

Financial Report

Town of Golden Meadow
Louisiana

December 31, 2021



Financial Report

*Town of Golden Meadow
Louisiana*

December 31, 2021

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December 31, 2021

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Joey Bouziga, Mayor
and Members of the Town Council,
Town of Golden Meadow,
Golden Meadow, Louisiana.

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Town of Golden Meadow (the "Town"), State of Louisiana, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities and each major fund of the Town as of December 31, 2021 and the respective changes in financial position for the year then ended and budgetary comparison of the General Fund in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 5 through 12, and the Schedule of Changes in the Town's Total OPEB Liability and Related Ratios, the Schedule of the Town's Proportionate Share of the Net Pension Liability and Schedule of the Town's Contributions on pages 70 through 74, 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 economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Town's basic financial statements. The accompanying supplementary information on page 75 through 78 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information

Management is responsible for the other information included in the annual report. The other information comprises the statistical information section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 17, 2022 on our consideration of the Town's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, Louisiana,
June 17, 2022.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Town of Golden Meadow Louisiana

December 31, 2021

The Mayor and the Town Clerk are responsible for the overview and analysis of the financial activities of the Town of Golden Meadow (the "Town") for the year ended December 31, 2021. The narrative provided is designed to introduce the financial highlights and offer an overview of the financial statements.

Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and facts known to date. This narrative includes a government-wide financial analysis of revenues, expenses and changes in the net position. Further detail offers our readers a financial analysis of the Town's funds consisting of the governmental fund types and proprietary funds.

FINANCIAL HIGHLIGHTS

Assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$18,507,484 (net position). Of this amount, \$3,829,945 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.

The Town's net position increased by \$118,504 (or .64%) during 2021, primarily a result of a capital grants received.

The Town's governmental activities revenues increased by \$522,185 (or 30.94%) primarily due to increases in charges for services, operating grants, and sales tax.

The Town's governmental activities expenses decreased by \$66,109 (or 2.99%) primarily due to decreases in public safety and streets and highways.

The business activities reported a change in net position of \$49,994 (or .82%). Current year sewerage activity expenses were \$102,059 more than 2020 expenses.

The Town did not have any funds with a deficit fund balance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's annual report consists of five parts: (1) management's discussion and analysis (this section), (2) basic financial statements, (3) required and other supplementary information, (4) statistical information, (5) various governmental compliance reports and schedules by certified public accountants and management.

The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

Government-Wide Financial Statements

The government-wide financial statements reported in Exhibits A and B are designed to be similar to private-sector business in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. These statements, combine governmental funds' current financial resources with capital assets and long-term obligations. Also presented in the government-wide financial statements is a total column for the business-type activities of the primary government.

The Statement of Net Position reported in Exhibit A presents information on all the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities reported in Exhibit B presents information showing how the government's net position changed during the most recent fiscal year. All changes in the assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses reported in this statement for some items will only result in cash flows in future fiscal periods. For example, earned but unused compensation time result in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities, which are provided by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of cost of various governmental services and/or subsidy to various business-type activities.

Both government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities which reflect the Town's basic services include the financial activities of the following: general government (Town administration) public safety (police department), streets and highways (street, road and sidewalk maintenance), drainage and levee (drainage and levee maintenance), culture and recreation (parks/playgrounds and pool) and sanitation (animal control, grass cutting, building demolition and trash collection). The business-type activities of the Town include a sewerage collection and treatment system.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the fund financial statement presentation more familiar. The focus is now on major funds, rather than generic fund types. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental major fund presentation in Exhibits C through G is presented on a sources and uses of liquid resources basis. This is the manner in which the financial budget is typically developed. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements. The Town has presented the General Fund and Capital Projects Fund as major governmental funds.

Proprietary Funds include enterprise funds on the fund financial statements illustrated in Exhibits H through J. Enterprise funds are used to account for operations financed and operated in a manner similar to private business enterprises. The enterprise fund is presented as a major fund and consists of the Sewerage Fund. The intent is that costs of goods or services to the general public on a continuing basis be financed primarily through user charges.

While the Sewerage Fund on the business-type fund financial statements for the enterprise fund (see Exhibit H and I) is generally the same as the business-type column at the government-wide financial statements, the governmental funds total column requires a reconciliation because of the different measurement focus which is reflected on the page following each statement (see Exhibit D and F). The flow of current financial resources will reflect capital expenditures and interfund transfers as other financial sources and debt service principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in the government-wide statements.

Capital Assets

General capital assets include land, construction in progress, buildings and improvements, infrastructure, vehicles, machinery and equipment and all other tangible assets that are used in operations and that have initial useful lives greater than one year and exceed the Town's capitalization threshold (see Note 1d, Exhibit K). The Town has recorded all material infrastructure assets acquired since 1984. Accumulated depreciation is recorded based on the date of acquisition and the life span of the asset.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**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. The notes to the financial statements are a required part of the financial statements and can be found in Exhibit K of this report.

Other Information

In addition to the basic financial statements and notes to financial statements, this report also presents required supplementary information concerning the Town's changes to its obligations and its progress in funding its obligations to provide postemployment and pension benefits to its employees. Required supplementary information can be found on Exhibits L, M, N, O, and P of this report.

Schedules of Compensation Paid to Members of the Town Council and Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer can be found in Statements 1 and 2 of this report. The Statistical Section (Tables 1 through 8) are included for additional information and analysis and do not constitute a part of the audited financial statements.

Government-Wide Financial Analysis**Condensed Statements of Net Position**

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 6,047,575	\$ 5,609,455	\$ (291,898)	\$ (39,978)	\$ 5,755,677	\$ 5,569,477
Capital assets	7,819,101	8,455,192	6,534,881	6,416,317	14,353,982	14,871,509
Total assets	13,866,676	14,064,647	6,242,983	6,376,339	20,109,659	20,440,986
Deferred outflows of resources	394,759	535,713	138,560	144,083	533,319	679,796
Total assets and deferred outflows of resources	14,261,435	14,600,360	6,381,543	6,520,422	20,642,978	21,120,782
Liabilities:						
Current liabilities	87,249	46,398	32,365	215,112	119,614	261,510
Long-term obligations	1,390,958	1,901,875	176,668	188,622	1,567,626	2,090,497
Total liabilities	1,478,207	1,948,273	209,033	403,734	1,687,240	2,352,007
Deferred inflows of resources	437,949	375,318	10,305	4,477	448,254	379,795
Total liabilities and deferred inflows of resources	1,916,156	2,323,591	219,338	408,211	2,135,494	2,731,802
Net position (deficit):						
Net investment in capital assets	7,819,101	8,455,192	6,534,881	6,416,317	14,353,982	14,871,509
Restricted	323,557	407,465	-	-	323,557	407,465
Unrestricted	4,202,621	3,414,112	(372,676)	(304,106)	3,829,945	3,110,006
Total net position	\$ 12,345,279	\$ 12,276,769	\$ 6,162,205	\$ 6,112,211	\$ 18,507,484	\$ 18,388,980

For more detailed information see Exhibit A, Statement of Net Position.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Approximately 77.56% of the Town's net position as of December 31, 2021, reflects the government's net investment in capital assets less any related outstanding debt used to acquire those assets that is still outstanding. The Town's government uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Approximately 1.75% of the Town's net position is subject to external restrictions as to its use. The remaining unrestricted net position of 20.69% is available for future use as directed by the Mayor and the Town Council to meet ongoing obligations of the government to citizens and creditors.

The following table provides a summary of the statement of activities for the year ended December 31, 2021, with comparative figures from 2020:

Condensed Statements of Activities

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 698,867	\$ 523,826	\$ 151,544	\$ 130,894	\$ 850,411	\$ 654,720
Operating grants and contributions	426,332	58,245	-	-	426,332	58,245
Capital grants and contributions	20,254	150,303	183,303	889,095	203,557	1,039,398
General revenues:						
Property taxes	201,575	190,686	-	-	201,575	190,686
Sales taxes	754,935	630,829	-	-	754,935	630,829
Franchise taxes	75,836	73,336	-	-	75,836	73,336
Grants and contributions not restricted to specific programs	17,828	8,768	-	-	17,828	8,768
Other	14,323	51,772	55	37	14,378	51,809
Total revenues	<u>2,209,950</u>	<u>1,687,765</u>	<u>334,902</u>	<u>1,020,026</u>	<u>2,544,852</u>	<u>2,707,791</u>
Expenses:						
General government	645,947	531,858	-	-	645,947	531,858
Public safety	742,128	809,635	-	-	742,128	809,635
Streets and highways	260,770	329,214	-	-	260,770	329,214
Drainage and levee	282,373	289,780	-	-	282,373	289,780
Culture and recreation	198,723	232,557	-	-	198,723	232,557
Sanitation	11,499	14,418	-	-	11,499	14,418
Interest on long-term obligations	-	87	-	-	-	87
Sewerage	-	-	284,908	182,849	284,908	182,849
Total expenses	<u>2,141,440</u>	<u>2,207,549</u>	<u>284,908</u>	<u>182,849</u>	<u>2,426,348</u>	<u>2,390,398</u>
Increase in net position before transfers	68,510	(519,784)	49,994	837,177	118,504	317,393
Transfers	-	-	-	-	-	-
Change in net position	68,510	(519,784)	49,994	837,177	118,504	317,393
Net position, January 1,	<u>12,276,769</u>	<u>12,796,553</u>	<u>6,112,211</u>	<u>5,275,034</u>	<u>18,388,980</u>	<u>18,071,587</u>
Net position, December 31,	<u>\$ 12,345,279</u>	<u>\$ 12,276,769</u>	<u>\$ 6,162,205</u>	<u>\$ 6,112,211</u>	<u>\$ 18,507,484</u>	<u>\$ 18,388,980</u>

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

The Town's change in net position was \$118,504 for the current fiscal year for a total net position of \$18,507,484 as of December 31, 2021.

Governmental activity charges for services revenues increased \$175,041 from the prior year primarily due to an increase in traffic violations issued as a result of less Coronavirus (COVID-19) related restrictions. Operating grants increased by \$368,087 as a result of the Town receiving funds from the American Rescue Plan Act. Additionally, sales tax revenues increased by 19.67% or \$124,106 as a result of increased operations of local businesses as COVID-19 restrictions decreased.

Business-type activity total revenues decreased by \$685,124, or 67.17%, from the prior year. This is mostly the result of the Town recognizing \$705,792 less in capital grant revenue for funding of the sewerage system in 2021 as compared to 2020. Business activity expenses increased by \$102,059, as a result of increases in depreciation and actuarial changes in business activities.

Financial Analysis of the Government's Funds

The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirement. 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 fiscal year.

The combined fund balances of the Town's governmental funds as of December 31, 2021 were \$5,915,355 as compared to \$5,312,123 as of December 31, 2020, an increase of \$603,232. The fund balance in the amount of \$499,083 is restricted for various departments in the General Fund. The remaining \$5,416,272 of fund balance is available for spending at the Town's discretion.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, fund balance of the General Fund was \$5,915,355, compared with a fund balance of \$5,186,091 at the end of 2020, an increase of \$729,264.

Proprietary Funds: The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Sewerage Fund of the Town had an unrestricted net position deficit of \$372,676 as of December 31, 2021. This fund encompasses all assets associated with sewerage operations of the Town. This fund is self-supported from program revenues. Net investment in capital assets at the end of the current fiscal year totaled \$6,534,881.

For the year ended December 31, 2021, the Sewerage Fund had an operating loss of \$133,364. The Sewerage Fund's loss is primarily due to depreciation and amortization.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)**General Fund Budgetary Highlights**

The major difference between the original General Fund budgeted revenues and the final amended budgeted was reductions in revenues funds from fines and forfeitures. The final budget more closely reflects anticipated revenues from this source.

The major difference between the original General Fund budgeted expenditures and the final amended budgeted was an increase of \$222,914 in general government expenditures in order to include disaster expenses incurred due to Hurricane Ida.

Capital Asset and Debt Administration

Capital Assets: the Town's net investment in capital assets for its governmental and business-type activities as of December 31, 2021, amounts to \$14,353,982 (net of accumulated depreciation). This net investment in capital assets includes land, construction in progress, buildings and improvements, furnishings and equipment, streets and roads, drainage systems, park, swimming pool, and sewer treatment facilities. The net decrease in the Town's net investment in capital assets (net of depreciation) for the current fiscal year was \$517,527. The decrease is due to depreciation of \$369,051 and the disposal of assets damaged during Hurricane Ida.

Major capital asset events during the current fiscal year included the following:

- Completion of the Sewer Phase VI Project.
- Impairment due to Hurricane Ida of the Senior Citizens Building, Park Pavilion, Basketball Pavilion, Walking Trail Restroom, and Pumping Station Building.
- Disposals of various damaged and obsolete equipment.

Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 100,528	\$ 100,528	\$ -	\$ -	\$ 100,528	\$ 100,528
Construction in progress	-	8,307	46,096	1,127,564	46,096	1,135,871
Buildings and improvements	1,710,750	1,832,339	330,916	342,527	2,041,666	2,174,866
Seawall	4,307,687	4,407,740	-	-	4,307,687	4,407,740
Swimming pool	138,455	187,490	-	-	138,455	187,490
Autos and trucks	38,474	62,393	-	-	38,474	62,393
Sidewalks, streets and drainage	824,312	1,047,718	-	-	824,312	1,047,718
Oakridge Park	610,536	697,437	-	-	610,536	697,437
Furniture, equipment and other	88,359	111,240	20,670	25,131	109,029	136,371
Sewer system	-	-	6,137,199	4,921,095	6,137,199	4,921,095
Totals	<u>\$ 7,819,101</u>	<u>\$ 8,455,192</u>	<u>\$ 6,534,881</u>	<u>\$ 6,416,317</u>	<u>\$ 14,353,982</u>	<u>\$ 14,871,509</u>

Additional information on the Town's capital assets can be found in Note 8, Exhibit K of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Capital Asset and Debt Administration (Continued)

Non-current liabilities: At the end of the current fiscal year, the Town had total outstanding non-current liabilities of \$1,567,626 which represents compensated absences, other postemployment benefit obligations, net pension liability, and asset retirement obligations. The compensated absences, other postemployment benefit obligations, net pension liability, and asset retirement obligations will be serviced by general revenues of the Town, except those recognized in the enterprise funds, which will be serviced by fund revenues.

Economic Factors and Next Year's Budget and Rates

Overall, the Town is anticipating General Fund revenues to exceed expenditures in 2022 by approximately \$257,000. The 2022 budget includes \$900,000 in expected federal awards in response to recent presidentially declared disasters and \$360,000 of American Rescue Plan grant funding.

Requests for Information

This financial report is designed to provide a general overview of the Town of Golden Meadow's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Town Clerk, P. O. Box 307, Golden Meadow, LA 70357. General information relating to the Town can be found at the Town's website, www.townofgoldenmeadow-la.gov.

STATEMENT OF NET POSITION**Town of Golden Meadow**
Louisiana

December 31, 2021

	Primary Government		Totals
	Governmental Activities	Business-type Activities	
ASSETS			
Cash and cash equivalents	\$ 4,149,354	\$ 588,388	\$ 4,737,742
Investments	340,000	-	340,000
Receivables (net)	163,202	60,363	223,565
Due from other governments	60,234	349,165	409,399
Internal balances	1,289,814	(1,289,814)	-
Prepaid insurance	44,971	-	44,971
Capital assets:			
Non-depreciable	100,528	46,096	146,624
Depreciable, net	7,718,573	6,488,785	14,207,358
Total assets	13,866,676	6,242,983	20,109,659
DEFERRED OUTFLOWS OF RESOURCES			
Other post employment benefits	95,595	2,897	98,492
Pensions	299,164	6,254	305,418
Asset retirement obligation	-	129,409	129,409
Total deferred outflows of resources	394,759	138,560	533,319
Total assets and deferred outflows of resources	14,261,435	6,381,543	20,642,978
LIABILITIES			
Accounts payable and other current liabilities	87,249	910	88,159
Contracts payable	-	31,455	31,455
Non-current liabilities:			
Due in more than one year	1,390,958	176,668	1,567,626
Total liabilities	1,478,207	209,033	1,687,240
DEFERRED INFLOWS OF RESOURCES			
Other post employment benefits	79,053	2,395	81,448
Pensions	358,896	7,910	366,806
Total deferred inflows of resources	437,949	10,305	448,254
Total liabilities and deferred inflows of resources	1,916,156	219,338	2,135,494
NET POSITION (DEFICIT)			
Net investment in capital assets	7,819,101	6,534,881	14,353,982
Restricted for:			
Drainage and levees	109,915	-	109,915
Streets and highways	213,642	-	213,642
Unrestricted	4,202,621	(372,676)	3,829,945
Total net position	\$ 12,345,279	\$ 6,162,205	\$ 18,507,484

See notes to financial statements.

STATEMENT OF ACTIVITIES

Town of Golden Meadow Louisiana

For the year ended December 31, 2021

		<u>Program Revenue</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
Governmental activities:				
General government	\$ 645,947	\$ 118,899	\$ 376,495	\$ 20,254
Public safety	742,128	570,716	26,117	-
Streets and highways	260,770	-	23,720	-
Drainage and levee	282,373	-	-	-
Culture and recreation	198,723	9,252	-	-
Sanitation	11,499	-	-	-
Total governmental activities	2,141,440	698,867	426,332	20,254
Business-type activities:				
Sewerage	284,908	151,544	-	183,303
Total primary government	<u>\$ 2,426,348</u>	<u>\$ 850,411</u>	<u>\$ 426,332</u>	<u>\$ 203,557</u>
General revenues (expenses):				
Taxes:				
Property				
Sales taxes				
Franchise taxes				
Grants and contributions not restricted to specific programs				
Unrestricted investment earnings				
Miscellaneous				
Loss on disposal of assets				
Total general revenues (expenses) and transfers				
Change in net position				
Net position				
Beginning of year				
Ending of year				
See notes to financial statements.				

Net (Expense) Revenue and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (130,299)	\$ -	\$ (130,299)
(145,295)	-	(145,295)
(237,050)	-	(237,050)
(282,373)	-	(282,373)
(189,471)	-	(189,471)
(11,499)	-	(11,499)
(995,987)	-	(995,987)
-	49,939	49,939
(995,987)	49,939	(946,048)
201,575	-	201,575
754,935	-	754,935
75,836	-	75,836
17,828	-	17,828
5,342	55	5,397
15,704	-	15,704
(6,723)	-	(6,723)
1,064,497	55	1,064,552
68,510	49,994	118,504
12,276,769	6,112,211	18,388,980
\$ 12,345,279	\$ 6,162,205	\$ 18,507,484

BALANCE SHEET
GOVERNMENTAL FUNDS

Town of Golden Meadow
Louisiana

December 31, 2021

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 4,149,354	\$ -	\$ 4,149,354
Investments	340,000	-	340,000
Receivables (net, where applicable of allowances for uncollectibles):			
Taxes	104,577	-	104,577
Accounts	58,625	-	58,625
Due from other funds	1,289,814	-	1,289,814
Due from other governmental units	60,234	-	60,234
Total assets	\$ 6,002,604	\$ -	\$ 6,002,604
Liabilities			
Accounts payable and accrued expenditures	\$ 87,249	\$ -	\$ 87,249
Fund Balances			
Restricted:			
Levee maintenance	152,652	-	152,652
Drainage maintenance	92,484	-	92,484
Streets	253,947	-	253,947
Unassigned	5,416,272	-	5,416,272
Total fund balances	5,915,355	-	5,915,355
Total liabilities and fund balances	\$ 6,002,604	\$ -	\$ 6,002,604

See notes to financial statements.

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

**Town of Golden Meadow
Louisiana**

December 31, 2021

Fund Balances - Governmental Funds		\$ 5,915,355
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	\$ 12,970,290	
Accumulated depreciation	<u>(5,151,189)</u>	7,819,101
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Prepaid insurance		44,971
Deferred outflows of resources are not available to current expenditures and, therefore not reported in governmental funds.		
Other postemployment benefits	95,595	
Pensions	<u>299,164</u>	394,759
Non-current obligations are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(6,094)	
Other postemployment benefits	(418,753)	
Net pension liability	<u>(966,111)</u>	(1,390,958)
Deferred inflows of resources are not recognized in the current period and, therefore not reported in governmental funds.		
Other postemployment benefits	(79,053)	
Pensions	<u>(358,896)</u>	<u>(437,949)</u>
Net Position of Governmental Activities		<u><u>\$ 12,345,279</u></u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**

Town of Golden Meadow

Louisiana

For the year ended December 31, 2021

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Revenues			
Taxes	\$ 956,510	\$ -	\$ 956,510
Fines and forfeitures	585,167	-	585,167
Intergovernmental	453,532	-	453,532
Licenses and permits	86,710	-	86,710
Franchise fees	75,836	-	75,836
Charges for services	26,990	-	26,990
Investment income	5,342	-	5,342
Miscellaneous	26,586	-	26,586
	<u>2,216,673</u>	<u>-</u>	<u>2,216,673</u>
Total revenues			
Expenditures			
Current:			
General government	639,727	-	639,727
Public safety	730,289	-	730,289
Streets and highways	220,465	-	220,465
Sanitation	7,934	-	7,934
Drainage and levee	147,087	-	147,087
Culture and recreation	128,256	-	128,256
Capital outlay	19,403	-	19,403
	<u>1,893,161</u>	<u>-</u>	<u>1,893,161</u>
Total expenditures			
Excess of revenues over expenditures	323,512	-	323,512
Other Financing Sources (Uses)			
Insurance proceeds	279,720	-	279,720
Operating transfers in	126,032	-	126,032
Operating transfers out	-	(126,032)	(126,032)
	<u>405,752</u>	<u>(126,032)</u>	<u>279,720</u>
Total other financial uses			
Net Change in Fund Balances	729,264	(126,032)	603,232
Fund Balances			
Beginning of year	<u>5,186,091</u>	<u>126,032</u>	<u>5,312,123</u>
End of year	<u>\$ 5,915,355</u>	<u>\$ -</u>	<u>\$ 5,915,355</u>

See notes to financial statements.

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

**Town of Golden Meadow
Louisiana**

For the year ended December 31, 2021

Net Change in Fund Balance - Total Governmental Funds		\$603,232
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>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.</p>		
Capital outlay	\$ 19,403	
Depreciation expense	<u>(369,051)</u>	(349,648)
<p>The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins and dispositions, is to decrease net position.</p>		
		(286,443)
<p>Some expenditures are reported in the governmental funds which do not affect net position.</p>		
Decrease in prepaid insurance		(2,677)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net assets.</p>		
Increase in the liability for other postemployment benefits	(765)	
Decrease in net pension liability	513,417	
Decrease in the liability for compensated absences	<u>(1,735)</u>	510,917
<p>Deferred outflows and inflows of resources related to other postemployment benefits and pensions are applicable to future periods and, therefore are not reported in the funds.</p>		
Decrease in deferred outflows of resources related to other postemployment benefits	(7,042)	
Decrease in deferred outflows of resources related to pensions	(133,912)	
Decrease in deferred inflows of resources related to other postemployment benefits	13,848	
Increase in deferred inflows of resources related to pensions	<u>(279,765)</u>	<u>(406,871)</u>
Change in Net Position of Governmental Activities		<u>\$ 68,510</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND**

**Town of Golden Meadow
Louisiana**

For the year ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Ad valorem	\$ 194,915	\$ 183,941	\$ 201,575	\$ 17,634
Sales	650,000	655,852	754,935	99,083
Fines and forfeitures	632,510	519,433	585,167	65,734
Intergovernmental:				
State of Louisiana:				
Video poker	6,000	4,951	3,867	(1,084)
Beer taxes	2,400	2,803	2,598	(205)
Appropriations from State	35,000	26,091	382,709	356,618
State supplemental pay	30,000	30,000	26,117	(3,883)
Parish Transportation Fund	24,500	19,005	16,720	(2,285)
Maintenance agreement	7,000	10,500	7,000	(3,500)
Lafourche Parish Council:				
Off track betting	1,000	561	481	(80)
Lafourche Housing Authority	8,000	7,040	7,040	-
Lafourche Parish Drainage District No. 1	5,000	7,000	7,000	-
Licenses and permits - occupational licenses	105,000	87,117	86,710	(407)
Franchise fees	75,000	81,066	75,836	(5,230)
Charges for services	55,200	28,212	26,990	(1,222)
Investment income	36,150	5,445	5,342	(103)
Miscellaneous:				
Donations	1,750	3,500	3,500	-
Mineral royalties	7,500	13,411	10,882	(2,529)
Other	11,000	13,601	12,204	(1,397)
Total revenues	1,887,925	1,699,529	2,216,673	517,144

**Exhibit G
(Continued)**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
General government	425,688	648,602	639,727	8,875
Public safety	733,100	734,084	730,289	3,795
Streets and highways	278,978	242,274	220,465	21,809
Sanitation	17,618	9,905	7,934	1,971
Drainage and levee	140,059	159,744	147,087	12,657
Culture and recreation	136,676	132,509	128,256	4,253
Debt service:				
Principal retirement	13,283	13,283	-	13,283
Interest and fiscal charges	-	-	-	-
Capital outlay	23,217	6,166	19,403	(13,237)
Total expenditures	1,768,619	1,946,567	1,893,161	53,406
Excess of revenues over expenditures	119,306	(247,038)	323,512	570,550
Other Financing Uses				
Operating transfers in (out)	-	-	405,752	405,752
Net Change in Fund Balance	\$ 119,306	\$(247,038)	\$ 729,264	\$ 976,302

See notes to financial statements.

STATEMENT OF NET POSITION
PROPRIETARY FUND

Town of Golden Meadow
Louisiana

December 31, 2021

	<u>Sewerage Fund</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current	
Cash and cash equivalents	\$ 588,388
Receivables:	
Accounts (net, allowances for uncollectibles)	60,363
Due from other governmental units	<u>349,165</u>
Total current assets	<u>997,916</u>
Capital Assets	
Non-depreciable	46,096
Depreciable, net	<u>6,488,785</u>
Total capital assets	<u>6,534,881</u>
Total assets	<u>7,532,797</u>
Deferred Outflows of Resources	
Other post employment benefits	2,897
Pensions	6,254
Asset retirement obligation	<u>129,409</u>
Total deferred outflows of resources	<u>138,560</u>
Total assets and deferred outflows of resources	<u>7,671,357</u>

**Exhibit H
(Continued)**

Sewerage
Fund

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Current

Payable from current assets:

Accounts payable and accrued expenses

910

Contracts payable

31,455

Due to other funds

1,289,814

Total current liabilities

1,322,179

Non-Current

Other post employment benefits

12,689

Net pension liability

26,979

Asset retirement obligation

137,000

Total non-current liabilities

176,668

Total liabilities

1,498,847

Deferred Inflows of Resources

Other post employment benefits

2,395

Pensions

7,910

Total deferred inflows of resources

10,305

Total liabilities and deferred inflows of resources

1,509,152

NET POSITION (DEFICIT)

Net investment in capital assets

6,534,881

Unrestricted

(372,676)

Total net position

\$ 6,162,205

See notes to financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION PROPRIETARY FUND

Town of Golden Meadow
Louisiana

For the year ended December 31, 2021

	<u>Sewerage Fund</u>
Operating Revenues	
Sales and service charges	<u>\$ 151,544</u>
Operating Expenses	
Salaries	28,788
Payroll taxes	2,202
Retirement	1,825
Hospitalization insurance	3,688
Utilities and telephone	20,404
Repairs and maintenance	59,593
Truck	1,547
Legal and auditing	6,350
Other insurance	4,658
Travel	360
Depreciation and amortization	154,778
Miscellaneous	715
Total operating expenses	<u>284,908</u>
Operating loss	<u>(133,364)</u>
Non-Operating Revenues (Expenses)	
Investment income	55
Intergovernmental grants	183,303
Total non-operating revenues (expenses)	<u>183,358</u>
Change in Net Position	49,994
Net Position	
Beginning of year	<u>6,112,211</u>
End of year	<u><u>\$ 6,162,205</u></u>

See notes to financial statements.

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

Town of Golden Meadow
Louisiana

For the year ended December 31, 2021

	<u>Sewerage Fund</u>
Cash Flows from Operating Activities	
Cash received from customers and users	\$ 104,420
Cash payments to suppliers	(96,368)
Cash payments to employees for services and benefits	<u>(37,106)</u>
Net cash used in operating activities	<u>(29,054)</u>
Cash Flows from Noncapital Financing Activities	
Interfund lending	<u>812,304</u>
Cash Flows from Capital and Financing Activities	
Acquisition and construction of capital assets	(453,348)
Proceeds from intergovernmental capital grants	<u>224,685</u>
Net cash used in capital and financing activities	<u>(228,663)</u>
Cash Flows from Investing Activities	
Investment income	<u>55</u>
Net Increase in Cash and Cash Equivalents	554,642
Cash and Cash Equivalents	
Beginning of year	<u>33,746</u>
End of year	<u><u>\$ 588,388</u></u>

**Exhibit J
(Continued)**

Sewerage
Fund

Reconciliation of Operating Loss to Net Cash

Provided by Operating Activities:

Operating loss \$ (133,364)

Adjustments to reconcile operating loss
to net cash used in operating activities:

Depreciation and amortization 154,778

Other postemployment benefits (184)

Pensions (3,777)

(Increase) decrease in assets:

Receivables (47,124)

Increase (decrease) in liabilities:

Accounts payable and accrued expenses 617

Total adjustments 104,310

Net cash used in operating activities \$ (29,054)

See notes to financial statements.

FINANCIAL STATEMENTS

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Town of Golden Meadow Louisiana

December 31, 2021

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NOTES TO FINANCIAL STATEMENTS**Town of Golden Meadow
Louisiana**

December 31, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Golden Meadow complies with accounting principles generally accepted in the United States of America (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

a. Financial Reporting Entity

The Town of Golden Meadow, Louisiana was incorporated July 17, 1950, under the provisions of Act 136 (Lawrason Act) of 1898, State of Louisiana. The Town operates under a Mayor-Town Council form of government and provides the following services as authorized by its charter: public safety, streets and highways, drainage, levee maintenance, sanitation, culture-recreation, sewerage, planning and zoning, and general administrative services.

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

GASB Statement No. 14, "*The Financial Reporting Entity*," GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units-an amendment of GASB Statement No. 14*", and GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus and amendment of GASB Statements No. 14 and No. 34*" established the criterion for determining which component units should be considered part of the Town for financial reporting purposes. The basic criteria are as follows:

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Financial Reporting Entity (Continued)

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued and the right to buy, sell and lease property in its own name.
2. Whether the governing authority appoints a majority of the board members of the potential component unit.
3. Fiscal interdependency between the Town and the potential component unit.
4. Imposition of will by the Town on the potential component unit.
5. Financial benefit/burden relationship between the Town and the potential component unit.

Based on the previous criteria, the Town of Golden Meadow, Louisiana determined it has no component units.

b. Basis of Presentation

The Town's financial statements consist of the government-wide statements on all of the non-fiduciary activities of the primary government and the fund financial statements (individual major funds).

Government-Wide Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for the primary government. For the most part, the effect of interfund activity has been removed from these statements. The government-wide presentation focuses primarily on the sustainability of the Town as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Governmental Activities represent programs, which normally are supported by taxes and intergovernmental revenues.

Business-Type Activities are financed in whole or in part by fees charged to external parties for goods and services.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Government-Wide Financial Statements (Continued)

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. Indirect costs are not allocated by function for financial reporting in this statement; however, certain indirect costs have been directly allocated as administrative fees to grants and programs.

Program revenue 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. This includes internally dedicated resources such as a restricted property tax.

Fund Financial Statements

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

The daily accounts and operations of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, equity, revenues, expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds of the primary government are grouped, into generic fund types and two broad fund categories as follows:

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Governmental Funds

Governmental activities presented as governmental funds in the fund financial statements:

General Fund - the General Fund is the general operating fund of the Town. The General Fund accounts for and reports all financial resources except those required to be accounted for and reported in other funds. The General Fund is always a major fund.

Capital Projects Fund - accounts for and reports financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of major capital facilities and other capital assets (other than those financed by Proprietary Funds). The Capital Projects Fund is reported as a major fund.

Proprietary Funds

Enterprise funds - are used to account for operations: (a) that are financed and operated similarly to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The enterprise fund is presented in the business-type activities column in government-wide financial statements and the major funds section of the basic financial statements, the enterprise fund reported as a major fund in the fund financial statements is as follows:

Sewerage Fund - to account for and report sewer services to residents within the Sewer Service District of the Town. All activities necessary to provide such services are accounted for and reported in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service. Billing and collection activities are contracted with the Lafourche Parish Waterworks District No. 1.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Proprietary Funds (Continued)

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

c. Basis of Accounting and Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources 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. Property taxes are recognized in the year for which they are levied.

Fund Financial Statements

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

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For this purpose the Town considers revenue to be available if collected within 60 days of the end of the current fiscal year. Charges for services and fines and forfeitures are recorded as earned since they are measurable and available. Miscellaneous revenues are recorded as revenues when received in cash by the Town because they are generally not measurable or available until actually received.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Accounting and Measurement Focus (Continued)

Fund Financial Statements (Continued)

Nonexchange transactions, in which the Town receives value without directly giving value in return, include sales tax, property tax, grants and donations. Ad valorem taxes are recognized as revenue of the period for which levied. Due to damages caused by Hurricane Ida, the Assessor's office reassessed the properties of Lafourche Parish. The 2021 ad valorem assessment roll of Lafourche Parish was approved and certified on March 16, 2022. Sales and use taxes are considered "measurable" when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include purpose and timing requirements, which specify the use and period when the resources can be used.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due and (2) claims and judgments, compensated absences, other postemployment benefits and net pension expense are recorded as expenditures in the governmental fund type when paid with expendable financial resources. Allocations of cost such as depreciation and amortization are not recognized in the governmental funds.

All proprietary funds are accounted for on a flow of economic resources measurement focus. Proprietary funds are maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Revenues resulting from transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

d. Assets, Liabilities, and Equity

Cash, Cash Equivalents, and Investments

Cash includes amounts in regular and money market accounts.

Investment policies are governed by state statutes and bond covenants. Additional details on authorized investments of the Town are disclosed in Note 4.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

For purposes of the Statement of Cash Flows, cash and cash equivalents include the investment in the Louisiana Asset Management Pool (LAMP), certificates of deposit and other securities with maturities of three months or less from date purchased.

Investments are stated at fair value as established by the open market, except for the LAMP investment, which is a local government 2a7-like pool administered by a non-profit corporation organized under State of Louisiana law, which is permitted to be carried at amortized cost.

Securities traded in a national or international exchange are valued at the last reported sales price at current exchange rates. There are no investments without an established market. Unrealized gains and losses on investments recorded at fair value are included in investment income.

Accounts Receivable

All trade receivables are shown net of an allowance for uncollectables. The allowance for uncollectable is based on aging and specific identification. As of December 31, 2021, management considered all receivables to be fully collectible.

Interfund Transactions

In the financial statements, interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables (due from) and payables (due to) as appropriate. Transfers represent a permanent reallocation of resources between funds. In other words, they are not expected to be repaid. For reporting purposes, all interfund transactions between individual governmental funds have been eliminated in the government-wide financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Capital Assets

Capital assets, which include land, construction in progress, buildings and improvements, equipment and infrastructure assets (streets, roads, bridges, canals and sewer and drainage systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an estimated useful life in excess of one year and initial, individual cost of more than \$500. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Capital Assets (Continued)

assets are recorded at estimated fair value at the date of donation. Capital assets with an estimated cost amounted to \$203,076 or 1.57% of the cost of capital assets used in governmental activities.

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 as projects at completion of construction. At this point the project costs are moved out of construction-in-progress and capitalized. Interest incurred during the construction phase of capital assets of business activities is expensed as incurred. During the year ended December 31, 2021, the Town did not incur interest expense on capital construction projects in the business activities.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

Type of Capital Assets	No. of Years
Buildings and improvements	10 - 40
Seawall	50
Christmas fixtures	10
Protection levee	25 - 40
Swimming pool and related equipment	5 - 40
Autos and trucks	5 - 7
Sidewalks, streets and drainage	7 - 40
Oakridge Park	15 - 40
Office furniture and fixtures	5 - 7
Departmental equipment	5 - 15

All infrastructure assets purchased by the Town since 1984 are recorded as capital assets and depreciated accordingly. All donated infrastructure accepted into the Town's maintenance program since 1984 has been capitalized and depreciated in accordance with the above capitalization policy.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Capital Assets (Continued)

In accordance with Louisiana Department of Environmental Quality regulations the Town is legally required to dispose of its North and South Sewerage Treatment Plants. During the year ended December 31, 2020, the Town implemented GASB Statement No. 83 "*Certain Asset Retirement Obligations*", which required the Town to record estimated future asset retirement obligations at fair value. GASB Statement No. 83 requires the Town to record the fair value of a liability for an asset retirement obligation in the period in which it is incurred with a corresponding increase in deferred outflows of resources. Subsequent to initial measurement, the asset retirement obligation is required to be measured each period to its fair value. Deferred outflows of resources are amortized using the straight line method over 42 years for the North Sewer Treatment Plant and 38 years for the South Sewer Treatment Plant (the average remaining asset useful life at implementation of GASB Statement No. 83). Deferred outflows of resources for newly acquired assets are amortized over the asset's estimated useful life at acquisition. The Town's asset retirement obligation consists of the costs related to the removal of facilities and equipment and site restoration at the North Sewer Treatment Plant, \$94,500 and the South Sewer Treatment Plant, \$42,500. Payments of the asset retirement obligations are to be made using the unrestricted assets of the Sewerage Fund. As of December 31, 2021 no assets were restricted for payment of the liability.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position reports separate financial statement elements for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The Town's deferred outflows of resources relate to asset retirement obligation, other postemployment benefits and pensions. Deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then. The Town has two items that qualify for reporting as deferred inflows of resources: other postemployment benefits and pensions.

Non-Current Liabilities

Non-current liabilities consist of asset retirement obligation, compensated absences, other postemployment benefits and net pension liability.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Non-Current Liabilities (Continued)

The accounting treatment of non-current liabilities depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide Statement of Net Position and in the proprietary fund types' financial statements, long-term debt and other long-term obligations are reported as liabilities.

Compensated Absences

GASB Statement No. 16, "*Accounting for Compensated Absences*", requires governments to accrue compensated absences only to the extent it is probable that the employer will compensate employees for benefits through cash payments conditioned on the employees' termination or retirement.

In the government-wide financial statements and the proprietary fund type statements, the total compensated absences liability for earned and unused annual leave and earned compensatory time is recorded as an expense, allocated on a functional basis, and a long-term obligation. In accordance with GASB Interpretation No. 6, "*Recognition and Measurement of Certain Liabilities and Expenditures*" in Governmental Fund Financial Statements, no compensated absence liabilities are recorded as of December 31, 2021 in the governmental fund-type fund financial statements.

Employees with one year or more of service earn a total of five to ten days annual leave and ten days sick leave per year. Employees may not carry over or accumulate annual leave. Any sick leave not used during any calendar year can be carried over and accumulated without limit. Any sick leave accumulated at the time of termination of employment by the Town shall not be paid. The Town can award compensation time for participation in events outside of normal work duties, which can be used as sick leave or annual leave days and is payable upon termination of employment with the Town.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Other Postemployment Benefits

GASB Statement No. 75, "*Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*" requires governments to accrue postemployment benefits to the extent it is probable the employer will provide benefits conditioned on the employees' retirement. The Town has recorded liabilities for postemployment health care benefits as of December 31, 2021.

In the government-wide financial statements and the proprietary fund type fund statements, the other postemployment benefits liability is recorded as long-term obligations and allocated to expenses on a functional basis.

In the governmental fund type fund financial statements other postemployment benefit expenditures are recognized in the amount contributed to the plan or expected to be liquidated with expendable available financial resources. Expendable available financial resources generally refer to other postemployment benefit payments due and payable as of the end of the year.

Pensions

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

Equity

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a) Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Equity (Continued)

Government-Wide Statements (Continued)

- b) Restricted net position - consists of assets and deferred outflows of resources less liabilities and deferred inflow of resources (net position) with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions or laws or regulations of other governments; or (2) law through constitutional provisions or other enabling legislation.
- c) Unrestricted net position - all other net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed. The Town's restricted net position results from the assessment and collection of dedicated ad valorem taxes.

Fund Financial Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- a) Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to maintain intact.
- b) Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c) Committed - amounts that can be used only for specific purposes determined by a formal action of the Town Council. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Town Council.
- d) Assigned - amounts that do not meet the criteria to be classified as either restricted or committed but are intended to be used for specific purposes. Amounts may be assigned by a majority vote of the Town Council or by the Town Clerk under the authorization of the Mayor.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Assets, Liabilities, and Equity (Continued)

Equity (Continued)

Fund Financial Statements (Continued)

e) Unassigned - all other spendable amounts.

For the classification of governmental fund balances, the Town considers an expenditure to be made from the most restrictive first when more than one classification is available. The Town's fund balance was classified as restricted and unassigned as of December 31, 2021.

e. 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 proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

f. New GASB Statements

During the year ending December 31, 2021, the Town implemented the following GASB Statement:

Statement No. 89, *"Accounting for Interest Cost Incurred before the End of a Construction Period"* establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *"Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements"*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. This Statement did not affect the Town's financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. New GASB Statements (Continued)

Statement No. 91, "*Conduit Debt Obligations*" provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. This Statement did not affect the Town's financial statements.

Statement No. 98, "*The Annual Comprehensive Financial Report*" establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym sounds like a profoundly objectionable racial slur. The requirements of this Statement are effective for fiscal years ending after December 15, 2021. This Statement did not affect the Town's financial statements.

The GASB has issued the following Statements which will become effective in future years as follows:

Statement No. 87, "*Leases*" increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the Town's financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. New GASB Statements (Continued)

Statement No. 92, "*Omnibus 2020*" establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers, postemployment benefits, government acquisitions and financing, insurance related activities of public risk pools, fair value measurements and derivative instruments. The requirements of this Statement apply to all financial statements of all state and local governments at date varying upon issuance to fiscal periods beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 93, "*Replacement of Interbank Offered Rates*" provides for those governments that have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates. This Statement will preserve the consistency and comparability of reporting hedging derivative instruments and leases after governments amend or replace agreements to replace an IBOR. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021. Management has not as yet determined the effect of this Statement on the financial statements.

Statement No. 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*" improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. New GASB Statements (Continued)

(APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for the years beginning after June 15, 2022. Management has yet to determine the effect of this Statement on the financial statements.

Statement No. 96, "*Subscription-based Information Technology Arrangements*" provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines an SBITA; (2) establishes that an SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of an SBITA; and (4) requires note disclosures regarding an SBITA. The requirements of this Statement are effective for the years beginning after June 15, 2022. Management has not yet determined the effect of this Statement on the financial statements.

Statement No. 97, "*Certain Component Unit Criteria, and Accounting and Financial Reporting/or Internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*" provides objectives to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for the years beginning after June 15, 2021. Management has not yet determined the effect of this Statement on the financial statements.

Note 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund. All annual appropriations lapse at year-end. The Capital Projects Fund presents budgets by project as opposed to annual budgets and are therefore not reported in the accompanying financial report. The Town Council approves each project budget and maintains effective controls of costs.

The Town does not employ encumbrance accounting; under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

The Town adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- a) Not later than December 16th, a proposed operating budget for the year commencing the following January 1st shall be submitted to the Town Council. The operating budget includes proposed expenditures and the means of financing them.
- b) The Town Council conducts public hearings to obtain taxpayer comments.
- c) All actions necessary to adopt and otherwise finalize and implement the budget for an ensuing year are taken prior to the end of the year in progress.
- d) The level of budgetary control is at the fund, department or project level and any amendment involving the transfer of monies from one fund, department or project to another or any amendment for amounts exceeding any current expenditure amount budgeted must be approved by the Town Council.
- e) All budgeted amounts, which are not expended, or obligated through contracts, lapse at year end.
- f) Budgets for all governmental fund types are adopted on a basis consistent with GAAP, except for cash transfers. Cash transfers between bank accounts are charged to other financing sources and (uses).
- g) The budget was amended once during the year.

Note 3 - PROPERTY TAXES

Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Town. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana Law. A reevaluation of all property is required to be completed no less than every four years. Due to extensive damage caused by Hurricane Ida, the Lafourche Parish Assessor's Office performed a reevaluation in March 2022. Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The assessed value, upon which the 2021 levy was based, was \$6,863,680.

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which are valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to the review and certification by the Louisiana Tax Commission.

The Town has levied property taxes for maintenance of levees, drainage and streets and for general corporate purposes. The various tax rates for the year ended December 31, 2021 were as follows:

Description	Tax Rate Per \$1,000
Levee maintenance	\$5.09
Drainage maintenance	\$5.09
Street maintenance	\$5.00
General	\$5.97

As indicated in Note 1c, property taxes are recorded as revenue by the Town in the year the taxes finance budgeted expenditures. Property taxes, which are paid under protest, are recorded as revenue in the year the taxes are settled.

Note 4 - DEPOSITS AND INVESTMENTS

Louisiana state law allows all political subdivisions to invest excess funds in obligations of the United States or other federally insured investments, certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations.

Bank Deposits

State law requires deposits (cash and certificates of deposits) of all political subdivisions to be fully collateralized at all times. Acceptable collateralization includes FDIC insurance and securities purchased and pledged to the political subdivision. Obligations of the United States, the State of Louisiana, and certain political subdivisions are allowed as security for deposits. Obligations furnished as security must be held by the political subdivision, or with an unaffiliated bank, or with a trust company for the account of the political subdivision.

The year end balances of deposits are as follows:

	Bank Balance	Reported Amount
Cash	\$ 2,076,948	\$ 2,040,932
Certificates of deposit	340,000	340,000
Totals	\$ 2,416,948	\$ 2,380,932

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town has a written policy for custodial credit risk, which reflects state law. As of December 31, 2021, \$1,753,604 of the Town's bank balance of \$2,416,948 was exposed to custodial credit risk. These deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, and are deemed to be held in the Town's name by state statutes.

As of December 31, 2021, cash was adequately collateralized in accordance with state law by securities held by unaffiliated banks for the account of the Town. The GASB, which promulgates the standards for accounting and financial reporting for state and local governments, considers these securities subject to custodial credit risk. Even though the deposits are considered subject to custodial credit risk under the provisions of GASB Statement No. 40, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the depositor that the fiscal agent has failed to pay deposited funds upon demand.

Note 4 - DEPOSITS AND INVESTMENTS (Continued)

Investments

State statutes authorize the Town to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; guaranteed investment contracts and investment grade (A-1/P-1) commercial paper of domestic corporations; repurchase agreements; and LAMP.

As a means of limiting its exposure to fair value losses arising from interest rates, the Town's investment policy emphasizes maintaining liquidity to match specific cash flows.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Town's investment policy requires the application of the prudent-investor rule. The policy states, *investments shall be made with the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affair, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. Primary emphasis shall be placed upon the safety of principal secondly to maintain liquidity to meet operating requirements and finally to obtain the most favorable rate of return.*

The Town's investment policy limits investments to those discussed earlier in this note. LAMP has a Standard & Poor's Rating of AAAm.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools are not exposed to custodial credit risk because of their natural diversification and the diversification required by the Securities and Exchange Commission.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed

Note 4 - DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

or backed by the U.S. Treasury, the U.S. Government or one of its agencies, enterprises or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of participant's position is the same as the value of the pool shares. Because LAMP as of December 31, 2021, had a weighted average maturity of 51 days, it was presented as investment with a maturity of less than one year. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. Investments in LAMP as of December 31, 2021 amounted to \$2,695,999 and are reported as cash equivalents.

Reconciliation

A reconciliation of deposits and investments as shown on the Statement of Net Position is as follows:

Cash on hand	\$	811
Reported amount of cash deposits		2,040,932
Reported amount of investments - certificates of deposit		340,000
Reported amount of investments - LAMP		<u>2,695,999</u>
Total		<u>\$5,077,742</u>
Cash and cash equivalents		\$4,737,742
Investments		<u>340,000</u>
Total		<u>\$5,077,742</u>

Note 5 - RECEIVABLES

Receivables and the applicable allowances for doubtful accounts as of December 31, 2021 were as follows:

	<u>Amount</u>	<u>Allowance for Uncollectibles</u>	<u>Net Receivables</u>
Governmental activities:			
General Fund:			
Sales taxes	\$ 104,577	\$ -	\$ 104,577
Franchise fees	10,408	-	10,408
Other	48,217	-	48,217
Total governmental activities	\$ 163,202	\$ -	\$ 163,202
Business-type activities:			
Sewerage Fund:			
Accounts	\$ 60,363	\$ -	\$ 60,363

An allowance based upon past experience has been established for customers' sewerage fees. Uncollectible amounts due for ad valorem taxes and other receivables are recognized as reductions to revenue at the time information becomes available which would indicate the uncollectability of the particular receivable.

Note 6 - DUE FROM OTHER GOVERNMENTAL UNITS

Amounts due from other governmental units as of December 31, 2021 consisted of the following:

	<u>Federal</u>	<u>Lafourche Parish School Board</u>	<u>Totals</u>
Governmental activities:			
General Fund	\$ -	\$ 60,234	\$ 60,234
Business-type activities:			
Sewerage Fund	\$ 349,165	\$ -	\$ 349,165

Note 7 - RECONCILIATION OF DUE FROM (TO) OTHER FUNDS

A reconciliation of due from (to) other funds as of December 31, 2021 is as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund:		
Sewerage Fund	\$ 1,289,814	\$ -
Capital Projects Fund	-	-
Capital Projects Fund:		
General Fund	-	-
Sewerage Fund:		
General Fund	-	<u>1,289,814</u>
Totals	<u>\$ 1,289,814</u>	<u>\$ 1,289,814</u>

Note 8 - CHANGE IN CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 100,528	\$ -	\$ -	\$ 100,528
Construction in progress	8,307	17,755	(26,062)	-
Total capital assets not being depreciated	<u>108,835</u>	<u>17,755</u>	<u>(26,062)</u>	<u>100,528</u>
Capital assets being depreciated:				
Buildings and improvements	2,462,808	-	(139,706)	2,323,102
Seawall	5,002,635	-	-	5,002,635
Christmas fixtures	16,904	-	-	16,904
Protection levee	164,195	-	(15,981)	148,214
Swimming pool	531,676	-	(66,004)	465,672
Autos and trucks	276,481	-	(7,832)	268,649
Sidewalks, streets and drainage	3,718,797	-	(864,510)	2,854,287
Oakridge Park	1,500,064	26,062	(165,306)	1,360,820
Office furniture and fixtures	86,826	1,648	(2,295)	86,179
Equipment:				
Street department	337,773	-	(58,269)	279,504
Sanitation department	11,400	-	-	11,400
Police department	141,534	-	(89,138)	52,396
Total capital assets being depreciated	<u>14,251,093</u>	<u>27,710</u>	<u>(1,409,041)</u>	<u>12,869,762</u>
Less accumulated depreciation for:				
Buildings and improvements	(630,469)	(65,651)	83,768	(612,352)
Seawall	(594,895)	(100,053)	-	(694,948)
Christmas fixtures	(16,904)	-	-	(16,904)
Protection levee	(164,195)	-	15,981	(148,214)
Swimming pool	(344,186)	(19,365)	36,334	(327,217)
Autos and trucks	(214,088)	(23,919)	7,832	(230,175)
Sidewalks, streets and drainage	(2,671,079)	(87,485)	728,589	(2,029,975)
Oakridge Park	(802,627)	(50,754)	103,098	(750,283)
Office furniture and fixtures	(85,197)	(1,035)	2,295	(83,937)
Equipment:				
Street department	(236,572)	(17,683)	58,060	(196,195)
Sanitation department	(11,400)	-	-	(11,400)
Police department	(133,124)	(3,106)	86,641	(49,589)
Total accumulated depreciation	<u>(5,904,736)</u>	<u>(369,051)</u>	<u>1,122,598</u>	<u>(5,151,189)</u>
Total capital assets being depreciated, net	<u>8,346,357</u>	<u>(341,341)</u>	<u>(286,443)</u>	<u>7,718,573</u>
Total governmental activities capital assets, net	<u>\$ 8,455,192</u>	<u>\$ (323,586)</u>	<u>\$ (312,505)</u>	<u>\$ 7,819,101</u>

Note 8 - CHANGE IN CAPITAL ASSETS (CONTINUED)

	Balance January 1, 2021	Addition	Deletions	Balance December 31, 2021
Business type activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 1,127,564	\$ 269,984	\$ (1,351,452)	\$ 46,096
Capital assets being depreciated:				
Sewer system phase I	862,391	-	(3,810)	858,581
Sewer system phase II	1,083,020	-	(5,295)	1,077,725
Sewer system phase III	984,834	-	-	984,834
Sewer system phase IV	2,161,959	-	-	2,161,959
Sewer system phase V	1,021,041	-	-	1,021,041
Sewer system phase VI	-	1,351,452	-	1,351,452
Buildings - sewer system	464,442	-	-	464,442
Furniture and fixtures	4,846	-	-	4,846
Equipment and machinery	56,006	-	-	56,006
Total capital assets being depreciated	<u>6,638,539</u>	<u>1,351,452</u>	<u>(9,105)</u>	<u>7,980,886</u>
Less accumulated depreciation for:				
Sewer system phase I	(493,448)	(16,495)	3,810	(506,133)
Sewer system phase II	(494,885)	(19,730)	5,295	(509,320)
Sewer system phase III	(144,360)	(19,696)	-	(164,056)
Sewer system phase IV	(28,826)	(43,239)	-	(72,065)
Sewer system phase V	(30,631)	(20,421)	-	(51,052)
Sewer system phase VI	-	(15,767)	-	(15,767)
Buildings-sewer system	(121,915)	(11,611)	-	(133,526)
Furniture and fixtures	(4,846)	-	-	(4,846)
Equipment and machinery	(30,875)	(4,461)	-	(35,336)
Total accumulated depreciation	<u>(1,349,786)</u>	<u>(151,420)</u>	<u>9,105</u>	<u>(1,492,101)</u>
Total capital assets being depreciated, net	<u>5,288,753</u>	<u>1,200,032</u>	<u>-</u>	<u>6,488,785</u>
Total business-type activities capital assets, net	<u>\$ 6,416,317</u>	<u>\$ 1,470,016</u>	<u>\$ (1,351,452)</u>	<u>\$ 6,534,881</u>

As of December 31, 2021, construction in progress of business activities as of December 31, 2021 consisted primarily of planning, design, and engineering for the Town's North Sewer Treatment Plant and Sewer System Phase VII projects.

Note 8 - CHANGE IN CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions of the Town as follows:

Governmental activities:	
General government	\$ 45,961
Public safety	39,208
Culture and recreation	80,197
Streets and highways	55,820
Drainage and levee	144,962
Sanitation	<u>2,903</u>
Total depreciation expense - governmental activities	<u>\$ 369,051</u>
Business type activities:	
Sewerage	<u>\$ 151,420</u>

Hurricane Impairments and Insurance Proceeds

On August 29, 2021, Hurricane Ida severely impacted the Town. Numerous capital assets were heavily damaged and are still being repaired or replaced. The ultimate financial effect of the hurricane has yet to be determined. In accordance with GASB Statement No. 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries", the Town has reviewed the various capital assets (a) to determine potential impairments from Hurricane Ida through inspection of physical damage and (b) to test for impairment to determine if the magnitude of the decline in service utility of the capital asset is significant and whether the decline in service utility is not part of the normal life cycle of the capital asset. For those properties that are impaired and will continue to be used by the Town, a portion of historical cost of the asset and associated accumulated depreciation, will be written off using the Restoration Cost Approach which states that the amount of impairment is derived from the estimated costs to restore the utility of the capital asset.

Impaired capital assets that will no longer be used by the Town will be reported at the lower of carrying value or fair value. Other buildings that incurred damage without a significant loss of service utility and will be repaired.

Note 8 - CHANGE IN CAPITAL ASSETS (Continued)

During the year ended December 31, 2021, the Town realized insurance recoveries which are reported net of write offs. The following table identifies insurance proceeds related to impaired capital assets.

Culture and Recreation	Insurance Proceeds	Costs of Assets	Accumulated Depreciation Assets	Book Value Assets	Impairment Gains (Losses)
Bath house	\$ 75,000	\$ 59,742	\$ (30,176)	\$ 29,566	\$ 45,434
Civil Defense Building	19,557	43,506	(42,758)	748	18,809
Senior Citizens Building	22,700	82,502	(34,900)	47,602	(24,902)
Ceramics Building	14,522	-	-	-	14,522
Park Pavilion	14,756	50,548	(37,271)	13,277	1,479
Basketball Pavilion	-	56,061	(20,089)	35,972	(35,972)
Walking Trail Restroom	-	12,363	(5,904)	6,459	(6,459)
Town Hall	58,686	-	-	-	58,686
Town Hall Maintenance Building	11,278	-	-	-	11,278
Department of Motor Vehicles Building	48,220	9,135	(1,546)	7,589	40,631
Equipment Shed at Pumping Station	-	24,974	(20,164)	4,810	(4,810)
Pumping Station Building	<u>15,000</u>	<u>720,765</u>	<u>(589,655)</u>	<u>131,110</u>	<u>(116,110)</u>
Totals	<u>\$279,719</u>	<u>\$1,059,596</u>	<u>\$(782,463)</u>	<u>\$277,133</u>	<u>\$ 2,586</u>

Note 9 - ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

Accounts payable and other current liabilities of December 31, 2021 consisted of the following:

	<u>Vendors</u>	<u>Payroll and Related Costs</u>	<u>Court Bonds Posted</u>	<u>Liability for Work Completed on Contracts</u>	<u>Totals</u>
Governmental activities:					
General Fund	<u>\$38,558</u>	<u>\$ 26,685</u>	<u>\$22,006</u>	<u>\$ -</u>	<u>\$ 87,249</u>
Business-type activities:					
Sewerage Fund	<u>\$ 675</u>	<u>\$ 235</u>	<u>\$ -</u>	<u>\$ 31,455</u>	<u>\$ 32,365</u>

Note 10 - NON-CURRENT LIABILITIES

The following is a summary of the non-current liabilities for the year ended December 31, 2021:

	<u>Payable January 1, 2021</u>	<u>Obligations Retired</u>	<u>New Issues</u>	<u>Payable December 31, 2021</u>
Governmental activities:				
Compensated absences payable	\$ 4,359	\$ -	\$1,735	\$ 6,094
Net pension liability	1,479,528	513,417	-	966,111
Other postemployment benefits	<u>417,988</u>	<u>-</u>	<u>765</u>	<u>418,753</u>
Total governmental activities	<u>\$1,901,875</u>	<u>\$513,417</u>	<u>\$2,500</u>	<u>\$1,390,958</u>
Business-type activities:				
Net pension liability	\$ 38,956	\$ 11,977	\$ -	\$ 26,979
Other postemployment benefits	12,666	-	23	12,689
Asset retirement obligation	<u>137,000</u>	<u>-</u>	<u>-</u>	<u>137,000</u>
Total business-type activities	<u>\$ 188,622</u>	<u>\$ 11,977</u>	<u>\$ 23</u>	<u>\$ 176,668</u>

Note 11 - RECONCILIATION OF OPERATING TRANSFERS

A reconciliation of operating transfers for the year ended December 31, 2021 is as follows:

	Transfers In	Transfers Out
General Fund:		
Capital Projects Fund	\$ 126,032	\$ -
Capital Projects Fund:		
General Fund	-	126,032
	\$ 126,032	\$ 126,032

Transfers are used to (1) move revenues from the fund that statute, budget or bond indentures requires collecting to the fund that statute, budget or bond indentures requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization.

Note 12 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to workers compensation; torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and group health benefits for which the Town carries commercial insurance. The Town is covered under a general liability contract for claims. Any claims in excess of \$500,000 are to be paid by the Town. There are lawsuits pending against the Town, its insurers and others. The Town has not provided for estimated losses from the aforementioned pending lawsuits in its financial statements because the Town believes the ultimate settlement costs will not materially exceed the amounts provided by commercial insurance.

Note 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description

The Town provides certain continuing health care for its retired employees. The Town's OPEB Plan (the "Plan") is a single-employer defined benefit OPEB plan administered by the Town. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the Town. No assets are accumulated in a trust that meets the criteria in GASB Codification Section P52 *Postemployment Benefits Other Than Pensions-Reporting For Benefits Not Provided Through Trusts That Meet Specified Criteria-Defined Benefit*.

Note 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Plan Description (Continued)

Medical benefits are provided through a comprehensive medical plan and are made available upon actual retirement. The employees are covered by a retirement system and eligibility requirement to receive retiree medical benefits is age 60 and 10 years of service; or, any age and 25 years of service.

Life insurance is not provided by the Plan.

Employees Covered by Benefit Terms

Inactive employees currently receiving benefit payments	2
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>15</u>
Total	<u>17</u>

The Town's total OPEB liability of \$431,442 (\$418,753 governmental activities and \$12,689 business activities) was measured as of December 31, 2021 and was determined by an actuarial valuation as of January 1, 2020.

Actuarial Assumptions and Other Inputs

The total OPEB liability as of December 31, 2021 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	December 31, 2021
Actuarial valuation date	January 1, 2020
Inflation	2.00%
Salary increases, including inflation	3.00%
Discount rate	2.06%
Healthcare cost trend rates	5.5% until 2030 then 4.50%

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation Municipal Bond Index.

Mortality rates were based on the SOA RP-2014 Combined Table.

Note 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Actuarial Assumptions and Other Inputs (Continued)

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of ongoing evaluations of the assumptions from January 1, 2010 through December 31, 2020.

Changes in the Total OPEB Liability

	Total OPEB Liability	Activities	
		Governmental	Business
Balance as of December 31, 2020	<u>\$430,654</u>	<u>\$417,988</u>	<u>\$ 12,666</u>
Changes for the year:			
Service cost	18,842	18,288	554
Interest	9,330	9,056	274
Difference between expected and actual experience	(8,375)	(8,129)	(246)
Changes in assumptions or other inputs	2,597	2,521	76
Benefit payments	<u>(21,606)</u>	<u>(20,971)</u>	<u>(635)</u>
Net changes	<u>788</u>	<u>765</u>	<u>23</u>
Balance as of December 31, 2021	<u>\$431,442</u>	<u>\$418,753</u>	<u>\$ 12,689</u>

Sensitivity to the Total OPEB Liability to Change in the Discount Rate

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or higher than the current discount rate.

	1.00% Decrease (1.06%)	Current Discount Rate (2.06%)	1.00% Increase (3.06%)
Total OPEB liability	<u>\$ 479,479</u>	<u>\$ 431,442</u>	<u>\$ 391,651</u>

Note 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

Sensitivity to the total OPEB Liability to Changes in the Health Cost Trend Rates

The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or higher than healthcare cost trend rates.

	1.00% Decrease (4.50%)	Current Trend Rate (5.50%)	1.00% Increase (6.50%)
Total OPEB liability	<u>\$ 387,539</u>	<u>\$ 431,442</u>	<u>\$ 484,857</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the Town recognized OPEB expense of \$9,291. As of December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 45,466	\$ (63,872)
Change in assumptions	53,026	(17,576)
Totals	<u>\$ 98,492</u>	<u>\$ (81,448)</u>

Note 13 - POSTEMPLOYMENT HEALTHCARE BENEFITS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	
2022	\$(12,790)
2023	(12,790)
2024	(12,790)
2025	5,541
2026	5,541
Thereafter	<u>44,330</u>
Total	<u>\$ 17,042</u>

Note 14 - PENSION PLANS

Employees of the Town, with the exception of the policemen, are members of the Municipal Employees' Retirement System of Louisiana. Full-time policemen, not participating in the Federal Social Security System, are members of the Municipal Police Employees' Retirement System of Louisiana.

a) Municipal Employees' Retirement System

Plan Description. The Town contributes to the Municipal Employees Retirement System of Louisiana - Plan A (MERS), a cost-sharing, multiple-employer defined benefit pension plan that is administered by a Board of Trustees. MERS was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana. MERS provides 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 MERS. Effective June 30, 1970, the State Legislature provided an optional method for municipalities to cancel Social Security and come under the supplementary benefits in the MERS "Supplementary Plan". Effective, October 1, 1978, the "Regular" and "Supplementary" Plans were replaced and are now known as Plans "A" and "B". Plan A combines the original and supplementary plan for those municipalities participating in both plans, while Plan B participates in only the original plan. MERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809.

Note 14 - PENSION PLANS (Continued)

a) Municipal Employees' Retirement System (Continued)

Membership. Membership is mandatory as a condition of employment beginning on the date employed for permanent employees working at least 35 hours per week.

Benefits Provided. MERS provides retirement, deferred retirement, disability and death benefits. Retirement benefits are generally equal to 3.0% of the member's monthly average final compensation multiplied by the years of creditable service. Members hired before January 1, 2013 can retire providing the member meets one of the following criteria: any age with 25 years of creditable service, age 60 with a minimum of ten years of creditable service, any age with five years of creditable service eligible for disability benefits, or survivor's benefits at the death of member. Also a member may receive actuarially reduced benefits at any age with 20 years of creditable service. Members hired on or after January 1, 2013 may retire providing the member meets one of the following: age 67 with seven or more years of creditable service, age 62 with ten or more years of creditable service, age 55 with 30 or more years of creditable service. A member may receive an actuarially reduced benefit at any age with 25 years of creditable service. Members with ten or more years of service who become disabled may receive retirement benefits determined in the same manner as retirement benefits. Death benefits are payable to eligible surviving dependents based on the deceased member's compensation and the dependent's relationship to the deceased member. The State Legislature authorized MERS to establish a Deferred Retirement Option Plan (DROP). When a member enters DROP their status changes from active to retired even though they continue to work, draw their salary and defer the receipt of benefits for up to three years. During participation in DROP, employer contributions are paid into the DROP fund but employee contributions cease. The election to participate in DROP is irrevocable once participation begins. The monthly retirement benefits are paid in an interest earning DROP account. Upon termination of employment or the end of the specified period a member may elect a lump sum equal to his payments into the DROP account, an annuity equal to the balance in his DROP account or any method approved by the Board of Trustees. MERS provides permanent benefit increases, cost of living adjustments (COLA) as approved by the State Legislature.

Contributions. According to state statute, contribution requirements for all employers are actuarially determined each year. The actual employer contribution rate is determined July 1st each year and was 29.50% for both the six months ended June 30, and the six month ended December 31, 2021.

Note 14 - PENSION PLANS (Continued)

a) Municipal Employees' Retirement System (Continued)

In accordance with state statute, MERS receives ad valorem taxes and state revenue sharing funds. These additional sources of income are used as employer contributions and are considered support from non-employer contributing entities, but are not considered special funding situations.

Contributions to MERS from the Town were \$145,062 for the year ended December 31, 2021.

Actuarial Assumptions. A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2021 are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions	
Expected Remaining	
Service Lives	3 years
Investment Rate of Return	6.850%, net of investment expense
Inflation Rate	2.500%
Projected Salary Increases	
1 to 4 years of service	6.400%
More than 4 years of service	4.500%
Mortality Rates	
Annuitant and Beneficiary	PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Employee	PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Disabled Lives	PubG-2010(B) Disabled Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by MERS 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.

Note 14 - PENSION PLANS (Continued)

a) Municipal Employees' Retirement System (Continued)

The long-term expected rate of return on pension plan investments 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 expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.60% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 6.95% for the year ended December 31, 2021. Estimates of arithmetic real rates of return for each major asset class based on the Fund's target asset allocation as of December 31, 2021 are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	53.00%	2.31%
Public fixed income	38.00%	1.65%
Alternatives	9.00%	0.39%
Total	100.00%	4.35%
Inflation		2.60%
Expected arithmetic nominal return		6.95%

Discount Rate. The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates approved by Public Retirement System Actuarial Committee taking into consideration the recommendation of System's actuary. Based on those assumptions, MERS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 14 - PENSION PLANS (Continued)

a) Municipal Employees' Retirement System (Continued)

Sensitivity of the Town's Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate. The following presents the Town's proportionate share of the collective net pension liability using the discount rate of 6.85%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.85%) or one percentage-point higher (7.85%) than the current rate:

	1.00% Decrease (5.85%)	Current Discount Rate (6.85%)	1.00% Increase (7.85%)
Town's proportionate share of the net pension liability	\$1,037,170	\$700,294	\$415,754

Pension Plan Fiduciary Net Position. The Municipal Employees Retirement System of Louisiana has issued a stand-alone audit report on their financial statements for the year ended June 30, 2021. Access to the report can be found on the Louisiana Legislative Auditor's website, www.lla.state.la.us.

b) Municipal Police Employees' Retirement System

Plan Description. The Town contributes to the Municipal Police Employees Retirement System of Louisiana (MPERS), a cost-sharing, multiple-employer defined benefit pension plan. MPERS was established by Act 189 of the 1973 regular session of the Legislature of the State of Louisiana. MPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the MPERS website: www.lampers.org or on the Office of the Louisiana Legislative auditor's website: lla.state.la.us.

Membership. MPERS is mandatory for any eligible full time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests and not paying social security.

Benefits Provided. MPERS provides retirement, deferred retirement, disability and death benefits. Members hired before January 1, 2013 can retire providing the member meets one of the following criteria: any age with 25 years of creditable service, age 50 with a minimum of 20 years of creditable service, or 12 years of creditable service at age 55. Upon the death of an active member, or disability retiree, MPERS benefits

Note 14 - PENSION PLANS (Continued)

b) Municipal Police Employees' Retirement System (Continued)

to the surviving spouse range from 40% to 60% of the member's average final compensation. Each surviving child under the age of 18 receives benefits equal to the greater of 10% of the member's average final compensation or \$200 per month. Retirement benefits are generally equal to 3.33% of the member's monthly average final compensation (average monthly earnings during the highest 36 consecutive months or joined months) multiplied by the years of creditable service, not to exceed 100% of final salary. Members hired on or after January 1, 2013 eligibility for regular retirement, early retirement and survivor benefits are based on Hazardous Duty or Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan member meets eligibility requirements in one of the following: at any age with 25 years of creditable service or at age 55 with 12 years of creditable service. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after being a member of MPERS and has 30 years of creditable service at any age, or has 25 years of creditable service at age 55, or ten years of creditable service at age 60. Under each sub plan a member is eligible for early retirement at age 55 and 20 years of credible service. Under the Hazardous and Non-Hazardous sub plans, the benefit rates are 3% and 2.5%, respectively, of the average final compensation during the highest 60 consecutive months per number of years of creditable service. Upon the death of an active member, or disability retiree the surviving spouse benefits range from 25% to 55% of the member's average final compensation. Each surviving child under the age of 18 receives the same benefit as members hired before January 1, 2013. The State Legislature authorized MPERS to establish a Deferred Retirement Option Plan (DROP). A member has the option to enter DROP upon regular retirement. When a member enters DROP the employer and employee contributions cease. The amount deposited into the DROP account is equal to the benefit computed under MPERS. The duration of DROP is up to three years. If employment is terminated after the DROP period the participant may receive his benefit as lump sum or an annuity. If employment is not terminated, active contributing membership in MPERS shall resume and additional retirements benefits based on the additional service shall be available. MPERS provides an Initial Benefit Option to members who are eligible for regular retirement and have not participated in DROP. The program provides both a one-time single sum payment of up to 36 months of regular retirement benefit however the regular monthly retirement benefit is reduced for life. MPERS provides permanent benefit increases, cost of living adjustments (COLA) not to exceed 3% to all regular retirees, disability, survivors and beneficiaries. An additional 2% COLA is available to all who are 65 years old.

Note 14 - PENSION PLANS (Continued)

b) Municipal Police Employees' Retirement System (Continued)

Contributions. According to state statute, contribution requirements for all employers are actuarially determined each year. The actual employer contribution rate is determined July 1st each year and was 33.75% for the six month period ended June 30, 2021 and 29.75% for the six months ended year ended December 31, 2021.

In accordance with state statute, MPERS receives insurance premium tax monies as employer contributions. The tax is considered support from non-contributing entities. Contributions to MPERS from the Town were \$54,181 for the year ended December 31, 2021.

Actuarial Assumptions. A summary of the actuarial methods and assumptions used in determining the total pension liability as of June 30, 2021 are as follows:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Assumptions	
Expected Remaining	
Service Lives	4 years
Investment Rate of Return	6.750%, net of investment expense
Inflation Rate	2.500%
Projected Salary Increases	
1-2 years of service	12.300%
More than 2 years of service	4.700%
Mortality Rates	
Annuitant and Beneficiary	Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019.
Employee	Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019.
Disabled Lives	Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019.
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.

Note 14 - PENSION PLANS (Continued)

b) Municipal Police Employees' Retirement System (Continued)

Estimates of arithmetic nominal rates of return for each major asset class based included in MPERS' target allocation as of June 30, 2021 are as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	55.50%	3.48%
Fixed income	30.50%	0.59%
Alternatives	14.00%	1.01%
Total	100.00%	5.08%
Inflation		2.22%
Expected arithmetic nominal return		7.30%

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

Note 14 - PENSION PLANS (Continued)

b) Municipal Police Employees' Retirement System (Continued)

Sensitivity of the Town's Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate. The following presents the Town's proportionate share of the collective net pension liability using the discount rate of 6.750%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.750%) or one percentage-point higher (7.750%) than the current rate:

	<u>1.00% Decrease (5.750%)</u>	<u>Current Discount Rate (6.750%)</u>	<u>1.00% Increase (7.750%)</u>
Town's proportionate share of the net pension liability	<u>\$510,298</u>	<u>\$292,796</u>	<u>\$111,256</u>

Pension Plan Fiduciary Net Position. The Municipal Employees Retirement System of Louisiana has issued a stand-alone audit report on their financial statements for the year ended June 30, 2021. Access to the report can be found at the Louisiana Legislative Auditor's website, www.la.state.la.us.

c) Combined

Pension Liabilities. As of December 31, 2021, the Town reported a liability of \$993,090 (\$966,111 in governmental activities and \$26,979 in business-type activities) for its proportionate share of the net pension liabilities. The net pension liability was measured as of June 30, 2021 for the MERS and MPERS plans, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the Town's proportion was .251768% of MERS, which was an increase of .01978% from its proportion measured as of June 30, 2020. At June 30, 2021, the Town's proportion was .054928% of MPERS, which was a decrease of .00085% from its proportion measured as of June 30, 2020.

Pension Expense. For the year ended December 31, 2021, the Town recognized pension expense of \$172,239, (\$170,414 governmental activities and \$1,825 business type activities).

Note 14 - PENSION PLANS (Continued)

c) Combined (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. As of December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 252	\$ (17,025)
Net difference between projected and actual earnings on pension plan investments	-	(334,022)
Changes in proportion	142,677	(7,407)
Changes in assumptions	58,016	(8,352)
Town contributions subsequent to the measurement date	<u>104,472</u>	<u>-</u>
	<u>\$ 305,417</u>	<u>\$ (366,806)</u>

The Town reported \$104,472 as deferred outflows of resources related to pensions resulting from the Town's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>
2022	\$ 22,852
2023	3,943
2024	(78,768)
2025	<u>(113,888)</u>
Total	<u>\$ (165,861)</u>

Note 15 - ON-BEHALF PAYMENTS FOR SUPPLEMENTAL PAY

The Town recognizes as revenues and expenditures salary supplements, which includes the police, which the State of Louisiana has paid directly to the Town's employees. As of December 31, 2021, the total on-behalf payments made amounted to \$26,117.

Note 16 - CONTINGENCIES

The Town received funding under grants from various Federal and state governmental agencies. The agency grants specify the purpose for which the grant monies are to be used; the grants are subject to audit by the granting agency or its representative.

As of December 31, 2021, the Town was defendant to lawsuits. In the opinion of Town management, the ultimate outcome of these legal matters will not have a material adverse effect on the Town's financial position (see Note 12).

Note 17 - HURRICANE IDA

On August 29, 2021, Hurricane Ida made landfall in Southeast Louisiana. As a result, there were significant damages across the region. The full financial impact of these events on the Town has yet to be determined.

Note 18 - SUBSEQUENT EVENTS

Management evaluates events occurring subsequent to the date of financial statements in determining the accounting for and disclosure of transactions and events that effect the financial statements. Subsequent events have been evaluated through June 17, 2022, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF CHANGES IN THE TOWN'S
TOTAL OPEB LIABILITY AND RELATED RATIOS**

**Town of Golden Meadow
Louisiana**

For the four years ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability				
Service cost	\$ 18,842	\$ (16,440)	\$ 16,616	\$ 19,705
Interest	9,330	14,050	17,290	14,574
Difference between expected and actual experience	(8,375)	(95,985)	60,896	10,064
Changes in assumptions or other inputs	2,597	11,551	50,262	(25,278)
Benefit payments	<u>(21,606)</u>	<u>(20,480)</u>	<u>(20,518)</u>	<u>(19,448)</u>
Net change in total OPEB liability	788	(107,304)	124,546	(383)
Total OPEB liability, beginning of year	<u>430,654</u>	<u>537,958</u>	<u>413,412</u>	<u>413,795</u>
Total OPEB liability, end of year	<u>\$ 431,442</u>	<u>\$ 430,654</u>	<u>\$ 537,958</u>	<u>\$ 413,412</u>
Covered employee payroll	<u>\$ 876,819</u>	<u>\$ 851,281</u>	<u>\$ 789,358</u>	<u>\$ 766,367</u>
Total OPEB liability, as a percentage of covered employee payroll	<u>49.21%</u>	<u>50.59%</u>	<u>68.15%</u>	<u>53.94%</u>
Notes to schedule				
Changes in benefit terms:	None	None	None	None
Changes of assumptions and other inputs reflected the effects of changes in the discount rate each period - discount rate	<u>2.06%</u>	<u>2.12%</u>	<u>2.74%</u>	<u>4.10%</u>

The schedule is provided beginning with the Town's year ended December 31, 2018 and is intended to show a ten year trend. Additional years will be reported as they become available.

**SCHEDULE OF THE TOWN'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - MERS**

**Town of Golden Meadow
Louisiana**

For the seven years ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	<u>0.251768%</u>	<u>0.231987%</u>	<u>0.226663%</u>	<u>0.258214%</u>	<u>0.248596%</u>	<u>0.234037%</u>	<u>0.227073%</u>
Town's proportionate share of the net pension liability	<u>\$700,294</u>	<u>\$1,002,975</u>	<u>\$947,148</u>	<u>\$1,069,181</u>	<u>\$1,039,982</u>	<u>\$959,250</u>	<u>\$811,140</u>
Town's covered employee payroll	<u>\$496,313</u>	<u>\$443,401</u>	<u>\$419,597</u>	<u>\$471,429</u>	<u>\$453,547</u>	<u>\$418,071</u>	<u>\$387,559</u>
Town's proportionate share of the net pension liability as a percentage of its covered employee payroll	<u>141.099%</u>	<u>226.200%</u>	<u>225.728%</u>	<u>226.796%</u>	<u>229.300%</u>	<u>229.447%</u>	<u>209.295%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>77.82%</u>	<u>64.52%</u>	<u>64.68%</u>	<u>65.60%</u>	<u>62.49%</u>	<u>62.11%</u>	<u>66.18%</u>

The schedule is provided beginning with the Town's year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

**SCHEDULE OF THE TOWN'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY - MPERS**

**Town of Golden Meadow
Louisiana**

For the seven years ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	<u>0.054928%</u>	<u>0.055777%</u>	<u>0.035071%</u>	<u>0.036080%</u>	<u>0.036591%</u>	<u>0.033803%</u>	<u>0.023926%</u>
Town's proportionate share of the net pension liability	<u>\$292,796</u>	<u>\$515,509</u>	<u>\$318,503</u>	<u>\$305,023</u>	<u>\$319,455</u>	<u>\$316,829</u>	<u>\$187,435</u>
Town's covered employee payroll	<u>\$168,186</u>	<u>\$172,281</u>	<u>\$104,044</u>	<u>\$106,477</u>	<u>\$109,235</u>	<u>\$94,689</u>	<u>\$63,998</u>
Town's proportionate share of the net pension liability as a percentage of its covered employee payroll	<u>174.091%</u>	<u>299.226%</u>	<u>306.123%</u>	<u>286.468%</u>	<u>292.447%</u>	<u>334.600%</u>	<u>292.876%</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>84.09%</u>	<u>70.94%</u>	<u>71.01%</u>	<u>71.89%</u>	<u>70.08%</u>	<u>66.04%</u>	<u>70.73%</u>

The schedule is provided beginning with the Town's year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

SCHEDULE OF THE TOWN'S CONTRIBUTIONS - MERS

Town of Golden Meadow
Louisiana

For the seven years ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 145,062	\$ 144,733	\$ 112,135	\$ 114,762	\$ 109,177	\$ 93,354	\$ 78,300
Contributions in relation to the contractually required contribution	<u>145,062</u>	<u>144,733</u>	<u>112,135</u>	<u>114,762</u>	<u>109,177</u>	<u>93,354</u>	<u>78,300</u>
Contribution deficiency (excess)	<u>\$ -</u>						
Town's covered employee payroll	<u>\$ 491,735</u>	<u>\$ 504,353</u>	<u>\$ 417,022</u>	<u>\$ 452,851</u>	<u>\$ 459,410</u>	<u>\$ 438,340</u>	<u>\$ 396,455</u>
Contributions as a percentage of covered employee payroll	<u>29.50%</u>	<u>28.70%</u>	<u>26.89%</u>	<u>25.34%</u>	<u>23.76%</u>	<u>21.30%</u>	<u>19.75%</u>

The schedule is provided beginning with the Town's year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

SCHEDULE OF THE TOWN'S CONTRIBUTIONS - MPERS

**Town of Golden Meadow
Louisiana**

For the seven years ended December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 54,181	\$ 52,798	\$ 48,341	\$ 31,990	\$ 34,533	\$ 32,971	\$ 22,378
Contributions in relation to the contractually required contribution	<u>54,181</u>	<u>52,798</u>	<u>48,341</u>	<u>31,990</u>	<u>34,533</u>	<u>32,971</u>	<u>22,378</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>					
Town's covered employee payroll	<u>\$ 170,626</u>	<u>\$ 159,276</u>	<u>\$ 149,154</u>	<u>\$ 101,566</u>	<u>\$ 110,512</u>	<u>\$ 107,632</u>	<u>\$ 73,663</u>
Contributions as a percentage of covered employee payroll	<u>31.75%</u>	<u>33.15%</u>	<u>32.41%</u>	<u>31.50%</u>	<u>31.25%</u>	<u>30.63%</u>	<u>30.38%</u>

The schedule is provided beginning with the Town's year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

SUPPLEMENTARY INFORMATION

COMPENSATION PAID TO MEMBERS OF THE TOWN COUNCIL**Town of Golden Meadow
Louisiana**

For the year ended December 31, 2021

<u>Name</u>	<u>Office</u>	<u>Compensation</u>	<u>Per Diem*</u>
Joey Bouziga	Mayor	\$ 55,664	\$ -
Jody Cheramie	Councilman	-	4,132
Kip Plaisance	Councilman	-	6,612
Laci Latiolais	Councilwoman	-	6,336
Mike Billiot	Councilman	-	6,612
Willis Toups	Councilman	-	6,612
Totals		<u>\$ 55,664</u>	<u>\$ 30,304</u>

* Per diem paid at the rate of \$551 for the regular monthly meeting. There are no additional per diem fees paid for attendance at special meetings of the Town.

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

**Town of Golden Meadow
Louisiana**

For the year ended December 31, 2021

Agency Head Name: Joey Bouziga, Mayor

Purpose

Salary	\$ 55,664
Benefits - insurance	234
Benefits - retirement	16,421
Benefits - other	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-
	<hr/>
	<u>\$ 72,319</u>

**JUSTICE SYSTEM FUNDING SCHEDULE -
COLLECTING/DISBURSING ENTITY AS REQUIRED
BY ACT 87 OF THE 2021 REGULAR LEGISLATIVE SESSION**

**Town of Golden Meadow
Louisiana**

December 31, 2021

	First Six Month Period Ended June 30, 2021	Second Six Month Period Ended December 31, 2021
Beginning balance of amounts collected	\$ -	\$ -
Collections:		
Bond fees	3,200	800
Criminal Court Costs - fees	216,144	251,439
Criminal Court Fines - contempt	49,003	41,292
Civil Court Fines - other	2,675	6,163
Other	8,535	5,916
Total collections	<u>279,557</u>	<u>305,610</u>
Disbursements to Governments and Nonprofits:		
Louisiana Traumatic Head and Spine Cord Injury Trust Fund - fees from criminal fines	655	5,985
Louisiana Commission on Law Enforcement - fees from criminal fines	3,287	3,962
Louisiana Judicial College - fees from criminal fees	65	960
Treasurer, State of Louisiana - case management information system	393	5,754
Crimestoppers - fees from criminal fines	192	1,904
Amounts Retained By Collecting Agency:		
Amounts "self-disbursed" to collecting agency:		
Bond fees	3,200	800
Criminal Court Costs - fees	211,552	232,874
Criminal Fines - contempt	49,003	41,292
Criminal Fees - other	2,675	6,163
Other	8,535	5,916
Total disbursements to governments and nonprofits	<u>279,557</u>	<u>305,610</u>
Ending balance of amounts collected but not disbursed/retained	<u>\$ -</u>	<u>\$ -</u>

JUSTICE SYSTEM FUNDING SCHEDULE -
RECEIVING ENTITY AS REQUIRED BY ACT 87
OF THE 2021 REGULAR LEGISLATIVE SESSION

Town of Golden Meadow

Louisiana

December 31, 2021

	<u>First Six Month Period Ended June 30, 2021</u>	<u>Second Six Month Period Ended December 31, 2021</u>
Receipts from:		
Lafourche Parish Sheriff - bond fees	\$ 5,500	\$ 2,100
Department of Motor Vehicles - Criminal Court costs/fees	488	2,075
Total receipts	\$ 5,988	\$ 4,175

STATISTICAL INFORMATION SECTION
(UNAUDITED)

Table 1

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION

**Town of Golden Meadow
Louisiana**

Last Ten Years
(Unaudited)

<u>Year</u>	<u>General Government</u>	<u>Public Safety Police</u>	<u>Streets and Highways</u>	<u>Sanitation</u>	<u>Drainage and Levee</u>	<u>Culture and Recreation</u>	<u>Debt Service</u>	<u>Totals</u>
2012	\$374,422	\$593,862	\$195,676	\$21,154	\$146,089	\$158,468	\$65,290	\$1,554,961
2013	\$297,280	\$623,850	\$233,328	\$9,259	\$164,129	\$152,073	\$52,124	\$1,532,043
2014	\$357,176	\$590,497	\$256,058	\$14,290	\$157,039	\$133,899	\$31,714	\$1,540,673
2015	\$361,372	\$616,383	\$211,608	\$13,475	\$191,114	\$147,890	\$271,706	\$1,813,548
2016	\$388,930	\$640,895	\$244,840	\$16,654	\$175,335	\$153,087	\$24,816	\$1,644,557
2017	\$384,995	\$666,613	\$243,600	\$12,550	\$179,739	\$152,002	\$24,612	\$1,664,111
2018	\$425,646	\$715,293	\$251,508	\$16,412	\$148,888	\$135,663	\$24,612	\$1,718,022
2019	\$423,684	\$701,513	\$236,131	\$14,389	\$115,973	\$155,822	\$24,612	\$1,672,124
2020	\$481,002	\$700,968	\$273,908	\$12,112	\$137,710	\$150,921	\$12,304	\$1,768,925
2021	\$639,727	\$730,289	\$220,465	\$7,934	\$147,087	\$128,256	-	\$1,873,758

Note:

(1) Includes General, Debt Service, and Capital Projects Funds (amounts do not include the Capital Outlay expenditures of the funds).

GENERAL GOVERNMENTAL REVENUE BY SOURCE**Town of Golden Meadow
Louisiana**Last Ten Years
(Unaudited)

<u>Year</u>	<u>Taxes</u>	<u>Fines and Forfeitures</u>	<u>Intergovernmental Revenues</u>	<u>License, Permits, and Franchises</u>	<u>Charges for Services</u>	<u>Investment Income</u>	<u>Miscellaneous Revenues</u>	<u>Totals</u>
2012	\$942,948	\$636,782	\$172,392	\$167,472	\$47,143	\$6,429	\$616,060	\$2,589,226
2013	\$1,185,760	\$598,663	\$1,371,251	\$186,690	\$52,605	\$4,914	\$56,014	\$3,455,897
2014	\$1,253,213	\$516,041	\$828,899	\$197,099	\$66,227	\$3,374	\$38,985	\$2,903,838
2015	\$1,100,132	\$902,182	\$703,371	\$223,042	\$53,440	\$5,634	\$71,550	\$3,059,351
2016	\$986,562	\$603,041	\$1,593,350	\$182,833	\$49,325	\$12,796	\$30,078	\$3,457,985
2017	\$816,086	\$770,925	\$688,454	\$164,595	\$57,589	\$24,783	\$57,041	\$2,579,473
2018	\$913,069	\$925,526	\$119,916	\$159,045	\$47,004	\$56,513	\$34,987	\$2,256,060
2019	\$1,000,069	\$660,531	\$434,997	\$170,181	\$53,944	\$74,932	\$28,793	\$2,423,447
2020	\$821,515	\$404,935	\$214,123	\$160,395	\$31,832	\$31,362	\$23,604	\$1,687,766
2021	\$956,510	\$585,167	\$453,532	\$162,546	\$26,990	\$5,342	\$26,586	\$2,216,673

Note:

(1) Includes General, Debt Service, and Capital Projects Fund.

Table 3

PROPERTY TAX LEVIES AND COLLECTIONS

**Town of Golden Meadow
Louisiana**

Last Ten Years
(Unaudited)

<u>Year</u>	<u>Total Tax Levy</u>	<u>Current Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Tax Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Delinquent Taxes to Tax Levy</u>
2012	\$186,466	\$166,189	89.1%	\$6,785	\$172,974	92.8%	\$13,492	7.2%
2013	\$201,673	\$149,030	73.9%	\$10,673	\$159,703	79.2%	\$41,970	20.8%
2014	\$195,138	\$144,060	73.8%	\$44,781	\$188,841	96.8%	\$6,297	3.2%
2015	\$213,815	\$172,037	80.5%	\$37,161	\$209,198	97.8%	\$4,617	2.2%
2016	\$200,884	\$120,911	60.2%	\$78,573	\$199,484	99.3%	\$1,400	0.7%
2017	\$193,202	\$146,154	75.6%	\$44,256	\$190,410	98.6%	\$2,792	1.4%
2018	\$192,901	\$98,222	50.9%	\$93,212	\$191,434	99.2%	\$1,467	0.8%
2019	\$192,707	\$147,152	76.4%	\$42,812	\$189,964	98.6%	\$2,743	1.4%
2020	\$203,286	\$127,425	62.7%	\$72,623	\$127,425	62.7%	\$3,238	1.6%
2021 ⁽¹⁾	\$146,103	-	-	-	-	-	-	-

Note:

(1) 2021 property assessments were delayed until March 2022 due to Hurricane Ida. Taxes are considered delinquent if not paid by May 31, 2022. 2021 will be completed after all information on collections and delinquent taxes is obtained.

PRINCIPAL TAXPAYERS**Town of Golden Meadow
Louisiana**December 31, 2021
(Unaudited)

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2021 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Texas Petroleum Investments	Oil and Gas	\$ 916,760	13.36%
State Bank & Trust Co.	Bank	587,400	8.56%
Lafourche Telephone Co.	Telephone	550,550	8.02%
United Community Bank	Bank	315,950	4.60%
LA Shrimp and Processing	Equipment	203,110	2.96%
Rouse's Market	Supermarket	202,270	2.95%
JRE Lafourche Investment	Real Estate	139,400	2.03%
Gaubert Oil Co. Inc.	Oil and Gas	95,330	1.39%
Entergy	Electric	81,080	1.18%
The Vindez Corporation (Dollar General)	Retail	62,130	0.91%
Totals		<u>\$ 3,153,980</u>	<u>45.95%</u>

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA**

**Town of Golden Meadow
Louisiana**

Last Ten Years
(Unaudited)

<u>Year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Debt Service Monies Available</u>	<u>Net Bonded Debt</u>	<u>Percent of Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt Per Capital</u>
2012	2,101	\$8,816,370	\$251,085	\$14,400	\$236,685	2.68%	112.65
2013	2,071	\$9,535,360	\$248,259	\$14,400	\$233,859	2.45%	112.92
2014	2,076	\$9,226,370	\$245,305	\$14,400	\$230,905	2.50%	111.23
2015	2,060	\$10,109,430	-	-	-	0.00%	-
2016	2,038	\$9,497,770	-	-	-	0.00%	-
2017	2,000	\$9,134,570	-	-	-	0.00%	-
2018	2,000	\$9,056,370	-	-	-	0.00%	-
2019	2,000	\$9,041,100	-	-	-	0.00%	-
2020	2,000	\$9,611,730	-	-	-	0.00%	-
2021	1,986	\$6,863,680	-	-	-	0.00%	-

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**

**Town of Golden Meadow
Louisiana**

Last Ten Years
(Unaudited)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures*</u>	<u>Ratio of Debt Service to Total General Expenditures</u>
2012	\$2,692	\$11,364	\$14,056	\$1,554,961	0.9%
2013	\$2,826	\$11,230	\$14,056	\$1,532,043	0.9%
2014	\$2,954	\$11,102	\$14,056	\$1,540,673	0.9%
2015	\$245,305	\$3,933	\$249,238	\$1,813,548	13.7%
2016	-	-	-	\$1,644,557	0.0%
2017	-	-	-	\$1,664,111	0.0%
2018	-	-	-	\$1,718,022	0.0%
2019	-	-	-	\$1,672,124	0.0%
2020	-	-	-	\$1,768,925	0.0%
2021	-	-	-	\$1,873,758	0.0%

* Includes General Fund and Debt Service Fund (amounts do not include the Capital outlay expenditures of the funds).

MISCELLANEOUS STATISTICS**Town of Golden Meadow
Louisiana**December 31, 2021
(Unaudited)

Date of incorporation	July 17, 1950
Form of government	Mayor - Council
Area	4 square miles
Miles of street	11.5
Number of street lights	419
Fire protection: (volunteer firemen)	
Number of stations	2
Number of firemen	30
Police protection:	
Number of stations	1
Number of policemen and officers	4
Municipal sewer department:	
Number of consumers - December 31, 2021	419
Recreation and culture:	
Number of parks	1 with 40 acres
Number of libraries	1
Employees:	
Excluding policemen and summer pool workers	8

INSURANCE IN FORCE**Town of Golden Meadow**
LouisianaDecember 31, 2021
(Unaudited)

Name of Insurer	Policy Period		Details of Coverage	Amount
	From	To		
Lloyd's of London	7/21/2021 - 7/21/2022		Commercial property Multi-Purpose Building and Emergency Center Tenant improvements and betterments Wind/Hail Named Storm	\$1,900,000 \$50,000 \$25,000 3% or \$50,000
Continental Insurance Company	12/21/2019 - 12/21/2022		Public Employee's Blanket Bond	\$10,000
Travelers Casualty and Surty	1/1/2021 - 1/1/2022		Public Official's Bond - Chief of Police	\$5,000
CNA Surety	12/1/2021 - 12/1/2022		Official Bond and Oath-Town Clerk	\$10,000
Western Surety Company	10/1/2019 - 10/1/2022		Public Official's Bond - Mayor and Town Council Members	\$10,000
Louisiana Municipal Risk Management Agency	1/1/2021 - 1/1/2022		Workmen's Compensation	LA Statutes
Lloyd's/Lane & Associates	3/6/2021 - 3/6/2022		Automobile Collision/Comprehension - Various Autos Total (actual CV for cost of repair/ replacement, whichever is less) Deductible - specified perils Deductible - collision	\$242,466 \$250 \$250
Scottsdale Insurance Company	2/11/2021 - 2/11/2022		Commercial Inland Marine Coverage - Equipment Total Physical damage Deductible	\$223,881 \$1,000
Great Lakes Insurance	11/20/2021 - 11/20/2022		DMV Building 80% Replacement Cost 80% Contents Deductible Wind and Hail - 5% deductible	\$151,700 \$52,000 \$2,500
Wright National Flood	12/19/2021 - 12/19/2022		Flood Insurance DMV Building Contents Deductible	\$200,000 \$100,000 \$1,250
Wright National Flood	8/20/2021 - 8/20/2022		Flood Insurance Town Hall-Building Town Hall-Contents Deductible	\$500,000 \$100,000 \$2,000

**Table 8
(Continued)**

Name of Insurer	Policy Period		Details of Coverage	Amount
	From	To		
Wright National Flood	8/26/2021	8/26/2022	Flood Insurance Senior Citizen-Building Senior Citizen-Contents Deductible	\$100,000 \$50,000 \$1,000
St. Paul Travelers P&C	1/7/2021	1/7/2022	Water Pumping Station - Dursette Street Limit per accident Spoilage Deductible	\$2,500,000 \$25,000 \$2,500
Louisiana Citizens Property	8/25/2021	8/25/2022	Commercial Fire, Wind and Hail - 80% Deductible 80% Co-Insurance Wind and Hail - 5% deductible Swimming Pool Bathhouse Town Maintenance Building Pumping Station Park - Dressing/Restrooms Senior Citizens Building Senior Citizens Ceramic Shop Pavilion	\$2,500 \$75,000 \$45,000 \$15,000 \$40,000 \$90,000 \$15,000 \$60,000
Louisiana Municipal Risk Management Agency Liability Pool	5/1/2021	5/1/2022	Comprehensive Liability Coverage under the LMA Plan: 1 Comprehensive General Liability Medical Payments: Deductible - per person Deductible - per accident Deductible - per occurrence 2 Automobile Liability Deductible 3 Law Enforcement Officers' Comprehensive Liability Deductible 4 Public Official's Errors and Omissions Liability Deductible	\$500,000 \$1,000 \$10,000 \$50,000 \$500,000 \$ - \$500,000 \$1,000 \$500,000 \$1,000
Scottsdale Insurance Company	5/5/2021	5/5/2022	Electronic Data Processing Equipment All Risks Covered Deductible	\$14,600 \$5,000
Louisiana Citizens Property Insurance Corporation	11/12/2021	11/12/2022	Commercial Wind & Hail Coverage Maintenance Building Cover Over Fuel Tank 80% Co-Insurance Wind and Hail - 5% deductible	\$100,000 \$30,000

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

To the Honorable Joey Bouziga, Mayor
and Members of the Town Council,
Town of Golden Meadow,
Golden Meadow, Louisiana.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Golden Meadow, Louisiana (the "Town") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated June 17, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 over financial reporting 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 a material weakness. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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.



Certified Public Accountants.

Houma, Louisiana,
June 17, 2022.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR
FINDINGS AND QUESTIONED COSTS

Town of Golden Meadow
Louisiana

For the year ended December 31, 2021

**Section I - Internal Control Over Financial Reporting and Compliance and Other Matters
Material to the Basic Financial Statements**

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit for the year ended December 31, 2020.

No significant deficiencies were reported during the audit for year ended December 31, 2020.

Compliance and Other Matters

No compliance findings material to the basic financial statements were reported during the audit for the year ended December 31, 2020.

Section II - Internal Control and Compliance Material to Federal Awards

There were no federal award findings or questioned cost reported during the audit for the year ended December 31, 2020.

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2020.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Town of Golden Meadow Louisiana

For the year ended December 31, 2021

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Basic Financial Statements

Internal Control Over Financial Reporting

No material weaknesses were reported during the audit for the year ended December 31, 2021.

No significant deficiencies were reported during the audit for year ended December 31, 2021.

Compliance and Other Matters

No compliance findings material to the basic financial statements were reported during the audit for the year ended December 31, 2021.

Section II - Internal Control and Compliance Material to Federal Awards

The Town of Golden Meadow did not expend federal awards during the year ended December 31, 2021.

Section III Management Letter

A management letter was not issued in connection with the audit for the year ended December 31, 2021.

STATEWIDE AGREED-UPON PROCEDURES

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

To the Honorable Joey Bouziga, Mayor
and Members of the Town Council,
Town of Golden Meadow,
Golden Meadow, Louisiana.

We have performed the procedures described in Schedule 5 on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA) Statewide Agreed-Upon Procedures (SAUP) for the fiscal period January 1, 2021 through December 31, 2021. The Town of Golden Meadow's (the "Town") 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 the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period January 1, 2021 through December 31, 2021. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purpose. 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 responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are described in Schedule 5.

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

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

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

Bourgeois Bennett, L.L.C.

Certified Public Accountants

Houma, Louisiana,
June 17, 2022.

**SCHEDULE OF PROCEDURES AND ASSOCIATED
FINDINGS OF THE STATEWIDE AGREED-UPON PROCEDURES**

**Town of Golden Meadow
Louisiana**

For the year ended December 31, 2021

The required procedures and our findings are as follows:

Procedures Performed on the Town's Written Policies and Procedures:

1. Obtain and inspect the Town's written policies and procedures and observe that they address each of the following categories and subcategories if applicable to public funds and the Town's operations:
 - a) Budgeting, including preparing, adopting, monitoring, and amending the budget.
Performance: Obtained and read the written policy for budgeting, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
 - b) Purchasing, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
Performance: Obtained and read the written policy for purchasing, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
 - c) Disbursements, including processing, reviewing, and approving.
Performance: Obtained and read the written policy for disbursements, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.
 - d) Receipts/Collections, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
Performance: Obtained and read the written policy for receipts, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Written Policies and Procedures: (Continued)

- e) Payroll/Personnel, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
Performance: Obtained and read the written policy for payroll and personnel, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- f) Contracting, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
Performance: Obtained and read the written policy for contracting, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- g) Credit Cards (and debit cards, fuel cards, P-Cards, if applicable), including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
Performance: Obtained and read the written policy for credit cards, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- h) Travel and expense reimbursement, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
Performance: Obtained and read the written policy for travel and expense reimbursement, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- i) Ethics, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees and officials were notified of any changes to the Town's ethics policy.
Performance: Obtained and read the written policy for ethics, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

- j) Debt Service, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
Performance: Obtained and read the written debt service policy, and found it to address all the functions listed above.
Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Written Policies and Procedures: (Continued)

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

Performance: Obtained and read the written disaster recovery/business continuity policy, and found it to address all the functions listed above.

Exceptions: There were no exceptions noted.

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

Performance: Obtained and read the written sexual harassment policy.

Exceptions: The policy did not contain the provisions on annual employee training and annual reporting.

Procedures Performed on the Town's Board:

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

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

Performance: Obtained and read the written minutes of the board meetings. The Board is required to meet twice a month. All meetings had a quorum.

Exceptions: There were no exceptions noted.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds.

Performance: Obtained and read the written minutes of the board meetings and observed that monthly budget-to-actual comparisons were included.

Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Board: (Continued)

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

Performance: Obtained the prior year's audit report and observed the unrestricted fund balance in the General Fund. The General Fund did not have a negative ending unrestricted fund balance.

Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Bank Reconciliations:

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

Performance: Obtained the listing of bank accounts from management and received management's representation that the listing is complete in a separate letter.

Exceptions: There were no exceptions noted.

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

Performance: Obtained the Town's bank reconciliations for December and observed whether the reconciliations included signature of preparer and were dated within 2 months of the related statements.

Exceptions: The bank reconciliations were not prepared within 2 months of the related statements.

- b) Bank reconciliations include evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Performance: Obtained the Town's bank reconciliations and observed that the reconciliations were reviewed by a member who does not handle cash.

Exceptions: There were no exceptions noted.

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

Performance: Obtained the Town's bank reconciliations and observed that there were no outstanding items for more than 12 months of the statement closing date.

Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Collections (Excluding Electronic Funds Transfer):

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

Performance: Obtained the listing of deposit sites from management, and received management's representation that the listing is complete in a separate letter. The Town only has one location that prepares deposits.

Exceptions: There were no exceptions noted.

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

Performance: Obtained the listing of collection locations from management, and received management's representation that the listing is complete in a separate letter. The Town has one deposit site with one collection location.

Exceptions: There were no exceptions noted.

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

Performance: Inspected policy manuals, inquired of management and observed employees do not share cash drawers.

Exceptions: There were no exceptions noted.

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

Performance: Inspected policy manuals, inquired of management and observed receipts employees collecting cash are not responsible for making deposits.

Exceptions: There were no exceptions noted.

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

Performance: Inspected policy manuals, inquired of management, and observed employees collecting cash do not make general ledger postings.

Exceptions: There were no exceptions noted.

**Procedures Performed on the Town's Collections (Excluding Electronic Funds Transfer):
(Continued)**

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

Performance: Inspected policy manuals, inquired of management, and observed employees collecting cash do not make general ledger postings.

Exceptions: There were no exceptions noted.

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

Performance: Obtained a listing of all employees who have access to cash and inquired of management if these employees are covered by a bond or insurance policy for theft.

Exceptions: Not all employees who have access to cash are covered by a bond or insurance policy for theft.

7. Randomly select 2 deposit dates for each of the 5 bank accounts selected for procedure #3 under "Procedures Performed on the Town's Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

Performance: Obtained supporting documentation for the selected deposits and observed that receipts were sequentially pre-numbered.

Exceptions: The Town does not maintain a pre-numbered listing of collections.

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

Performance: Traced supporting documentation to the deposit ticket, deposit receipt, and bank interest receipt.

Exceptions: There were no exceptions noted.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

Performance: Traced deposit slip total to actual deposit per bank statement.

Exceptions: There were no exceptions noted.

**Procedures Performed on the Town's Collections (Excluding Electronic Funds Transfer):
(Continued)**

- d) 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).

Performance: Observed that the deposits tested were made within one business day of receipt or within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100.

Exceptions: 5 of the 10 deposits tested were not deposited within one business day of receipt.

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

Performance: Traced the actual deposit per the bank statement to the general ledger.

Exceptions: There were no exception noted.

Procedures Performed on the Town's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases)

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

Performance: Obtained the listing of locations that process payments, and received management's representation that the listing is complete in a separate letter. The Town only has one location that processes payments.

Exceptions: There were no exceptions noted.

- 9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the Town has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

Performance: Obtained a listing of those employees involved with non-payroll purchasing and payments functions, and received management's representation that the listing is complete in a separate letter.

Exceptions: There were no exceptions noted.

- a) At least 2 employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.

Exceptions: There were no exceptions noted.

- b) At least 2 employees are involved in processing and approving payments to vendors.

Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.

Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Non-Payroll Disbursements (Excluding Card Purchases/Payments, Travel Reimbursements, and Petty Cash Purchases): (Continued)

- c) The employees responsible for processing payments are prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

- Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.

- Exceptions: There were no exceptions noted.

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

- Performance: Inspected policy manuals and inquired of management and employees as to requirement listed above.

- Exceptions: There were no exceptions noted.

- 10. For each location selected under #8 above, obtain the Town's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Select 5 disbursements for each location, obtain supporting documentation for each transaction and:

- Performance: Obtained the Town's general ledger for the fiscal period, and obtained management's representation that the listing is complete in a separate letter.

- Exceptions: There were no exceptions noted.

- a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.

- Performance: Obtained the disbursement and observed that the disbursement and the related original invoice/billing statement were in agreement.

- Exceptions: There were no exceptions noted.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

- Performance: Obtained the disbursement documentation and observed for proper segregation of duties as listed under #9 above.

- Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Credit Cards, Debit Cards, Fuel Cards, P-Cards:

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

Performance: Inquired of management for a listing of all active credit cards, bank debit cards, fuel cards, and P-cards, and received management's representation that the listing is complete in a separate letter.

Exceptions: There were no exceptions noted.

12. Using the listing prepared by management, select 5 cards (or all cards if less than 5) that were used during the fiscal period, rotating cards each year. Select one monthly statement or combined statement for each card (for a debit card, select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that 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) was reviewed and approved, in writing, by someone other than the authorized card holder.

Performance: Observed evidence that the statement and supporting documentation was reviewed and approved, in writing, by someone other than the authorized card holder.

Exceptions: There were no exceptions noted.

- b) Observe that finance charges and/or late fees were not assessed on the selected statements.

Performance: Observed that there were no finance charges and/or late fees assessed on the selected statements.

Exceptions: There were no exceptions noted.

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing).

- a) For each transaction, report whether the transaction is supported by:

- 1) An original itemized receipt that identifies precisely what was purchased.

Performance: Observed that the transactions from the monthly statements were supported by the original itemized receipts that identifies precisely what was purchased.

Exceptions: There were no exceptions noted.

**Procedures Performed on the Town's Credit Cards, Debit Cards, Fuel Cards, P-Cards:
(Continued)**

- 2) Written documentation of the business/public purpose.
Performance: Observed that the transactions from the monthly statements were supported with written documentation of the business/public purpose.
Exceptions: There were no exceptions noted.

- 3) Documentation of the individuals participating in meals (for meal charges only).
Performance: Observed documentation of individuals participating in the meals.
Exceptions: One meal transaction did not have documentation of the individual participating in the meal.

**Procedures Performed on the Town's Travel and Travel-Related Expense Reimbursements
(Excluding Card Transactions):**

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
Performance: Obtained general ledger for travel and related expense reimbursements. Also, obtained management's representation in a separate letter that the listing is complete. There were only 4 travel related reimbursements noted.
Exceptions: There were no exceptions noted.
 - a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).
Performance: Inspected travel and expense reimbursements to observe that the reimbursement rate agreed to those rates established either by the State of Louisiana or the U.S. General Services Administration.
Exceptions: There were no exceptions noted.
 - b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
Performance: Inspected travel and expense reimbursements to observe that the reimbursement was supported by original itemized receipt.
Exceptions: There were no exceptions noted.

**Procedures Performed on the Town's Travel and Travel-Related Expense Reimbursements
(Excluding Card Transactions): (Continued)**

- c) 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 policy (procedures #1h).

- Performance: Inspected travel and expense reimbursements to observe that each reimbursement has evidence of documentation of the business/public purpose and other documentation required by written policy.

- Exceptions: There were no exceptions noted.

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

- Performance: Inspected travel and expense reimbursements to observe that each reimbursements was reviewed and approved by someone other than the person receiving the reimbursements.

- Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Contracts:

- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Select 5 contracts (or all contracts if less than 5) from the listing excluding the practitioner's contract, and:

- Performance: Observed the listing of contracts in effect during the fiscal year from management, and received management's representation that the listing is complete in a separate letter.

- Exceptions: There were no exceptions noted.

- a) Observe that the contracts were bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

- Performance: Inspected supporting contract documentation and inquired of client about any contracts subject to Louisiana Public Bid Law. None of the contracts were subject to Louisiana Public Bid Law

- Exceptions: There were no exceptions noted.

- b) Observe that the contracts were approved by the Town Council, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).

- Performance: Per the Town's policy, the contracts selected were not required to be approved by the Town Council.

- Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Contracts: (Continued)

- c) If the contracts were amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment was approval documented).
Performance: Inspected contracts and inquired of client about any amendments to contracts in the fiscal year. The contracts were not amended.
Exceptions: There were no exceptions noted.
- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.
Performance: Observed the supporting invoices for the 5 contracts selected, agreed the invoice to the contract terms, and observed if the invoices and related payment agreed to the terms and conditions of the contract.
Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Payroll and Personnel:

16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
Performance: Obtained the listing of employees with their related salaries from management, and received management's representation that the listing is complete in a separate letter. Randomly selected 5 employees and agreed paid salaries to authorized salaries/pay rates per the personnel files.
Exceptions: There were no exceptions noted.
17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
Performance: Selected one pay period to test leave taken during that period. Inspected all daily attendance and leave record for proper documentation.
Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Payroll and Personnel: (Continued)

- a) Observe that supervisors approved the attendance and leave of the selected employees/officials.

Performance: Inspected the approval of attendance and leave by the supervisors for the selected employee/officials.

Exceptions: There were no exceptions noted.

- b) Observe that any leave accrued or taken during the pay period is reflected in the Town's cumulative leave records.

Performance: Inspected any leave accrued or taken during the pay period was reflected in the cumulative leave records.

Exceptions: There were no exceptions noted.

- c) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

Performance: Inspected and agreed the rate paid to employees to the pay rate in the personnel files.

Exceptions: There were no exceptions noted.

18. Obtain from management a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select 2 employees/officials', obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employees'/officials' cumulate leave records, agree the pay rates to the employees'/officials' pay rates in the employees'/officials' personnel files and agree the termination payment to the Town's policy.

Performance: Obtained a listing of those employees that received termination payments during the fiscal period from management, and received management's representation in a separate letter that the listing is complete. The hours used in management's termination payment calculations were agreed to cumulative leave records and the pay rates agreed to authorize pay rates in the personnel files.

Exceptions: There were no exceptions noted.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

Performance: Inspected payroll reporting forms to confirm that all payments were submitted to the applicable agencies by the required deadlines. Obtained management's representation that employer and employee portions of third-party payroll accounts have been paid, and any associated forms have been filed by the required deadlines.

Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Ethics:

20. Using the 5 selected employees/officials from procedure #16 under "Procedures Performed on the Town's Payroll and Personnel", obtain ethics compliance documentation from management and:
- a) Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
Performance: Observed the ethics course competition certificates for the 5 employees tested.
Exceptions: There were no exceptions noted.
 - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
Performance: Observed the documentation demonstrating the employees and officials agree to the ethics training and policy. The Town did not have any changes to the ethics policy.
Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Debt Service:

21. 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 the State Bond Commission approval was obtain for each bond/note issued.
Performance: Received management's representation and also noted in our procedures that the Town did not issue any bonds/notes during the fiscal year. Therefore, testing was not required in the current year.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. 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.
Performance: The Town did not issue any bonds/notes during the fiscal year. Therefore, testing was not required in the current year.

Procedures Performed on the Town's Fraud Notice:

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

Performance: Inquired of management of any misappropriations of public funds and assets during the fiscal period. None were noted by management.

Exceptions: There were no exceptions noted.

24. Observe the Town 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.

Performance: Inspected the fraud notice posted on the premises and website concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Exceptions: There were no exceptions noted.

Procedures Performed on the Town's Information Technology Disaster Recovery/Business Continuity:

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

- a) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

Performance: We performed the procedures and discussed the results with management.

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

Performance: We performed the procedures and discussed the results with management.

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

Performance: We performed the procedures and discussed the results with management.

Procedures Performed on the Town's Sexual Harassment:

26. Using the 5 randomly selected employees/officials from procedure #16 under "Procedures on the Performed Town's Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.
- Performance: Examined personnel files and sexual harassment training documentation for the 5 employees tested.
- Exceptions: One of the employees selected for testing did not complete the sexual harassment training.
27. Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- Performance: Inquired of management regarding posting the sexual harassment policy and complaint procedure on its website.
- Exceptions: The sexual harassment policy and complaint procedures were not posted on the Town's website.
28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:
- a) Number and percentage of public servants in the agency who have completed the training requirements;

Performance: Inquired of management regarding the entity's annual sexual harassment report for the fiscal period.

Exceptions: There were no reports filed during the fiscal period.
 - b) Number of sexual harassment complaints received by the agency;

Performance: Inquired of management regarding the entity's annual sexual harassment report for the fiscal period.

Exceptions: There were no reports filed during the fiscal period.
 - c) Number of complaints which resulted in a finding that sexual harassment occurred;

Performance: Inquired of management regarding the entity's annual sexual harassment report for the fiscal period.

Exceptions: There were no reports filed during the fiscal period.
 - d) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action

Performance: Inquired of management regarding the entity's annual sexual harassment report for the fiscal period.

Exceptions: There were no reports filed during the fiscal period.

Procedures Performed on the Town's Sexual Harassment: (Continued)

e) Amount of time it took to resolve each complaint.

Performance: Inquired of management regarding the entity's annual sexual harassment report for the fiscal period.

Exceptions: There were no reports filed during the fiscal period.

Management's Response to Exceptions Noted in Our Procedures:

- 11) Management will consider adding provisions on annual employee training and annual reporting to the existing sexual harassment policy.
- 3a) Management will consider preparing bank reconciliations within 2 months of the related statement closing date.
- 6) Management will consider obtaining a bond or insurance policy for theft for all employees handling cash.
- 7a) Management will consider pre-numbering their collections.
- 7d) Management will consider making deposits within one business day of receipt.
- 13a) Management will consider always documenting the individuals participating in meals purchases on company credit cards.
- 26) Management will ensure that all employees/officials complete one hour of sexual harassment training.
- 27) Management will consider posting the sexual harassment policy on the Town's website.
- 28) Next year management will prepare and submit the annual sexual harassment report containing the applicable requirements of R.S. 42:344 on or before the February 1 deadline.