferred inflow of resources until they are received and recognized as revenue.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows – Leases. Note 10 presents detailed information concerning the amounts related to leases, which are recognized at the inception of the lease in which the Town is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

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

11. FUND EQUITY

In accordance with GASB Codification Section 1800, fund balances of the governmental fund types are categorized into classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – Non-spendable, Restricted, Committed, Assigned and Unassigned.

Non-spendable – This component includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – This component consists of amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation.

Enabling legislation authorizes the Town to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – This component consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority which include an ordinance of the Town. Those committed amounts cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same type of action (i.e., ordinance) it employed previously to commit those amounts.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assigned – This component consists of amounts that are constrained by the Town’s intent to be used for specific purposes but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Town Council, Mayor, or their designee as established in the Town’s Fund Balance Policy.

Unassigned – This classification represents amounts that have not been restricted, committed or assigned to specific purposes within the general fund. When both restricted and unrestricted resources are available for use, it is the Town’s policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the Town’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

For *committed fund balances*, the Town Council is considered to be the highest level of decision-making authority and ordinances or resolutions passed by it is needed to establish, modify, or rescind a fund balance commitment. For *assigned fund balances*, the Mayor or Town Clerk may assign amounts to a specific purpose. While the Town has not established a policy for its use of unrestricted fund balances, it does consider that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

12. ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of the government-wide financial statements during the reporting period. Actual results could differ from those estimates.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A) Budget Adoption

Formal budgetary accounting is employed as a management control device during the year for the General Fund. Capital Project Fund budgets are not presented since the funds are budgeted over the life of the respective projects and not on an annual basis.

The level of budgetary control in the General Fund is at the line-item level. Expenditures may not exceed appropriations until additional appropriations are provided. Appropriations which are not expended lapse at the end of each fiscal year. The budget for the General Fund is adopted on a basis consistent with GAAP. Budgetary comparisons presented in the accompanying financial statements are on a GAAP basis and include the original budget and all subsequent revisions.

The procedures used by the Town in establishing the budgetary data reflected in the financial statements are as follows:

- 1) Not less than 30 days before the end of the fiscal year, the Mayor recommends to the Council a proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- 2) The proposed budget is summarized and advertised and the public notified that the proposed budget is available for inspection and that within 10 days thereafter public hearings are conducted to obtain taxpayer comments.
- 3) The budget is then legally enacted through an ordinance adopted by the Council.
- 4) Any revisions that alter the total expenditures of the General Fund or line-item changes within the General Fund must be approved by the Council.

Budgeted amounts are as originally adopted and as finally amended by resolutions or motions of the Council through the end of the fiscal year.

B) Budget Amendments

The Town made supplemental budgetary adjustments during the year; the final one being made via Ordinance No. 530. Budgeted revenues of the General Fund were increased \$370,050 to reflect 1) an increase of \$61,500 in taxes, 2) a net increase of \$293,200 in intergovernmental revenues (primarily for an increase in State Grants of \$293,200 due to new state appropriation for various local projects), 3) an increase of \$33,600 in service charges, rentals and fees (primarily in facility rentals), 4) a decrease of \$(12,000) in fines and forfeitures (due to a decrease in traffic camera speeding ticket revenues), and 5) a decrease of \$(15,000) in gaming fees & commissions (due to an expected drop in riverboat gaming commissions).

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Budgeted expenditures increased \$358,000. The most significant of the changes made are described below.

Fund/Function	Original Budget	Amendments	Final Budget
General Government	\$ 1,677,650	\$ 197,950	\$ 1,875,600
Public Safety	193,850	(14,450)	179,400
Public Works	750	-	750
Culture and Recreation	495,000	-	495,000
Capital Outlay	-	174,500	174,500
	<u>\$ 2,367,250</u>	<u>\$ 358,000</u>	<u>\$ 2,725,250</u>

General Government costs increased \$197,050 mostly due to 1) a decrease of \$(15,000) in salaries, 2) an increase of \$45,000 in auditorium – food & drinks costs (due to the Town now offering some catering at the auditorium), 3) an increase of \$38,000 in contract labor (due to prior cut-backs in contract labor being relaxed), 4) a decrease of \$(12,000) in consultant fees (due to the discontinuance of using a federal/state liaison), 5) an increase of \$34,000 in seafood market – operating costs (as the operating and maintenance costs are now being broken out for this facility), and 6) an increase of \$105,000 in general repairs and maintenance (primarily due to air conditioning and roof repairs on various facilities).

Public Safety decreased \$(14,450) mostly due to a decrease of \$(17,500) in victims assistance grant costs.

Capital Outlay costs increased \$174,500 primarily due to a state appropriation that provided the Town with funds to purchase a high-water vehicle (\$100,000).

C) Expenditures in Excess of Budget

The General Fund's actual expenditures exceeded the final budget by \$135,656 or 5.0%. The following functions had expenditures in excess of budget.

Function	Actual Costs	Budget	Excess
General Government	\$ 2,006,443	\$ 1,875,600	\$ 130,843
Public Safety	182,761	179,400	3,361
Public Works	16,281	750	15,531
Culture and Recreation	528,570	495,000	33,570

The General Government Function was over budget \$130,843 primarily due to an overage of \$181,545 in emergency response costs (mostly related to Hurricane Ida) and an under-budget situation of \$(46,809) in general repairs and maintenance. The Public Works Function was over budget due to higher than expected street repair costs. The Culture and Recreation Function was over budget by \$33,570 primarily due to additional costs incurred on the Seafood Festival.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

D) Deficit Fund Balances

The Town's Capital Projects Fund ended the year with a deficit fund balance of \$(194,287). It is anticipated that this deficit will be eliminated in future years as federal, state or local funding is received to fund the ongoing projects of the Town. The deficit was primarily caused by one project not receiving anticipated funding from the State due to delays in awarding grants (FEMA grants are pending for the Dental/Medical Center Facility) and another project still waiting on funds from the State for prior year's costs (the Wetlands Center). Management expects that these funds will be awarded in the near future and funding will cover past deficits.

NOTE 3 - CASH, CASH EQUIVALENTS, AND INVESTMENTS

A) Cash

At June 30, 2025, the carrying amount of the Town's cash deposits was \$65,412 and the bank balance was \$317,605, all of which was covered by Federal depository insurance or by collateral consisting of securities held by the Town's agent in its name.

B) Investments

Investments held at June 30, 2025 consisted of \$105,054 invested in the Louisiana Asset Management Pool (LAMP); a State of Louisiana Sponsored external investment pool. LAMP is administered by LAMP, Inc., a corporation organized under the laws of the State of Louisiana. Only local governments may participate in LAMP. Because the investments are reported at net asset value, they are not categorized in one of the fair value hierarchies established by GASB Codification Section I50. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the net asset value of the pool shares. Information about Credit Risk and Interest Rate Risk can be obtained at LAMP's website at www.lamppool.com.

The primary objective of LAMP is to provide a safe environment for the placement of public funds, in short-term, high-quality investments. The LAMP portfolio included only securities and other obligations in which local governments in Louisiana are authorized to invest. The average daily yield was 4.37 percent. The dollar weighted average portfolio maturity of LAMP is restricted to not more than 60 days and consists of no securities with a maturity in excess of 397 days. At June 30, 2025, the weighted average days to maturity in portfolio were 55 days.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 4 – RECEIVABLES

Receivables at June 30, 2025 consist of the following:

Receivable	General Fund	Capital Projects Fund	Total
Taxes	\$ 64,368	\$ -	\$ 64,368
Leases	1,940	-	1,940
Intergovernmental			
Federal - FEMA	9,209	-	9,209
Federal - Other	7,585	-	7,585
State	56,413	285,846	342,259
Parish/Local	35,955	-	35,955
Licenses and permits	16,377	-	16,377
Gaming	15,023	-	15,023
Interest	89	-	89
Other	6,226	-	6,226
Total accounts receivable	\$ 213,185	\$ 285,846	\$ 499,031
Leases	28,820	-	28,820
Total receivables	\$ 242,005	\$ 285,846	\$ 527,851

Taxes receivable is made up of sales taxes (remitted monthly) and franchise taxes (remitted quarterly).

For leases receivable information, see Note 10.

Federal receivables are made up of \$9,209 in the General Fund for money due from FEMA (mostly related to Hurricane Ida – see note 12), \$2,827 in the General Fund related to the Victim’s Assistance Grant, and \$4,758 in the General Fund for Police Patrol grants.

Receivables from the State include 1) \$56,413 in the General Fund (\$15,312 in Parish Transportation Act Funding, \$690 for beer tax remittances, \$12,697 in State Grants for the Fisheries Market, \$2,714 due from the Lafitte Area Independent Levee District, and \$25,000 due on the State Grant for Maintenance) and 2) \$285,846 in the Capital Projects Fund (made up CPRA funding due under the BA0236 contract for the Wetland Center Project – see Note 5 for information on capital projects).

The \$35,955 due from Parish/Local sources in the General Fund is made up of billings to the Parish for the library (\$15,955) and the Senior Center (\$20,000).

Receivables for gaming total \$15,023 and relate to the 5% commission allocated to the Town from the Boomtown Belle Casino located on the Westbank of Jefferson Parish.

The Town considers all receivables collectible and has not provided for any loss allowances.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 5 - CAPITAL ASSETS

Capital asset activity of the governmental funds for the year ended June 30, 2025 was as follows:

	Balance 6/30/2024	Additions	Deletions	Transfers	Balance 6/30/2025
Governmental Activities:					
Capital assets not being depreciated:					
Land	\$ 690,985	\$ -	\$ -	\$ -	\$ 690,985
Construction in progress	9,268,207	618,764	-	(2,599,606)	7,287,365
Total capital assets not being depreciated	<u>9,959,192</u>	<u>618,764</u>	<u>-</u>	<u>(2,599,606)</u>	<u>7,978,350</u>
Capital assets being depreciated:					
Land improvements	476,835	-	-	-	476,835
Buildings	24,085,793	-	-	-	24,085,793
Building improvements	2,113,574	-	-	-	2,113,574
Furniture, fixtures, and equipment	611,314	-	-	-	611,314
Vehicles and heavy equipment	1,034,315	126,851	-	-	1,161,166
Infrastructure (roads/drainage)	18,822,406	-	-	2,599,606	21,422,012
Total capital assets being depreciated	<u>47,144,237</u>	<u>126,851</u>	<u>-</u>	<u>2,599,606</u>	<u>49,870,694</u>
Less accumulated depreciation for:					
Land improvements	(324,016)	(18,125)	-	-	(342,141)
Buildings	(7,773,388)	(579,115)	-	-	(8,352,503)
Building improvements	(1,223,159)	(64,023)	-	-	(1,287,182)
Furniture, fixtures, and equipment	(416,069)	(48,088)	-	-	(464,157)
Vehicles and heavy equipment	(306,353)	(154,803)	-	-	(461,156)
Infrastructure (roads/drainage)	(9,315,270)	(291,803)	-	-	(9,607,073)
Total accumulated depreciation	<u>(19,358,255)</u>	<u>(1,155,957)</u>	<u>-</u>	<u>-</u>	<u>(20,514,212)</u>
Capital assets being depreciated, net					
Land improvements	152,819	(18,125)	-	-	134,694
Buildings	16,312,405	(579,115)	-	-	15,733,290
Building improvements	890,415	(64,023)	-	-	826,392
Furniture, fixtures, and equipment	195,245	(48,088)	-	-	147,157
Vehicles and heavy equipment	727,962	(27,952)	-	-	700,010
Infrastructure (roads/drainage)	9,507,136	(291,803)	-	2,599,606	11,814,939
Total capital assets being depreciated, net	<u>27,785,982</u>	<u>(1,029,106)</u>	<u>-</u>	<u>2,599,606</u>	<u>29,356,482</u>
Total Governmental Activities capital assets, net	<u>\$ 37,745,174</u>	<u>\$ (410,342)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,334,832</u>

Depreciation expense was charged to the functions of the governmental activities in 2025 as follows:

Function	
General Government	\$ 70,508
Public Safety	146,221
Public Works	386,208
Culture and Recreation	553,020
	<u>\$ 1,155,957</u>

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 5 - CAPITAL ASSETS (CONTINUED)

Construction in progress at June 30, 2025 consisted of the following projects:

Project	Construction In Progress	Expended During 2025
Lafitte Levee Path #4 Bike Trail	\$ 36,366	\$ -
Lafitte Sidewalk Beautification	-	11,205
Wetlands Education Center	6,081,208	607,559
Lafitte Warehouse	999,684	-
Lafitte Amphitheatre	52,375	-
Dental/Medical Center	117,732	-
	<u>\$ 7,287,365</u>	<u>\$ 618,764</u>

Construction in progress is being funded primarily by Federal, State and Parish/Local grants. With certain projects, the Town is responsible for matching funds.

The Lafitte Levee Path #4 Bike Trail is accounting for the construction of a bike path along one of the Town’s levees. The project is in the design phase. A State Grant is supposed to be funding the majority of the costs; however, until the environmental review phase is completed, the Town will not be able to draw any funds down. During 2025, the Town spent \$-0- on this project, bringing the total costs-to-date to \$36,366. These costs are being covered by transfers from the Town’s General Fund into the Capital Project Fund until the Grant Funds are available.

The Lafitte Sidewalk Beautification project is made up of various phases (Phase I, Phase II, and Rosethorne Path) and includes architectural and construction costs to install sidewalks and subsurface infrastructure to support the sidewalks through certain sections of the Town. These projects are being funded with federal funding through the Louisiana Department of Transportation and Development (which covers 80% of construction costs), a grant from the Regional Planning Commission, local funding from the Parish, and a local match from the Town.

During 2025, costs of \$11,206 were added to the project and it was then considered closed at year end. These costs brought the total project costs-to-date to \$2,599,606. This amount was transferred to infrastructure at the close of the year. During the year, \$25,030 was received under the grant, which had been accrued in the prior year, meaning current year grant revenues totaled \$-0-. The current costs of \$11,206 were covered by a transfer from the General Fund. This project was considered complete at year end.

The Wetlands Education Center is being funded with 1) a National Disaster Resilience Project from HUD/CDBG (\$475,000 from LASAFE for Architecture and Design), 2) a \$2,000,000 construction grant from the Coastal Restoration and Protection Authority (CPRA) using National Resource Damage Assessment (NRDA) Funds from the BP Oil Spill Trust (LA220-025), 3) a \$2,113,050 construction grant from the Coastal Restoration and Protection Authority (CPRA) using National Resource Damage Assessment (NRDA) Funds from the BP Oil Spill Trust (BA0236), 4) State Capital Outlay funds of \$1,046,698 under FP&C contract #50-ME1-18-01 - prior to its cancellation, Parish funds of \$283,064 (for design and construction), and \$1,219,936 in local funds from the Town (unless further state or federal funds are obtained). The total project is estimated to cost \$7,137,748.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 5 - CAPITAL ASSETS (CONTINUED)

For 2025, the Town spent \$607,558 on architecture, design and testing work, construction, and exhibits. This amount has been added to construction in progress. Of the costs spent in 2025 and 2024, \$2,109,054 has been submitted to the CPRA under the NRDA Grant (BA0236). At June 30, 2025, \$1,823,208 of these submittals have been paid and an additional \$285,846 has been accrued as receivable (and was collected after year end). Total revenues of \$607,558 were recognized in the Capital Projects Fund in 2025. The Town also transferred an additional \$17,575 to this fund to cover costs not covered by the State Grant. The project continues and is expected to be completed in 2026.

The Lafitte Warehouse project is accounting for the construction of a storage warehouse and is being funded with State Capital Outlay funds (#50-ME2-21-01) for construction and other funds (Parish or local) for design and engineering costs. The project was nearing completion at the end of 2025. The Town spent \$-0- on architectural fees and construction costs during 2025, bringing the total cost-to-date to \$999,684. In 2024, the Town's General Fund transferred \$345,509 to the Capital Project Fund to cover the local costs not covered by the state funds; however, the Town is working with the Parish to obtain funding for part of these costs. Upon receipt of these funds, the project should be completed in 2026.

The Lafitte Amphitheatre project is accounting for the construction of an Amphitheatre to be used for the annual Seafood Festival and is being funded with State Capital Outlay funds (#50-ME1-22-02) for construction and other funds (Parish or local) for design and engineering costs. The project is in the planning phase. The Town spent \$-0- on architectural fees during 2025, bringing the total cost-to-date to \$52,375. No revenues were recognized on this project in 2025 as the planning phase continues.

The Dental/Medical Center project is accounting for the rebuilding of the Medical Center that was damaged in Hurricane Ida (see next paragraph). The Town is working with FEMA to fund the project. To date, the Town has spent \$117,732 on architectural fees to design the project and provide submittals to FEMA in order to obtain funds. This project continues.

Hurricane Ida struck the Town in August 2021 (See Footnote 12.C) and caused widespread damage throughout the area. Several of the Town's buildings sustained damage from flood waters and/or driving wind and rain. Specifically, the Town Hall, the Art Gallery and the Medical Center received damages in excess of 50 percent of their estimated values. The contents of these buildings were also mostly lost to the flood waters. Due to the level of damages received, the Town considered these three buildings to be "impaired" and decreased their values in FY 2022 by the estimated amount of impairment. During 2022, estimated impairments of \$1,074,057 were recognized as reductions to capital assets. Accumulated depreciation related to these impaired assets was reduced by \$600,030, resulting in a net loss of \$(474,027). All three of the impaired buildings are still out of service pending repair. Neither of the properties are back in service yet. As they are repaired and brought back into service, the costs incurred will be captured and capitalized into fixed assets.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 6 – LONG-TERM DEBT

FEMA Community Disaster Loan

In 2022, following Hurricane Ida, the Town applied for and received approval for a Community Disaster Loan (CDL) from the Federal Emergency Management Agency (FEMA) under ID B9192B1 – EMT-2025-LF-4611LA01. This program is designed to provide badly needed operating funds to local governments in disaster areas who are facing revenue shortfalls caused by natural disasters. In April 2022, the Town was approved for a CDL loan up to \$364,750. The loan accrues simple interest at the rate not to exceed 3.5% and is due 5 years after the initial draw down (i.e., 2028). As of June 30, 2025, the Town had drawn down \$251,999 on this loan (there were no drawdowns in 2025). Through June 30, 2025, accrued interest on the loan amounted to \$20,576 (\$7,559 in 2025). Principal and interest due under this loan now totals \$272,575 and is shown as long-term debt on the Statement of Net Position.

NOTE 7 – INTERFUND TRANSACTIONS

A) Interfund Receivables/Payables

Since the Town operates one checking account, all of the cash receipts and disbursements of the Capital Projects Fund are run through the General Fund. Once the Capital Project Fund activity is broken out, the difference in cash collections and disbursements is recognized as a due to or due from the General Fund. At year-end, the amount due to the General Fund from the Capital Projects Fund amounted to \$262,843. It should be noted that these amounts are eliminated in the conversion to the government-wide financial statements.

B) Operating Transfers

While most of the Capital Projects are funded with federal, state, or parish/local funds; at times, the Town is responsible for covering some of the costs (i.e., matching funds, disallowed costs, etc.). During 2025, the General Fund had to make transfers to the Capital Project Fund totaling \$28,781 (\$17,576 to cover costs on the Wetlands Center project not covered by the state and \$11,205 for the closure of the Lafitte Sidewalks project).

The Transfers In/out are shown on the fund financial statements as an operating transfer in/out. It should be noted that these amounts are eliminated in the conversion to the government-wide financial statements.

NOTE 8 – RESTRICTIONS OF NET POSITION AND FUND BALANCE COMPONENTS

A) Net Position

On the Statement of Net Position, Net Position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net Investment in Capital Assets is the net of the Town's investment in capital assets and any related debt (outstanding bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets). Restrictions on Net Position are reported when there are limitations imposed on their use by external parties such as creditors, grantors, contributors, laws or regulations of other governments or law through constitutional provisions or enabling legislation. All other Net Position balances that do not meet the definition of "net investment in capital assets" or "restricted" are reported as "unrestricted".

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

**NOTE 8 – RESTRICTIONS OF NET POSITION AND FUND BALANCE COMPONENTS
(CONTINUED)**

B) Fund Balance Components

As discussed in Note 1.D.11, in accordance with GASB Statement Codification Section 1800, fund balance of the governmental fund types is categorized in classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – Non-spendable, Restricted, Committed, Assigned and Unassigned.

At June 30, 2025, the Town reported \$140,584 in the non-spendable category to reflect that the assets in prepaid items that are not in spendable form. The remaining balance of \$97,945 is categorized as unassigned fund balance - \$292,232 in the General Fund and a deficit in unassigned fund balance of \$(194,287) in the Capital Projects Fund.

NOTE 9 - SALES TAXES

For the year ended June 30, 2025, the total sales tax levied on purchases within the Town limits was 8 3/4%. Of this amount, the State levies 4%, the Jefferson Parish Public School System levies 1 1/2%, the Jefferson Parish Sheriff's Office levies 1/4%, and the Parish of Jefferson levies the remaining 3%. Sales taxes, except sales tax on motor vehicles which is collected by the State, are collected by the Sheriff of Jefferson Parish, who receives a commission of 11% of the amount collected.

Of the 3% levied by the Parish, 1/2% is remitted to the Jefferson Parish Public School System, 1% is remitted to the Parish for roads, sewer and drainage projects and law enforcement, 1/6% is remitted to the Parish for drainage purposes, and the balance (1 1/3%) is remitted to the Town (as an incorporated municipality). During 2025, these taxes generated \$298,277, which are recognized in the General Fund. The 1/4% levied by the Sheriff's Office is remitted directly to the Town for law enforcement and is also recognized in the General Fund. During 2025, this tax generated \$47,611, bringing the total tax revenues to \$345,888.

NOTE 10 – LEASES

A) The Town as Lessee

The Town does not have any lease agreements that are material in amount or meet the criteria for recognition and reporting in the financial statements as a right of use leased assets and lease liability at June 30, 2025.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 10 – LEASES (CONTINUED)

B) The Town as Lessor

The Town leases various Town-owned facilities to businesses and citizens on a short-term basis. The Auditorium, Civic Center, Museum, and the Seafood Market are typically leased to citizens on short-term rentals for weddings, birthday parties, dances, or other social events. These short-term rentals (net of refunds and deposits) generated \$133,813 in lease income during 2025.

Two other Town-owned buildings are leased under long-term leases to outside entities. One building is rented to a business (utilized as an Anytime Fitness gym) and one building is partially leased to the local State Representative. The net book value of these facilities being leased out amounts to approximately \$108,305.

In September 2022, the lease with Anytime Fitness expired and the lease continued on a month-to-month basis until a new lease could be negotiated. In March 2024, the Anytime Fitness gym lease was renewed for a period of one year (from October 1, 2023 to September 30, 2024), with a one-year renewal option at the end of the lease. The lease term was made retroactive to October 1, 2023 to cover the negotiation period. Monthly payments of \$1,000 were due under this lease. No payments were made during the negotiation period and a balance due of \$9,000 was accrued at June 30, 2024. When Anytime Fitness began making payments again, they agreed to pay the \$1,000 due under the new lease (see next paragraph) plus \$500/month to “catch-up” on the \$9,000 unpaid balance. Under this lease, \$7,000 was collected during the year, leaving \$2,000 still due to the Town as of June 30, 2025.

In October 2024, the one-year lease option was exercised, and the lease was extended from October 1, 2024 to September 30, 2025. The monthly payments of \$1,000 continued, along with the extra \$500 of catch-up funding described in the previous paragraph. During 2025, \$11,500 was collected under this lease, leaving a balance of \$500 due to the Town as of June 30, 2025. The two leases (the original one and the one-year extension) are being accounted for under GASB Section L20 - *Leases*.

The local State Representative began leasing an office in the Tourist Center in February 2020. The original lease rate (the “old lease”) was \$250/month and expired on December 31, 2023. The lease was renewed (the “new lease”) for a period of four years (beginning on January 1, 2024 through December 31, 2027). Monthly payments of \$800 are due under this lease. Total collections during 2025 were \$8,800, with another \$800 due to the Town at year end.

In accordance with GASB Section L20 - *Leases*, a receivable has been recorded for the present value of lease payments to be received over the lease term of these agreements. As of June 30, 2025, the value of the lease receivables totaled \$28,820. Also, deferred inflows associated with these leases has been recorded and will be recognized as revenue over the lease term. The total of the deferred inflows at June 30, 2025 was \$26,266. Inflows recognized during the year ended June 30, 2025 consisted of lease revenue of \$20,832 and interest income of \$1,050. Additional month-to-month lease payments totaling \$2,000 were recognized under the Anytime Fitness “old” lease, bringing total lease revenue to \$23,882 under these two leases. Since the lease agreements include scheduled payments over multiple years, the receivable balances include amounts not expected to be collected within the next year. The balances and current activity on each lease are as follows:

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 10 – LEASES (CONTINUED)

	(Old Lease) Anytime Fitness	(New Lease) Anytime Fitness	(New Lease) State Rep Office	Total
Value of Lease Receivable at June 30, 2025	\$ 2,000	\$ 2,985	\$ 23,835	\$ 28,820
Deferred Inflows - Leases at June 30, 2025	\$ -	\$ (2,952)	\$ (23,314)	\$ (26,266)
Inflows Recognized in 2025:				
Lease revenues	\$ 2,952	\$ 8,855	\$ 9,025	\$ 20,832
Interest on leases	15	178	857	1,050
Inflows on long-term leases	\$ 2,967	\$ 9,033	\$ 9,882	\$ 21,882
Month-to-month receipts	2,000	-	-	2,000
Total Recognized as Facility Rentals	\$ 4,967	\$ 9,033	\$ 9,882	\$ 23,882
Gain (loss) on terminated/waived payments	\$ -	\$ -	\$ -	\$ -

NOTE 11 - EMPLOYEE PENSION PLAN

The Town provides pension benefits for all of its full-time employees through a cost-sharing, multiple-employer public employee retirement system. All full-time Town employees are members in the Municipal Employees' Retirement System of Louisiana (the Municipal System). The Municipal System was originally established by Act 356 of the 1954 regular session of the State of Louisiana.

General Information about the Pension Plan

Plan Description/Benefits Provided

The Municipal System administers a plan to provide retirement benefits to employees of all incorporated villages, towns, and cities within the State which do not have their own retirement system, and which elect to become members of the system.

The age and years of creditable service (service) required in order for a member to receive retirement benefits are established by the plan and vary depending on the member's hire date, employer and job classification.

Membership is mandatory as a condition of employment beginning on the date employed if the employee is permanent and works at least 35 hours per week. Plan A members who were hired prior to January 1, 2013 may retire 1) at any age with 25 years or more of creditable service, 2) at age 60 with at least 10 years of creditable service, 3) at any age with 20 years of creditable service, exclusive of military service with an actuarially reduced early benefit. Plan B members may retire 1) at any age with 30 years of creditable service, or 2) at age 60 with at least 10 years of creditable service.

For Plan A and B members hired after January 1, 2013, the employee may retire 1) at age 67 with at least 67 years of creditable service, 2) at age 62 with at least 10 years of creditable service, 3) at age 55 with 30 or more years of creditable services, or 4) at any age with 25 years of creditable service, exclusive of military service and unused sick leave. Both plans also have criteria for disability and survivor benefits.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 11 - EMPLOYEE PENSION PLANS (CONTINUED)

For Plan A, in general, the monthly amount of the retirement allowance shall consist of an amount equal to 3.0 percent of the member's monthly average final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specific amounts. For Plan B, in general, the monthly amount of the retirement allowance shall consist of an amount equal to 2.0 percent of the member's monthly average final compensation multiplied by his years of creditable service. However, under certain conditions as outlined in the statutes, the benefits are limited to specific amounts.

Disability Benefits

For Plan A of the Municipal System, a member shall be eligible to receive a disability benefit if he has at least 5 years of creditable service, is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. A disabled member of Plan A shall be paid a disability benefit equal to the lesser of 45 percent of his final average compensation or 3 percent of his final average compensation multiplied by his years of creditable service, whichever is greater or an amount equal to 3 percent of the member's final average compensation multiplied by his years of creditable service projected to his earliest normal retirement age.

For Plan B of the Municipal System, a member shall be eligible to receive a disability benefit if he has at least 10 years of creditable service, is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. A disabled member of Plan A shall be paid a disability benefit equal to the lesser of 30 percent of his final average compensation or 2 percent of his final average compensation multiplied by his years of creditable service, whichever is greater or an amount equal to 2 percent of the member's final average compensation multiplied by his years of creditable service projected to his earliest normal retirement age.

Survivor Benefits

Survivor benefits are available to the surviving spouse and/or minor children as outlined in the Municipal System statutes, upon the death of any member of Plan A or B with 5 years or more of creditable service, who is not eligible for retirement. For any member of Plan A or B who is eligible for normal retirement at time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

Deferred Retirement Option Plan Benefits (DROP)

In lieu of terminating employment and accepting a service retirement allowance, any member of the Municipal System's Plan A or B who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to 3 years and defer the receipt of benefits. During participation in the plan, employer contributions are payable, but employee contributions cease.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 11 - EMPLOYEE PENSION PLANS (CONTINUED)

The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. Interest is earned when the member has completed DROP participation. Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in the fund, or any other method of payment if approved by the board of trustees. If employment is not terminated at the end of 3 years, payments into the DROP fund cease and the person resumes active contribution membership in the system.

Cost of Living Adjustments

The Municipal System is authorized under state statutes to grant a cost-of-living increase to members who have been retired for at least one year. The increase cannot exceed 2.0% of the eligible retiree’s original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State statutes allow the system to grant an additional cost of living increase to all retirees and beneficiaries who are age 65 and above equal to 2.0% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

Contributions

According to state statutes, contribution requirements for all employers of the Municipal System are actuarially determined each year. For the year ended June 30, 2024, the actuarially determined employer contribution rate was 29.50% for Plan A (the Plan that the Town participates in) and 15.50% for Plan B.

For 2025, the actual employer contribution rate was 28.00% for Plan A, while the employee contribution rate was 10.00%. Employer and employee contributions to Municipal System – Plan A for fiscal year 2025 were as follows:

Source	Amount	Covered Payroll	Percent of Covered Payroll
Employee	\$ 22,858	\$ 228,580	10.00%
Employer	68,396	244,272	28.00%

The \$15,692 difference in covered payroll relates to an employee who entered the DROP plan. Under this plan, the employee contributions stop, and the Town continues to pay the employer contribution at the established rates (28.00%).

In accordance with state statutes, the Municipal System also receives ad valorem taxes and state revenue sharing funds. The additional sources are used as employer contributions and are considered support from non-employer contributing entities but are not considered special funding situations. Non-employer contributions are recognized as revenue by the system and are excluded from pension expense for the year.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 11 - EMPLOYEE PENSION PLANS (CONTINUED)

The Town's proportionate share of these non-employer contributions totaled \$10,659 during the measurement period. This amount is recognized in the government-wide financial statements as On-Behalf Payments from Contributing Entities and is included in operating grants and contributions on the Statement of Activities.

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

At June 30, 2025, the Town reported a liability of \$366,509 for its proportionate share of the Net Pension Liabilities (NPL) of the Municipal System. The NPL was measured as of June 30, 2024, and the total pension liability used to calculate the NPL was determined based on an actuarial valuation as of that date.

The Town's proportion of the NPL was based on the Town's actual contributions to the pension plan during the measurement period relative to the contributions of all participating employers. As of June 30, 2024, the most recent measurement date, the Town's proportionate share for the system was:

	The Municipal System
Town's Proportionate Share	0.130245%
Decrease from prior year	-0.011555%

For the year ended June 30, 2025, the Town recognized a total pension expense (benefit) of \$23,446. This amount is made up of the following:

Components of Pension Expense (Benefit)	The Municipal System
Town's pension expenses per the pension plan	\$ 39,884
Town's amortization of its change in proportionate share	(14,915)
Town's amortization of actual contributions over its proportionate share of contributions	(1,523)
Total Pension Expense (Benefit) Recognized by Town	\$ 23,446

At year end, the Town reported deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>The Municipal System</u>		
a) Differences between expected and actual experience	\$ -	\$ (12,133)
b) Net change in assumptions	-	(2,162)
c) Net difference between projected and actual earnings on pension plan investments	4,936	-
d) Changes in proportion to NPL	-	(33,006)
e) Differences between the Town's contributions and its proportionate share of contributions	-	(1,537)
f) Town's contributions subsequent to the June 30, 2024 measurement date	68,396	-
	\$ 73,332	\$ (48,838)

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 11 - EMPLOYEE PENSION PLANS (CONTINUED)

Deferred outflows of resources related to pensions resulting from the Town's contributions subsequent to the measurement date (June 30, 2024) totaled \$68,396. These amounts will be recognized as a reduction of the NPL in the year ending June 30, 2026 (i.e., the subsequent fiscal year). Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	Amount of Amortization	
	The Municipal System	
2026	\$	(33,893)
2027		11,782
2028		(12,692)
2029		(9,099)
	\$	(43,902)

Actuarial Assumptions

The total pension liability for the municipal system in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurements:

Description	Assumptions/Methods
	The Municipal System
Valuation Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal
<u>Actuarial Assumptions:</u>	
Investment Rate of Return	6.850%, net of investment expense
Inflation Rate	2.500%
Projected Salary Increases	4.50% to 6.40% (depending on years of service - Plan A)
Mortality Rates - Non-disabled	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective MP2018 scales
Mortality Rates - Disabled	PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP 2018 scales
Mortality Rates - Other	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective MP2018 scales
Expected Remaining Service Lives	3 Years
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.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 11 - EMPLOYEE PENSION PLANS (CONTINUED)

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) is developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic/geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public Equity	56.0%	2.44%
Public Fixed Income	29.0%	1.26%
Alternative Investments	15.0%	0.65%
Totals	100.0%	4.35%
Inflation		2.50%
Expected Arithmetic Rate of Return		6.85%

Discount Rate. The discount rate used for the Municipal System was 6.850%. 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 actuarially determined rates approved by PRSAC taking into consideration the recommendation of the system’s actuary.

Based on those assumptions, the system’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share the NPL to Changes in the Discount Rate. The following presents the Town’s proportionate share of the NPL using the current discount rate, as well as what the Town’s proportionate share of the NPL would be if it were calculated using a discount rate that is one percentage-point lower or one percentage higher than the current rate.

<u>The Municipal System</u>	<u>1.0% Decrease</u>	<u>Current Discount Rate</u>	<u>1.0% Increase</u>
	<u>5.850%</u>	<u>6.850%</u>	<u>7.850%</u>
Town's Proportionate Share of the Net Pension Liability - Plan A	\$ 551,909	\$ 366,509	\$ 210,000

Pension Plan Fiduciary Net Position. The Municipal System issues publicly available financial reports that include financial statements and required supplementary information for the System. Detailed information about the system’s fiduciary net position is available in these separately issued 2024 financial reports.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 11 - EMPLOYEE PENSION PLANS (CONTINUED)

These reports may be obtained by visiting the Louisiana Legislative Auditor's website at www.la.gov and searching under the Reports Section. The Municipal System's report can also be found at www.mersla.com.

Payables to the Pension Plan. At June 30, 2025, the Town had payables to the pension plan totaling \$6,152 for the June 2025 employee and employer legally required contributions. These amounts are included in salaries and benefits payable.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

A) Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and certain natural disasters for which the Town carries property and casualty insurance, subject to stated limitations and deductibles.

B) Litigation

There are two cases of significant litigation facing the Town at June 30, 2025. One is covered by insurance and relates to an auto accident involving Town personnel. Insurance coverage is assumed to be adequate in this case. In the second case, the Town is a defendant in a lawsuit filed in 2021 by a contractor working on the Lafitte Sidewalk project. The claimant contended that the Town was delinquent in paying its contractor invoices and under the Louisiana Public Works Act (LRS 38:219(B)(1)), accrued interest was due on all delinquent items paid. Legal counsel has advised that it is probable the entity will incur a loss. Based on current information, management estimates the potential liability, including interest and attorney fees, to be approximately \$200,000. This amount represents the best estimate of the loss at this time. The ultimate resolution of this matter could differ from the estimate, but management believes any variation will not materially affect the financial position of the Town. At June 30, 2025, an expense and a claim & judgment payable of \$200,000 was recorded in the statement of net position. Interest on this claim continues to accrue at ½ percent daily until payment is made (not to exceed 15 percent). The Town is working to find funds to pay off this claim.

C) Federal Assistance – Public Disaster Assistance

Over the years, due to its proximity to the Gulf of Mexico and various waterways and bayous, the Town has been affected by several hurricanes and tropical storms. Before, during, and after these storms, the Town incurred costs relating to emergency response overtime, flood protection efforts, public safety, and other emergency supplies. The Town participates in certain federal financial assistance programs. Audits of prior years have not resulted in any major disallowances of costs (unless noted); however, the grantor agency may provide further examinations. Based on past experience, the Town believes that further examinations will not result in any material disallowed costs.

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 12 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

The Town has filed for and received insurance proceeds, as well as Public Disaster Assistance in each event. A brief summary of the costs incurred, claims filed and balances due on each storm is as follows.

Hurricane Zeta (3549-DR-LA)

The Town was affected by Hurricane Zeta in October 2020. The Town has filed claims totaling \$228,529 have been filed with the Federal Emergency Management Agency (FEMA) under the Public Disaster Assistance program. After adjusting for insurance, NFIP deductions, and administrative fees, \$79,990 has been obligated. To date \$79,990 has been submitted and authorized for payment. The Town's share of the approved claims will be 10 percent for a total of \$7,999. The balance of \$71,991 is due from FEMA. To date, \$68,563 has been received from FEMA through direct payments, leaving a receivable of \$3,428. This \$3,428 was recognized as revenue in the current year under this project. In 2025, there was no other activity on this disaster other than FEMA authorizing some costs. All six projects under this disaster are still open for FEMA purposes and are being worked on.

Hurricane Ida (4611-DR-LA)

In August 2021, Hurricane Ida devastated parts of southeast Louisiana, including the area that includes the Town of Jean Lafitte. Winds approaching Category 5 strength brought a tidal surge of 7 to 11 feet up Bayou Barataria, which overtopped the Town's system of ring levees. Between the winds and widespread flooding, the Town and its residents saw widespread destruction. Several of the Town's buildings were adversely impacted by the storm, especially the Town Hall, the Art Gallery and the Medical Center, all of which took on water and are currently unusable. Some of the Town's vehicles and equipment were also damaged or lost in the storm.

Claims have been filed with the Town's insurance carriers and net insurance proceeds to date totaling \$1,138,237 have been recognized in the General Fund (in prior years). It should be noted that the Town signed an agreement with a local law firm – Connick & Connick to help facilitate the insurance claims in exchange for 25% of the proceeds.

The Town has also requested assistance from the Federal Emergency Management Agency (FEMA) under the Public Disaster Assistance program. The Town has filed claims totaling \$4,385,659 with the Federal Emergency Management Agency (FEMA) under the Public Disaster Assistance program. After adjusting for insurance, NFIP deductions, and administrative fees, \$3,685,086 has been obligated. The Town's share of the approved claims will be 10 percent for any costs claimed after the first 45 days past the storm (which is \$61,747 so far). To date, \$978,344 has been submitted and authorized for payment. To date, \$916,597 has been received from FEMA through direct payments (\$811,903) and applied credits (\$104,694). During 2025, the Town received \$310,793 from FEMA. \$64,527 was accrued last year, which leaves a current year revenue recognition of \$246,265 under this project. The Town now has thirteen open projects under this disaster. The Town continues to work on these projects and has already set up a capital project to account for the rebuild of the Dental/Medical Center (see note 5).

TOWN OF JEAN LAFITTE, LOUISIANA
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
June 30, 2025

NOTE 12 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Hurricane Francine (4817-DR-LA)

The Town was affected by Hurricane Francine in September 2024. The Town has filed claims totaling \$7,707 with the Federal Emergency Management Agency (FEMA) under the Public Disaster Assistance program. After adjusting for insurance, NFIP deductions, and administrative fees, \$7,707 has been obligated. To date \$7,707 has been submitted and authorized for payment. The Town’s share of the approved claims will be 25 percent for a total of \$1,927. The balance of \$5,780 is due from FEMA. To date, \$-0- has been received from FEMA through direct payments, leaving a receivable of \$5,780. This \$5,780 was recognized as revenue in the current year under this project. The Town has two projects open under this disaster, one of which is the administrative costs that can be recaptured. The Town continues to work on closing these projects out.

E) American Rescue Plan Act (ARPA) - Coronavirus State and Local Fiscal Recovery Funds (SLFRF)

As part of the Federal Government’s continuing effort to help in the recovery from the COVID-19 pandemic, the Federal Government passed the American Rescue Plan Act (ARPA) – Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program in 2022. Through the SLFRF, State and local governments are receiving direct payments to spend on various categories of operating or capital costs. The funds were disbursed in two tranches – one in 2022 and one in 2023.

The Town of Jean Lafitte received the first tranche payment in September 2021 in the amount of \$369,852 and the second tranche payment in September 2022 for \$370,455. Under the terms of the agreement, the Town had until December 21, 2024 to spend these funds in the approved expense categories. During fiscal year 2023 (the prior year), the Town claimed the funds as being earned under the “revenue loss” category of funding using the standard allowance option. Thus, the funds were identified as being expended for governmental services and were reported to the Department of Treasury as such. The funds received to date of \$740,307 were recognized as revenues in 2023 and the grant is considered closed. The Town is reporting on the grant due to its grant expiring in 2025.

NOTE 13 – NEW ACCOUNTING AND REPORTING PRONOUNCEMENTS

As of June 30, 2025, the Government Accounting Standards Board (GASB) has issued several statements not yet implemented by the Town. The Statements, along with the new effective dates, which might impact the Town in the future, are as follows:

- **Governmental Accounting Standards Board Statement No. 103 (GASB 103)**
The GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The requirements of this Statements are effective for reporting periods beginning after June 15, 2025.
- **Governmental Accounting Standards Board Statement No. 104 (GASB 104)**
The GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*, in September 2024. The requirements of this Statements are effective for reporting periods beginning after June 15, 2025.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

TOWN OF JEAN LAFITTE, LOUISIANA

REQUIRED SUPPLEMENTARY INFORMATION -
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM - PLAN A
 LAST 10 FISCAL YEARS

	(1) 2025	(1) 2024	(1) 2023	(1) 2022	(1) 2021	(1) 2020	(1) 2019	(1) 2018	(1) 2017	(1) 2016
Town's proportion of the net pension liability (asset)	0.130245%	0.141800%	0.148659%	0.143927%	0.136113%	0.129646%	0.131455%	0.135784%	0.105155%	0.103707%
Town's proportionate share of the net pension liability (asset)	\$ 366,509	\$ 518,260	\$ 617,416	\$ 400,333	\$ 588,472	\$ 541,747	\$ 544,313	\$ 568,042	\$ 431,000	\$ 370,458
Town's covered payroll (CEP)	\$ 244,272	\$ 265,330	\$ 284,912	\$ 285,000	\$ 260,154	\$ 240,000	\$ 240,000	\$ 246,611	\$ 187,847	\$ 176,999
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll (CEP)	150.04%	195.33%	216.70%	140.47%	226.20%	225.73%	226.80%	230.34%	229.44%	209.30%
Plan fiduciary net position as a percentage of the total pension liability	79.05%	72.46%	67.87%	77.82%	64.52%	64.68%	63.94%	62.49%	62.11%	66.18%

(1) The amounts presented for each fiscal year were determined as of the measurement date (i.e., the beginning of the fiscal year and/or the prior fiscal year).

TOWN OF JEAN LAFFITTE, LOUISIANA

REQUIRED SUPPLEMENTARY INFORMATION -
 SCHEDULE OF THE TOWN'S PENSION CONTRIBUTIONS
 MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM - PLAN A
 LAST 10 FISCAL YEARS

	(1) 2025	(1) 2024	(1) 2023	(1) 2022	(1) 2021	(1) 2020	(1) 2019	(1) 2018	(1) 2017	(1) 2016
Town's contractually required contribution	(3) \$ 68,396	\$ 78,271	\$ 84,075	\$ 84,040	\$ 84,075	\$ 72,193	\$ 62,400	\$ 59,400	\$ 56,100	\$ 37,100
Contributions by Town in relation to the contractually required contribution	68,396	78,271	84,075	84,040	84,075	72,193	62,400	59,400	56,386	37,100
Contribution deficiency (excess)	(4) \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (286)	\$ -
Town's covered payroll (CEP)	\$ 244,272	\$ 265,330	\$ 285,003	\$ 284,912	\$ 285,000	\$ 260,154	\$ 240,000	\$ 240,000	\$ 246,611	\$ 187,847
Contractually required contributions as a percentage of covered payroll (CEP)	28.00%	29.50%	29.50%	29.50%	29.50%	27.75%	26.00%	24.75%	22.75%	19.75%

- (1) The amounts presented are for the fiscal year ended June 30, XX for each year.
- (2) Information not available due to recent implementation of this reporting standard.
- (3) Information obtained from monthly pension reports filed with the Municipal Employees' Retirement System (the plan fiduciary).
- (4) Amount does not include DROP employee share since only the active payroll is used to calculate the employer share.

TOWN OF JEAN LAFITTE, LOUISIANA

REQUIRED SUPPLEMENTARY INFORMATION -
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 MUNICIPAL POLICE EMPLOYEES' RETIREMENT SYSTEM
 LAST 10 FISCAL YEARS

	(2) 2025	(2) 2024	(2) 2023	(2) 2022	(2) 2021	(2) 2020	(2) 2019	(2) 2018	(1) 2017	(1) 2016
Town's proportion of the net pension liability (asset)	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.006982%	0.012524%
Town's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,441	\$ 98,112
Town's covered payroll (CEP)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,560	\$ 33,500
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll (CEP)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	334.57%	292.87%
Plan fiduciary net position as a percentage of the total pension liability	75.84%	71.30%	70.80%	84.09%	70.94%	71.01%	71.89%	70.08%	66.04%	70.73%

(1) The amounts presented for each fiscal year were determined as of the measurement date (i.e. the beginning of the fiscal year and/or the prior fiscal year).

(2) The Town's officers who were participating in this plan left employment at the end of 2016. Thus, have been no employees participating in MPERS since FY 16/17.

TOWN OF JEAN LAFITTE, LOUISIANA

REQUIRED SUPPLEMENTARY INFORMATION -
 SCHEDULE OF THE TOWN'S PENSION CONTRIBUTIONS
 MUNICIPAL POLICE EMPLOYEES' RETIREMENT SYSTEM
 LAST 10 FISCAL YEARS

	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(1)
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's contractually required contribution	(2) \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,161
Contributions by Town in relation to the contractually required contribution	-	-	-	-	-	-	-	-	-	6,161
Contribution deficiency (excess)	(3) \$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll (CEP)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,560
Contractually required contributions as a percentage of covered payroll (CEP)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	31.50%

- (1) The amounts presented are for the fiscal year ended June 30, XX for each year.
- (2) Information obtained from monthly pension reports filed with the Municipal Police Employees' Retirement System (the plan fiduciary).
- (3) Differences related to miscellaneous refunds or timing issues that occurred during the year.
- (4) The Town's officers who were participating in this plan left employment at the end of 2016. Thus, have been no employees participating in MPERS since FY 16/17.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
CHANGES IN BENEFIT TERMS AND CHANGES IN ASSUMPTIONS
LAST 10 FISCAL YEARS

Changes in Benefit Terms Include:

Municipal Employee's Retirement System (Plan A)

There were no changes of benefit terms for the year ended June 30, 2024.

Municipal Police Employee's Retirement System

There were no changes of benefit terms for the year ended June 30, 2024.

Changes of Assumptions:

Municipal Employee's Retirement System (Plan A)

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

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

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

Inflation Rate of Return			
Year End	Measurement Date	Rate	Change
6/30/2025	6/30/2024	6.850%	0.000%
6/30/2024	6/30/2023	6.850%	0.000%
6/30/2023	6/30/2022	6.850%	0.000%
6/30/2022	6/30/2021	6.850%	-0.100%
6/30/2021	6/30/2020	6.950%	-0.050%
6/30/2020	6/30/2019	7.000%	-0.275%
6/30/2019	6/30/2018	7.275%	-0.125%
6/30/2018	6/30/2017	7.400%	-0.100%
6/30/2017	6/30/2016	7.500%	0.000%
6/30/2016	6/30/2015	7.500%	-0.250%

Salary Increases			
Year End	Measurement Date	Rate	Change
6/30/2025	6/30/2024	4.5% - 6.4%	Not Available
6/30/2024	6/30/2023	4.5% - 6.4%	Not Available
6/30/2023	6/30/2022	4.5% - 6.4%	Not Available
6/30/2022	6/30/2021	4.5% - 6.4%	Not Available
6/30/2021	6/30/2020	4.5% - 6.4%	Not Available
6/30/2020	6/30/2019	4.5% - 6.4%	Not Available
6/30/2019	6/30/2018	5.000%	0.000%
6/30/2018	6/30/2017	5.000%	0.000%
6/30/2017	6/30/2016	5.000%	0.000%
6/30/2016	6/30/2015	5.000%	-0.750%

Municipal Police Employee's Retirement System

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

Discount Rate			
Year End	Measurement Date	Rate	Change
6/30/2025	6/30/2024	6.750%	0.000%
6/30/2024	6/30/2023	6.750%	0.000%
6/30/2023	6/30/2022	6.750%	0.000%
6/30/2022	6/30/2021	6.750%	-0.200%
6/30/2021	6/30/2020	6.950%	-0.175%
6/30/2020	6/30/2019	7.125%	-0.075%
6/30/2019	6/30/2018	7.200%	-0.125%
6/30/2018	6/30/2017	7.325%	-0.175%
6/30/2017	6/30/2016	7.500%	0.000%
6/30/2016	6/30/2015	7.500%	0.000%

Inflation Rate			
Year End	Measurement Date	Rate	Change
6/30/2025	6/30/2024	2.500%	0.000%
6/30/2024	6/30/2023	2.500%	0.000%
6/30/2023	6/30/2022	2.500%	0.000%
6/30/2022	6/30/2021	2.500%	0.000%
6/30/2021	6/30/2020	2.500%	0.000%
6/30/2020	6/30/2019	2.500%	-0.100%
6/30/2019	6/30/2018	2.600%	-0.100%
6/30/2018	6/30/2017	2.700%	-0.175%
6/30/2017	6/30/2016	2.875%	0.000%
6/30/2016	6/30/2015	2.875%	-0.125%

Inflation Rate of Return			
Year End	Measurement Date	Rate	Change
6/30/2025	6/30/2024	6.750%	0.000%
6/30/2024	6/30/2023	6.750%	0.000%
6/30/2023	6/30/2022	6.750%	0.000%
6/30/2022	6/30/2021	6.750%	-0.200%
6/30/2021	6/30/2020	6.950%	-0.175%
6/30/2020	6/30/2019	7.125%	-0.075%
6/30/2019	6/30/2018	7.200%	-0.125%
6/30/2018	6/30/2017	7.325%	-0.175%
6/30/2017	6/30/2016	7.500%	0.000%
6/30/2016	6/30/2015	7.500%	0.000%

Salary Increases			
Year End	Measurement Date	Rate	Change
6/30/2025	6/30/2024	4.70% - 12.30%	0.000%
6/30/2024	6/30/2023	4.70% - 12.30%	0.000%
6/30/2023	6/30/2022	4.70% - 12.30%	0.000%
6/30/2022	6/30/2021	4.70% - 12.30%	0.000%
6/30/2021	6/30/2020	4.70% - 12.30%	0.45% to 2.55%
6/30/2020	6/30/2019	4.25% - 9.75%	0.000%
6/30/2019	6/30/2018	4.25% - 9.75%	0.000%
6/30/2018	6/30/2017	4.25% - 9.75%	0.000%
6/30/2017	6/30/2016	4.25% - 9.75%	0.000%
6/30/2016	6/30/2015	4.25% - 9.75%	0.000%

TOWN OF JEAN LAFITTE, LOUISIANA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET TO ACTUAL
GENERAL FUND

For the Year Ended June 30, 2025

	Actual Amounts	Final Budget	Variance with Final Budget Positive (Negative)	Original Budget
REVENUES				
Taxes	\$ 420,280	\$ 426,250	\$ (5,970)	\$ 364,750
Intergovernmental				
Federal	323,297	307,500	15,797	307,500
State	640,571	559,525	81,046	266,325
Parish/local	-	18,700	(18,700)	18,700
Licenses and permits	90,001	81,000	9,001	79,750
Service charges, rentals and fees	157,696	160,100	(2,404)	126,500
Fines and forfeitures	9,937	12,000	(2,063)	24,000
Gaming fees and commissions	333,922	310,000	23,922	325,000
Interest - banking and checking	25,439	41,000	(15,561)	41,000
Other	410,316	515,250	(104,934)	507,750
Total Revenues	<u>2,411,459</u>	<u>2,431,325</u>	<u>(19,866)</u>	<u>2,061,275</u>
EXPENDITURES				
Current:				
General government	2,006,443	1,875,600	(130,843)	1,677,650
Public safety	182,761	179,400	(3,361)	193,850
Public works	16,281	750	(15,531)	750
Urban development and housing	-	-	-	-
Culture and recreation	528,570	495,000	(33,570)	495,000
Capital Outlay	126,851	174,500	47,649	-
Total Expenditures	<u>2,860,906</u>	<u>2,725,250</u>	<u>(135,656)</u>	<u>2,367,250</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(449,447)</u>	<u>(293,925)</u>	<u>(155,522)</u>	<u>(305,975)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	200,000	(200,000)	200,000
Transfers out	(28,781)	-	(28,781)	-
Proceeds from disaster loan	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Gain (loss) on termination of lease	-	-	-	-
Total Other Financing Sources (Uses)	<u>(28,781)</u>	<u>200,000</u>	<u>(228,781)</u>	<u>200,000</u>
NET CHANGE IN FUND BALANCE	(478,228)	(93,925)	(384,303)	(105,975)
FUND BALANCE				
Beginning of year	911,044	911,044	-	1,058,624
End of year	<u>\$ 432,816</u>	<u>\$ 817,119</u>	<u>\$ (384,303)</u>	<u>\$ 952,649</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

**INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

TOWN OF JEAN LAFFITTE, LOUISIANA

SCHEDULE OF REVENUES - BUDGET TO ACTUAL
GENERAL FUND
For the Year Ended June 30, 2025

	Actual Amounts	Final Budget	Variance with Final Budget Positive (Negative)	Original Budget
REVENUES				
Taxes				
Sales Taxes	\$ 345,888	\$ 350,750	\$ (4,862)	\$ 284,000
Franchise Taxes	74,392	75,500	(1,108)	80,750
Total Taxes	420,280	426,250	(5,970)	364,750
Intergovernmental				
Federal				
FEMA - Public Assistance Grants	255,474	250,000	5,474	250,000
Police - Equipment Grants	8,520	2,500	6,020	2,500
Victim's Assistance Grants	59,303	55,000	4,303	55,000
ARPA Grant	-	-	-	-
Total Federal	323,297	307,500	15,797	307,500
State				
Parish Transportation Fund	168,000	168,000	-	168,000
Beer Tax Allocation	2,795	3,100	(305)	3,100
Tobacco Tax Allocation	-	225	(225)	225
Senior Citizen Utility Income	20,000	20,000	-	20,000
Seafood/Fisheries Market	25,395	30,000	(4,605)	50,000
Tourism/Seafood Market	-	-	-	-
Senior Ctr Bus	-	-	-	-
Police Car/Equipment	-	-	-	-
Hurricane Equipment - Part 1	-	-	-	-
Hurricane Equipment - Part 2	-	-	-	-
Act 167 - Hurr IDA Relief Fund	311,181	225,000	86,181	25,000
State Grant - Maintenance	100,000	100,000	-	-
Police Supplemental Pay	13,200	13,200	-	-
Total State	640,571	559,525	81,046	266,325
Parish/local				
Library Grant	-	18,700	(18,700)	18,700
High Water Truck	-	-	-	-
Total Parish/Local	-	18,700	(18,700)	18,700
Total Intergovernmental	963,868	885,725	78,143	592,525
Licenses and permits				
Occupational Licenses	31,298	26,500	4,798	26,500
Insurance Premium Fees	44,001	40,000	4,001	40,000
Alcoholic Beverage Permits	446	1,000	(554)	2,000
Building, Electrical and Plumbing Permits	14,256	13,500	756	11,250
	90,001	81,000	9,001	79,750
Service charges, rentals and fees				
Facility Rentals	157,696	160,100	(2,404)	126,500
	157,696	160,100	(2,404)	126,500
Fines and forfeitures				
Fines - Redflex Traffic Systems	7,254	9,000	(1,746)	9,000
	2,683	3,000	(317)	15,000
	9,937	12,000	(2,063)	24,000
Gaming fees and commissions				
Boontown Boarding Fees	333,922	310,000	23,922	325,000
	333,922	310,000	23,922	325,000
Interest - checking and savings				
	25,439	41,000	(15,561)	41,000
	25,439	41,000	(15,561)	41,000
Other				
Donations - Other	1,360	2,500	(1,140)	2,500
Insurance Proceeds	-	-	-	-
Special Events and Festivals	403,433	499,500	(96,067)	484,500
Miscellaneous	5,523	13,250	(7,727)	20,750
	410,316	515,250	(104,934)	507,750
Total Revenues	\$ 2,411,459	\$ 2,431,325	\$ (19,866)	\$ 2,061,275

TOWN OF JEAN LAFITTE, LOUISIANA

SCHEDULE OF EXPENDITURES - BUDGET TO ACTUAL
 GENERAL FUND
 For the Year Ended June 30, 2025

EXPENDITURES	Actual Amounts	Final Budget	Variance with Final Budget Positive (Negative)	Original Budget
Current:				
General Government				
Salaries and Benefits				
Salaries - Council	\$ 48,000	\$ 48,000	\$ -	\$ 48,000
Salaries - Regular	334,275	313,500	(20,775)	310,000
Retirement	68,396	70,000	1,604	85,000
Payroll taxes	39,780	37,000	(2,780)	42,000
Health and life insurance	90,819	95,000	4,181	93,500
Unemployment insurance	1,060	1,350	290	1,700
Workman's compensation insurance	13,990	15,000	1,010	15,000
	<u>596,320</u>	<u>579,850</u>	<u>(16,470)</u>	<u>595,200</u>
General and Administrative Costs				
Accounting and auditing	70,113	72,000	1,887	79,000
Auditorium - Food and Drink	33,624	45,000	11,376	-
Auto and truck	19,343	18,500	(843)	18,000
Bank charges	5,160	4,250	(910)	3,600
Claims & judgments	-	-	-	-
Contract labor	111,485	110,000	(1,485)	72,000
Consultants	-	-	-	12,000
Court costs	394	500	106	350
Dues and subscriptions	832	1,000	168	1,000
Emergency response costs - Hurricanes	450,945	269,400	(181,545)	250,000
Emergency response costs - Act 167 HIRF Admin Fee	16,288	-	(16,288)	-
Insurance	187,309	193,500	6,191	193,500
Janitorial	6,299	7,000	701	7,000
Legal - Attorney/Magistrate	29,686	20,000	(9,686)	30,000
Miscellaneous	4,292	30,000	25,708	30,000
Office supplies	23,052	20,000	(3,052)	20,000
Official journal	14,828	9,000	(5,828)	5,000
Operating Costs - Auditorium	2,151	4,250	2,099	-
Operating Costs - Seafood Market	25,608	34,000	8,392	-
Rentals	1,496	1,100	(396)	750
Repairs and maintenance - General	228,191	275,000	46,809	170,000
Repairs and maintenance - Boat	1,578	-	(1,578)	-
Scholarship program	-	-	-	-
Travel - Conventions	1,250	-	(1,250)	-
Travel - Other	217	250	33	250
Utilities	175,982	181,000	5,018	190,000
	<u>1,410,123</u>	<u>1,295,750</u>	<u>(114,373)</u>	<u>1,082,450</u>
Total General Government	<u>2,006,443</u>	<u>1,875,600</u>	<u>(130,843)</u>	<u>1,677,650</u>

(Continued)

TOWN OF JEAN LAFITTE, LOUISIANA

SCHEDULE OF EXPENDITURES - BUDGET TO ACTUAL
 GENERAL FUND
 For the Year Ended June 30, 2025

	Actual Amounts	Final Budget	Variance with Final Budget Positive (Negative)	Original Budget
Public Safety				
Salaries - Officers	135,374	130,000	(5,374)	127,500
Redflex collection fees	881	900	19	350
Supplies - Police	18,633	16,000	(2,633)	16,000
Victims assistance grant costs	27,873	32,500	4,627	50,000
Total Public Safety	<u>182,761</u>	<u>179,400</u>	<u>(3,361)</u>	<u>193,850</u>
Public Works				
Road maintenance - Supplies	16,281	750	(15,531)	750
Total Public Works	<u>16,281</u>	<u>750</u>	<u>(15,531)</u>	<u>750</u>
Culture and Recreation				
Seafood festival costs	482,196	440,000	(42,196)	440,000
Senior Center expenditures	-	-	-	-
Special events - Other	35,624	45,000	9,376	45,000
Tourism costs	10,750	10,000	(750)	10,000
Total Culture and Recreation	<u>528,570</u>	<u>495,000</u>	<u>(33,570)</u>	<u>495,000</u>
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Outlay				
Land, buildings and improvements	-	-	-	-
Furniture, fixtures and equipment	-	500	500	-
Vehicles and heavy equipment	126,851	174,000	47,149	-
Total Capital Outlay	<u>126,851</u>	<u>174,500</u>	<u>47,649</u>	<u>-</u>
Total Expenditures	<u>\$ 2,860,906</u>	<u>\$ 2,725,250</u>	<u>\$ (135,656)</u>	<u>\$ 2,367,250</u>

TOWN OF JEAN LAFITTE, LOUISIANA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - CAPITAL PROJECT FUND**

For the Year Ended June 30, 2025

	Capital Projects Fund
REVENUES	
Taxes	\$ -
Intergovernmental	
Federal	-
State	589,983
Parish/local	-
Interest	-
Other	-
Total Revenues	<u>589,983</u>
EXPENDITURES	
Capital Outlay	
Land	-
Architect/Engineering	95,488
Construction	515,520
Equipment and Fixtures	-
Testing and Other	7,756
Total Expenditures	<u>618,764</u>
Excess (Deficiency) of Revenues over Expenditures	(28,781)
OTHER FINANCING SOURCES (USES)	
Transfers in	28,781
Transfers out	-
Total Other Financing Sources (Uses)	<u>28,781</u>
NET CHANGE IN FUND BALANCE	-
FUND BALANCE	
Beginning of year	(194,287)
End of year	<u>\$ (194,287)</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

OTHER SUPPLEMENTARY INFORMATION

(THIS PAGE LEFT BLANK INTENTIONALLY)

TOWN OF JEAN LAFITTE, LOUISIANA
SCHEDULE OF COUNCILPERSONS' COMPENSATION
For the Year Ended June 30, 2025

<u>Councilperson</u>	<u>Amount</u>
Barry Bartholomew	\$ 9,600
Christy Creppel	9,600
Kyle Darda	9,600
Larry Kerner, Jr.	9,600
Verna Smith	9,600
TOTAL COUNCILPERSONS' COMPENSATION	<u><u>\$ 48,000</u></u>

TOWN OF JEAN LAFITTE, LOUISIANA

**SCHEDULE OF COMPENSATION AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2025**

Agency Head Name/Title:	Timothy P. Kerner, Jr.		(8) Yvette Crain	
	Mayor		Interim Mayor	
Purpose	from 7/1/24 to 4/30/25		from 5/1/25 to 6/30/25	
	Amount		Amount	
Salary	\$	72,963 (1)	\$	8,538 (1)
Taxes - Federal (Social Security and Medicare)		5,329 (2)		656 (2)
Benefits - Retirement		20,246 (3)		2,391 (3)
Benefits - Insurance (Group Health)		17,818 (4)		5,716 (4)
Benefits - Other		-		-
Vehicle Provided by Agency		655 (5)		- (5)
Per Diem		-		-
Reimbursements		-		-
Travel (meal per diems)		-		-
Travel (gas and parking)		137		-
Registration Fees		-		-
Conference and Business Travel		2,260 (6)		- (6)
Continuing Professional Education Fees		-		-
Housing		-		-
Unvouchered Expenses		-		-
Special Meals		- (7)		- (7)

Notes to Schedule:

- (1) The Mayor's salary is set by Town Ordinance.
- (2) The Town and its employees pay social security and medicare taxes. This amount represents the amount of taxes paid by the employer (the Town) on this employee's taxable wages.
- (3) All full-time employees of the Town, including the Mayor, are members of the Louisiana Municipal Employees Retirement System (MERS). Under this plan, the Town is required to pay 29.50% as contribution to the plan, while the employee is required to pay 10.00%. This amount represents the employer's cost of this contribution for FYE 2024.
- (4) The Town pays for the health insurance coverage for all full-time employees, plus 70% of an employee's family coverage. This amount represents the premiums paid on the Town's group policy on behalf of the Mayor, net of the employee's share.
- (5) The Mayor also serves as the President of the local levee district and is provided a take-home vehicle by the levee district. Under a cooperative endeavor agreement (CEA), the Town and the levee district have agreed to share in some of the costs of providing this vehicle as some of the vehicle usage is Town-related and some is levee district related. Under the IRS rules, the Mayor is taxed on the estimated lease value of the vehicle. For 2024, the amount included in the Mayor's taxable income is shown above.
- (6) Includes travel costs (airfare, hotel, parking, etc. - typically for the Louisiana Municipal Association's annual conference, travel to Baton Rouge and Washington DC, etc.).
- (7) Includes meals related to Town business, including meals at conferences or while out lobbying.
- (8) Mayor Kerner was elected to the Parish Council in May 2025. Yvette Crain took over as Interim Mayor.

TOWN OF JEAN LAFITTE, LOUISIANA
SCHEDULE OF STATE FUNDING
For the Year Ended June 30, 2025

State Source	Amount
State General Fund:	
Department of the Treasury - Tax/Fee Allocations	
Parish Transportation Funds	\$ 168,000
Beer Tax	2,795
Tobacco Tax	-
	170,795
Louisiana Office of Community Development	
Senior Citizens Utility Income Assistance	20,000
Miscellaneous State Aid	
Act 119 - Seafood Market/Tourism	25,395
Act 776 - Maintenance	100,000
Act 167 - Hurricane Ida Relief Fund (HIRF)	311,181
State Supplement Pay - Police	13,200
	449,776
Total State Funding - General Fund	\$ 640,571
Other State Agencies:	
Coastal Protection and Restoration Authority	
National Resource Damage Assessment - Wetlands Center (BA-0236)	\$ 589,983
Facilities Planning & Control (FP&C)	
State Capital Outlay (#50-ME1-21-01) - Warehouse Construction	-
State Capital Outlay (#50-ME1-22-02) - Amphitheatre Construction	-
	-
Total State Funding - Capital Projects Fund	\$ 589,983
Total State Funding	\$ 1,230,554

Note: Additional funds were received from various State agencies; however, because those funds were "federal grant funds" being passed through the State, they are not reflected on this schedule. Instead, they are presented as Federal Grants on the Schedule of Expenditures of Federal Awards as

TOWN OF JEAN LAFITTE, LOUISIANA

JUSTICE SYSTEM FUNDING SCHEDULE - COLLECTING/DISBURSING ENTITY (CASH BASIS)
 For the Year Ended June 30, 2025

	First Six Month Period Ended 12/31/24	Second Six Month Period Ended 6/30/2025
Beginning Balance of Amounts Collected	\$ -	\$ -
Add: Collections		
Criminal Fines - Other	4,024	3,230
Criminal Court Costs/Fees	264	130
Civil Fines - Other	2,683	-
Subtotal Collections	<u>6,971</u>	<u>3,360</u>
Less: Disbursements to Governments & Nonprofits		
Louisiana Dept of Health - Traumatic Head and Spinal Cord Injury Trust Fund	155	75
Louisiana Commission on Law Enforcement	62	31
Louisiana Supreme Court	16	9
Treasurer, State of Louisiana - CMIS	31	15
Less: Amounts Retained by Collecting Agency		
Amounts Self-Disbursed to Collecting Agency:		
Criminal Fines - Other	4,024	3,230
Civil Fines - Other	2,683	-
Less: Disbursement to Individuals/3rd Party Collection or Processing Agencies		
Payments to 3rd Party Collection/Processing Agencies	-	-
Subtotal Disbursements/Retainage	<u>6,971</u>	<u>3,360</u>
Ending Balance of Amounts Collected but not Disbursed/Retained	<u>\$ -</u>	<u>\$ -</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

TOWN OF JEAN LAFITTE, LOUISIANA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2025

GRANTOR/SOURCE	FEDERAL CFDA NO.	GRANT NUMBER	GRANT PERIOD	
			FROM	TO
DIRECT GRANTS				
None				
PASS-THROUGH GRANTS				
Department of Homeland Security				
Passed Through Louisiana Governor's Office of Homeland Security (GOHSEP)				
Public Disaster Assistance - Zeta	97.036	DR-3549-LA	Project Completion	
Public Disaster Assistance - Ida	97.036	DR-4611-LA	Project Completion	
Public Disaster Assistance - Francine	97.036	DR-4817-LA	Project Completion	
Total Department of Homeland Security				
Department of Justice				
Passed Through Louisiana Commission on Law Enforcement				
Victim's Assistance Program Grant- 2025	16.575	8113	10/1/2024	9/30/2025
Victim's Assistance Program Grant- 2024	16.575	7362	1/1/2024	9/30/2024
Criminal Patrols - 2025	16.738	2022-DJ-01-8113	7/1/2024	6/30/2025
Total Department of Justice				
Department of Transportation				
Passed through the Louisiana Department of Transportation and Development				
Highway Planning and Construction Grants - Lafitte Sidewalk Beautification	20.205	h002263	Project Completion	
Total Department of Transportation				
Department of Treasury				
Passed Through Louisiana Governor's Office of Homeland Security (GOHSEP)				
American Rescue Plan Act (ARPA) - 2021 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Unknown	3/3/2021	12/21/2024
Total Pass-Through Grants				
FEDERAL LOAN PROGRAMS				
Passed Through Department of Health and Human Services				
Community Disaster Loan (CDL) Program	97.030	B9192B1-EMT-2022-LF-4611LA02	Project Completion	
Grand Total - All Grants				

FOOTNOTES TO SCHEDULE:

No "Single Audit" was required for the year ended June 30, 2025 as the federal expenditures fell below the OMB thresholds. This Schedule is being presented as supplemental information due to the number of grants received during the year. This Schedule was prepared on the accrual basis of accounting and covers all activity from July 1, 2024 to June 30, 2025. The Schedule was prepared in accordance with the requirements of the OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards under 2 CFR Part 200.

- (1) GASB 65 requires the recognition of "deferred inflows" for grants on the fund financial statements when their revenues are deemed "unavailable" at year-end. At June 30, 2025, the Town had \$-0- in deferred inflows related to grants.
- (2) The Town has not negotiated an indirect cost rate. Also, the Town elected not to use the 10% de minimus cost rate as allowed by 2 CFR 200.414 Indirect (F&A) costs.
- (3) In the wake of Hurricane Ida, the Town qualified for a Community Disaster Loan (CDL) based on its projected loss of income. The CDL loan is designed to provide operating funds to the entity until the local economy recovers. The Town qualified for a loan up to \$364,750; however, only \$251,999 has been drawdown as of June 30, 2025. The drawdowns were made in the 2023 fiscal year (no loan proceeds were received in 2025 as CDL expired). The loan is payable within 5 years at an interest rate not to exceed 3.0%. Through year end, \$20,576 of interest has accrued on this loan, bringing the year end balance due to \$272,575.

PRIOR YEAR RECEIVABLE (DEFERRED)	CURRENT YEAR RECEIPTS	CURRENT YEAR RECEIVABLE (DEFERRED)	CURRENT YEAR REVENUES	FEDERAL EXPENDITURES		TOTAL
				SPENT DIRECTLY BY TOWN	PAID TO SUBRECIPIENTS	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ 3,428	\$ 3,428	\$ 3,428	\$ -	\$ 3,428
64,527	310,793	-	246,266	246,266	-	246,266
-	-	5,780	5,780	5,780	-	5,780
64,527	310,793	9,208	255,474	255,474	-	255,474
-	34,085	2,827	36,912	36,912	-	36,912
17,959	40,350	-	22,391	22,391	-	22,391
-	3,762	4,758	8,520	-	-	-
17,959	78,197	7,585	67,823	59,303	-	59,303
25,051	25,051	-	-	-	-	-
25,051	25,051	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 107,537	\$ 414,041	\$ 16,793	\$ 323,297	\$ 314,777	\$ -	\$ 314,777
-	-	-	-	-	-	-
\$ 107,537	\$ 414,041	\$ 16,793	\$ 323,297	\$ 314,777	\$ -	\$ 314,777

(3)

Plus (minus) amounts reported as changes in deferred inflows:

General Fund	-
Capital Projects Fund	-
Current year revenue	\$ 323,297

Recognized in:

General Fund - as current year revenues	\$ 323,297
Capital Project Fund - as current year revenues	-
	\$ 323,297

(THIS PAGE LEFT BLANK INTENTIONALLY)

COMPLIANCE SECTION

(THIS PAGE LEFT BLANK INTENTIONALLY)

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

Honorable Yvette Crain, Mayor
and Members of the Council
Town of Jean Lafitte, 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 each major fund of the Town of Jean Lafitte (the "Town"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 30, 2025.

Report on Internal Control over Financial Reporting

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

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 Town's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town'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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

EisnerAmper LLP

EISNERAMPER LLP
Baton Rouge, Louisiana
December 30, 2025



TOWN OF JEAN LAFITTE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended June 30, 2025

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expressed an unmodified opinion on the financial statements of the Town of Jean Lafitte as of and for the year June 30, 2025.
2. No significant deficiencies or material weaknesses in internal controls were reported relating to the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Town of Jean Lafitte were reported.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

None

TOWN OF JEAN LAFITTE, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2025

FINDINGS – FINANCIAL STATEMENT AUDIT

None

(END OF REPORT)

December 30, 2025

Honorable Yvette Crain, Mayor
and Members of the Council
Town of Jean Lafitte, Louisiana

We have audited the financial statements of the Town of Jean Lafitte (the Town) for the year ended June 30, 2025, and have issued our report thereon. As part of our audit, we considered the Town's internal control over financial reporting as well as compliance with the terms of applicable laws and regulations, contracts, and grant agreements that could have a material effect on its financial statements under *Government Auditing Standards*. The purpose of our consideration of internal control and compliance was to establish a basis for designing our auditing procedures, and to determine the effects of compliance on the financial statements. Our consideration was not for the purpose of expressing an opinion on the effectiveness of the Town's internal control or expressing an opinion on compliance.

Our consideration of internal control was for the limited purposes described in the preceding paragraph and was not designed to identify all deficiencies that might be significant deficiencies or material weaknesses in internal control and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as described below, we identified a certain matter involving internal control and other operations matters that are presented for your consideration.

This letter does not affect our reports dated December 30, 2025, on the financial statements of Town of Jean Lafitte or Town of Jean Lafitte's internal control over financial reporting in accordance with *Government Auditing Standards*. Our comment is summarized below:

ML 2025-001

Local Government Budget Act

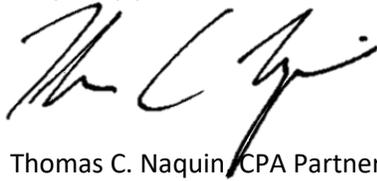
Criteria: Louisiana Revised Statute 39:1311 requires the governmental entity to revise its budget when total projected expenditures and other uses exceeds total budgeted expenditures and other uses by five percent or more.

Condition: The Town's final amended budget reflected expenditures and other uses in the General Fund that was less than actual expenditures and other uses by more than five percent.

Recommendations: We recommend that the Town comply with all requirements of the Local Government Budget Act.

Management Response: Management concurs with the finding that the 5 percent threshold was exceeded. The overage was the result of a transfer out of the General Fund to the Capital Projects fund to cover deficient revenues for the year. The deficit was caused by delays in the State awarding grants and not receiving the anticipated funding. Management believes that this deficit will be eliminated as these grants are awarded.

Very truly yours,



Thomas C. Naquin, CPA Partner
EISNERAMPER LLP



EISNERAMPER

TOWN OF JEAN LAFITTE

**LOUISIANA LEGISLATIVE AUDITOR – STATEWIDE
AGREED-UPON PROCEDURES REPORT**

FOR THE YEAR ENDED JUNE 30, 2025



TABLE OF CONTENTS

	<u>Page</u>
Independent Accountants' Report on Applying Agreed-Upon Procedures	1
Schedule A: Agreed-Upon Procedures Performed and Associated Findings	2 -16
Schedule B: Management's Response and Corrective Action Plan	17

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To: Board of the *Town of Jean Lafitte (the Town)* and the Louisiana Legislative Auditor

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

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

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

We were engaged by *the Town* to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs of the *Town* for the fiscal period July 1, 2024 through June 30, 2025. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

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



EISNERAMPER LLP
Baton Rouge, Louisiana
December 30, 2025

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

If the C/C area was not required to be subjected to procedures in the current year, in accordance with the two year rotation guidelines published by the LLA, then the results will read “Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines”.

1) **Written Policies and Procedures**

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

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

The Town has written policies for Travel and Expense Reimbursement; however, the policy does not specifically address attribute (2) dollar thresholds by category of expense. This is considered an exception. For attributes (1), (3) and (4), no exceptions were noted.

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

No exception noted.

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

No exception noted.

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

The Town has written policies for Debt Service; however, the policy does not specifically address attribute (2) continuing disclosure/EMMA reporting requirements. This is considered an exception. For attributes (1), (3) and (4), no exceptions were noted. Note the Town has no bonded debt.

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

No exception noted.

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

No exception noted.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. Observe whether the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

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

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

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

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

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

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

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

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);

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

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

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

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

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

4) Collections (excluding electronic funds transfers)

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

A listing of deposit sites was provided and included a total of 1 deposit site. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected the 1 deposit site and performed the procedures below.

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

A listing of collection locations for the deposit site selected in procedure #4A was provided and included a total of 1 collection location. No exceptions were noted as a result of performing this procedure.

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

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

Employees at the Town Hall Deposit site who are responsible for cash collections also share cash drawers/registers. This is considered an exception.

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

No exception noted.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

We randomly selected 2 deposit dates for each of 3 bank accounts. The Town has 3 bank accounts. We obtained supporting documentation for each of the 2 deposits and performed the procedures below.

- i. Observe that receipts are sequentially pre-numbered.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.

No exception noted.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

No exception noted.

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

No exception noted.

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

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

The listing of locations that process payments for the fiscal period was provided. No exceptions were noted as a result of performing this procedure.

From the listing provided, we selected all 2 locations and performed the procedures below.

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

The listing of employees involved with non-payroll purchasing and payment functions for each payment processing location selected in procedure #5A was provided. No exceptions were noted as a result of performing this procedure.

Review of the Entity's written policies and procedures or inquiry with employee(s) regarding job duties was performed in order to perform the procedures below.

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

No exception noted.

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

No exception noted.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

Employees responsible for processing payments are not prohibited from adding/modifying vendor files and no other employee is responsible for periodic review of vendor file changes. This is considered an exception.

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

No exception noted.

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

No exception noted.

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

A listing of non-payroll disbursements for each payment processing location selected in procedures #5A was provided related to the reporting period. No exceptions were noted as a result of performing this procedure.

From each of the 2 bank accounts provided, we randomly selected 5 disbursements and performed the procedures below.

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

For 1 of the 10 samples selected, the purchase was initiated by someone approving the purchase order. For all 10 samples selected, the payment processor is not prohibited from adding/modifying vendor files. This is considered an exception.

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

For all items selected for testing, the person responsible for processing payments is not prohibited from adding/modifying vendor files. This is considered an exception.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

No exception noted.

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

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

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

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

From the listing provided, we selected all 4 credit cards used in the fiscal period. We randomly selected one monthly statement for each of the 4 cards selected and performed the procedures noted below.

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

No exception noted.

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

No exception noted.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

No exceptions noted.

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

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

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

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

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

No exception noted.

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

For 3 of 5 items tested, no supporting documentation was provided. This is considered an exception.

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

For 3 of 5 items tested, no supporting documentation was provided. This is considered an exception.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

For 3 of 5 items tested, no supporting documentation was provided. For 1 of the 5 items tested, an employee approved her own reimbursement. This is considered an exception.

8) **Contracts**

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

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

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

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

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

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

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

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

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

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

9) Payroll and Personnel

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

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

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

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

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

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

No exception noted.

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

No exception noted.

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

No exception noted.

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

No exception noted.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

No terminated employees in the current year. No exceptions were noted as a result of performing this procedure.

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

No exceptions noted.

10) Ethics

- A. Using the 5 randomly selected employees/officials from procedure "Payroll and Personnel" procedure #9A, above obtain ethics documentation from management, and
- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

No exception noted.

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

No exception noted.

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

No exception noted.

11) Debt Service

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

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

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

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

12) Fraud Notice

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

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

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

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

13) Information Technology Disaster Recovery/Business Continuity

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

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

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

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

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

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

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

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

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

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

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

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

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

TOWN OF JEAN LAFITTE

AGREED-UPON PROCEDURES PERFORMED AND ASSOCIATED FINDINGS

JUNE 30, 2025

Schedule A

- ii. Number of sexual harassment complaints received by the agency;
Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.
- v. Amount of time it took to resolve each complaint.
Procedures were not performed in the current year (Year 2) in accordance with LLA guidelines.

TOWN OF JEAN LAFITTE

MANAGEMENT'S RESPONSE AND CORRECTIVE ACTION PLAN

JUNE 30, 2025

Schedule B

Management has reviewed and will address the exceptions noted above.