

FINANCIAL REPORT
OF THE
VILLAGE OF PINE PRAIRIE, LOUISIANA
FOR THE YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Aldermen
Village of Pine Prairie, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Pine Prairie, Louisiana as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Village of Pine Prairie, Louisiana'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 Village of Pine Prairie, Louisiana, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

the Village of Pine Prairie, Louisiana's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of employer's share of net pension liability, and schedule of employer pension contributions on pages 52 - 57 be presented to supplement the basic financial statements. Such information is the responsibility of

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

The Village of Pine Prairie, Louisiana has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

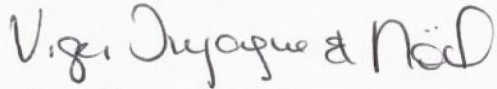
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Pine Prairie, Louisiana's basic financial statements. The accompanying combining fund financial statements, the schedule of compensation, benefits, and other payments to agency head, the judicial system funding schedule, and other schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements, the schedule of compensation, benefits, and other payments to agency head, the judicial system funding schedule, and other schedules, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2026, on our consideration of the Village of Pine Prairie, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial

reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Pine Prairie, Louisiana's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village of Pine Prairie, Louisiana's internal control over financial reporting and compliance.

The prior year comparative information has been derived from the Village of Pine Prairie, Louisiana's 2024 financial statements and, in our report dated May 29, 2025 we expressed unmodified opinions on the respective financial statements of the governmental and business-type activities.

A handwritten signature in dark ink, appearing to read "Vige, Tujague & Noel". The script is cursive and somewhat stylized.

Vige, Tujague & Noel
Eunice, Louisiana

June 15, 2026

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF PINE PRAIRIE

Statement of Net Position

December 31, 2025

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current Assets:			
Cash and Interest-Bearing Deposits	\$ 1,165,266	\$ 70,842	\$ 1,236,108
Receivables, net of \$43,344 allowance	193,045	10,085	203,130
Due From Other Funds	-	31,572	31,572
Total Current Assets	<u>1,358,311</u>	<u>112,499</u>	<u>1,470,810</u>
Noncurrent Assets:			
Restricted Assets:			
Cash and Interest-Bearing Deposits	15,736	91,773	107,509
Capital Assets, Net	1,773,816	1,047,240	2,821,056
Right of Use Assets, Net	5,484	-	5,484
Total Noncurrent Assets	<u>1,795,036</u>	<u>1,139,013</u>	<u>2,934,049</u>
Total Assets	<u>3,153,347</u>	<u>1,251,512</u>	<u>4,404,859</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflows Related to Pensions	<u>52,226</u>	<u>-</u>	<u>52,226</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	12,197	2,277	14,474
Payroll Taxes Payable	14,487	-	14,487
Accrued Interest Payable	-	515	515
Due To Other Funds	31,572	-	31,572
Notes Payable	4,263	95,141	99,404
Total Current Liabilities	<u>62,519</u>	<u>97,933</u>	<u>160,452</u>
Noncurrent Liabilities:			
Customers' Deposits	-	35,550	35,550
Notes Payable	158,049	321,822	479,871
Net Pension Liability	209,456	-	209,456
Total Noncurrent Liabilities	<u>367,505</u>	<u>357,372</u>	<u>724,877</u>
Total Liabilities	<u>430,024</u>	<u>455,305</u>	<u>885,329</u>
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows Related to Pensions	<u>75,418</u>	<u>-</u>	<u>75,418</u>
NET POSITION:			
Invested in Capital Assets, Net of Related Debt	1,616,988	630,277	2,247,265
Restricted For:			
Debt Service	15,736	52,781	68,517
Street Projects	812,616	-	812,616
Unrestricted	254,791	113,149	367,940
Total Net Position	<u>\$ 2,700,131</u>	<u>\$ 796,207</u>	<u>\$ 3,496,338</u>

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

VILLAGE OF PINE PRAIRIE
Statement of Activities
For the Year Ended December 31, 2025

Activities	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 465,663	\$ 138,041	\$ 4,000	\$ -	\$ (327,622)	\$ -	\$ (327,622)
Public safety (Police)	419,751	453,970	-	-	34,219	-	34,219
Streets	264,720	-	-	-	(264,720)	-	(264,720)
Interest on long-term debt	6,781	-	-	-	(6,781)	-	(6,781)
Total governmental activities	1,156,915	592,011	4,000	-	(560,904)	-	(560,904)
Business-type activities:							
Sewer	158,065	92,129	-	-	-	(65,936)	(65,936)
Total business-type activities	158,065	92,129	-	-	-	(65,936)	(65,936)
Total primary government	\$ 1,314,980	\$ 684,140	\$ 4,000	\$ -	(560,904)	(65,936)	(626,840)
General Revenues:							
Taxes							
Ad Valorem Taxes					145,017	-	145,017
Sales Taxes					291,965	-	291,965
Franchise Taxes					66,468	-	66,468
Investment Earnings					2,021	46	2,067
Nonemployer pension contributions					5,649	-	5,649
Miscellaneous					39,909	-	39,909
Transfers					(265)	265	-
Total general revenues and transfers					550,764	311	551,075
Change in net position					(10,140)	(65,625)	(75,765)
Net position-beginning					2,710,271	861,832	3,572,103
Net position-ending					\$ 2,700,131	\$ 796,207	\$ 3,496,338

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

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

VILLAGE OF PINE PRAIRIE
Governmental Funds
Balance sheet
December 31, 2025
With Comparative Totals for December 31, 2024

	General	Special Revenue	Total Governmental Funds	2024 Totals
ASSETS				
Current Assets:				
Cash and Interest-Bearing Deposits	\$ 352,650	\$ 812,616	\$ 1,165,266	\$ 1,114,363
Ad Valorem Taxes Receivable	52,373	63,949	116,322	134,245
Franchise Tax Receivable	14,692	-	14,692	12,960
Sales Tax Receivable	-	54,531	54,531	48,001
Other Receivables	7,500	-	7,500	25,962
Total Current Assets	427,215	931,096	1,358,311	1,335,531
Restricted Assets:				
Community Center Reserve Fund	11,455	-	11,455	11,454
Community Center Sinking Fund	3,088	-	3,088	3,087
Community Center Contingency Fund	1,193	-	1,193	1,193
Total Restricted Assets	15,736	-	15,736	15,734
Total Assets	\$ 442,951	\$ 931,096	\$ 1,374,047	\$ 1,351,265
LIABILITIES AND FUND BALANCES:				
<u>Liabilities:</u>				
Accounts Payable	\$ 9,938	\$ 2,259	\$ 12,197	\$ 15,199
Payroll Liabilities	14,487	-	14,487	15,966
Due to Other Funds	31,572	-	31,572	36,944
Total Liabilities	55,997	2,259	58,256	68,109
<u>Fund Balances:</u>				
Fund Balances:				
Restricted for:				
Debt Service	-	180,595	180,595	180,577
Street Projects	-	748,242	748,242	731,210
Unassigned	386,954	-	386,954	371,369
Total Fund Balances	386,954	928,837	1,315,791	1,283,156
TOTAL LIABILITIES AND FUND BALANCES	\$ 442,951	\$ 931,096	\$ 1,374,047	\$ 1,351,265

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

VILLAGE OF PINE PRAIRIE
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2025

Governmental funds fund balances at December 31, 2025

\$ 1,315,791

Total net position 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 funds.

Capital assets, net of \$3,867,824 accumulated depreciation

1,773,816

Right of use assets, net of \$8,226 accumulated amortization

5,484

1,779,300

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

(162,312)

Amounts related to pension recognition are not due and payable in the current period and, therefore, are not reported in the funds

(232,648)

Net position of governmental activities

\$ 2,700,131

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

VILLAGE OF PINE PRAIRIE
Governmental Funds
Combined Statement Of Revenues, Expenditures, And Changes
In Fund Balances
For the Year Ended December 31, 2025
With Comparative Totals For the Year Ended December 31, 2024

	General Fund	Special Revenue	Total (Governmental Funds)	2024 Totals
Revenues:				
Taxes: Ad Valorem	\$ 70,084	\$ 74,933	\$ 145,017	\$ 139,613
Franchise	66,468	-	66,468	55,006
Sales	-	291,965	291,965	264,743
Licenses	48,041	-	48,041	47,751
Fines and Forfeits	453,970	-	453,970	510,108
Prison Fees	90,000	-	90,000	90,000
Miscellaneous & Grants	43,560	349	43,909	91,969
Total Revenues	<u>772,123</u>	<u>367,247</u>	<u>1,139,370</u>	<u>1,199,190</u>
Expenditures:				
Current:				
General Government	399,532	-	399,532	408,920
Public Safety	442,417	-	442,417	540,062
Street Department	-	213,357	213,357	254,571
Capital Outlay	18,462	23,851	42,313	373,827
Debt Service	10,872	-	10,872	10,872
Total Expenditures:	<u>871,283</u>	<u>237,208</u>	<u>1,108,491</u>	<u>1,588,252</u>
Other Financing Sources / (Uses)				
Interest Income	369	1,652	2,021	6,765
Operating Transfers In	274,021	159,380	433,401	477,580
Operating Transfers Out	(159,645)	(274,021)	(433,666)	(508,689)
Total Other Financing Sources/(Uses)	<u>114,745</u>	<u>(112,989)</u>	<u>1,756</u>	<u>(24,344)</u>
Net Change in Fund Balances	15,585	17,050	32,635	(413,406)
Fund Balance, Beginning Of Year	<u>371,369</u>	<u>911,787</u>	<u>1,283,156</u>	<u>1,696,562</u>
Fund Balance, End Of Year	<u>\$ 386,954</u>	<u>\$ 928,837</u>	<u>\$ 1,315,791</u>	<u>\$ 1,283,156</u>

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

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

Net change in fund balances-total governmental funds \$ 32,635

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$42,313) exceeded depreciation (\$147,868) and amortization (\$2,742) in the current year.

Capital outlay	(105,555)	
Right of use assets	<u>(2,742)</u>	(108,297)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		4,091
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Net effect of pension liability recognition		<u>61,431</u>
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Change in net position of governmental activities		<u><u>\$ (10,140)</u></u>
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The accompanying notes are an integral part of the basic financial statements.

PROPRIETARY FUND

VILLAGE OF PINE PRAIRIE
Proprietary Fund
Statement of Net Position
December 31, 2025
With Comparative Totals for December 31, 2024

ASSETS:

	<u>2025</u>	<u>2024</u>
Current Assets:		
Cash and Interest-Bearing Deposits	\$ 70,842	\$ 77,810
Accounts Receivable, Net of Allowance for Uncollectible (2025 - \$45,635; 2024 - \$40,787)	10,085	17,314
Due from General Fund	<u>31,572</u>	<u>36,944</u>
Total Current Assets	<u>112,499</u>	<u>132,068</u>
Restricted Assets:		
Cash on Deposit for:		
Note Sinking Fund	6,195	6,195
Note Reserve Fund	23,071	21,893
Note Contingency Fund	23,515	22,337
CDBG Fund	12	12
Customers' Deposits	<u>38,980</u>	<u>40,285</u>
Total Restricted Assets	<u>91,773</u>	<u>90,722</u>
Long-Term Assets:		
Fixed Assets, Net of Accumulated Depreciation (2025 - \$1,445,134; 2024 - \$1,387,982)	<u>1,047,240</u>	<u>1,018,744</u>
Total Long-Term Assets	<u>1,047,240</u>	<u>1,018,744</u>
 TOTAL ASSETS	 <u><u>\$ 1,251,512</u></u>	 <u><u>\$ 1,241,534</u></u>

(Continued)

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

VILLAGE OF PINE PRAIRIE
Proprietary Fund
Statement of Net Position (Continued)
December 31, 2025
With Comparative Totals for December 31, 2024

LIABILITIES:

	<u>2025</u>	<u>2024</u>
Current Liabilities:		
Accounts Payable	\$ 2,277	\$ 3,376
Accrued Interest Payable	515	515
Notes Payable	<u>95,141</u>	<u>9,097</u>
Total Current Liabilities	<u>97,933</u>	<u>12,988</u>
Noncurrent Liabilities:		
Customers' Deposits	35,550	35,400
Notes Payable	<u>321,822</u>	<u>331,314</u>
Total Noncurrent Liabilities	<u>357,372</u>	<u>366,714</u>
Total Liabilities	<u>455,305</u>	<u>379,702</u>
NET POSITION:		
Invested in capital assets, net of related debt	630,277	678,333
Restricted for:		
Debt Service	52,781	50,425
Unrestricted	<u>113,149</u>	<u>133,074</u>
Total Net Position	<u>\$ 796,207</u>	<u>\$ 861,832</u>

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

VILLAGE OF PINE PRAIRIE
Statement of Revenues,
Expenses, And Changes In Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2025
With Comparative Totals For the Year Ended December 31, 2024

	<u>2025</u>	<u>2024</u>
Operating Revenues:		
Charges for Services—Sewer Fees	\$ 92,090	\$ 102,984
Miscellaneous	<u>39</u>	<u>-</u>
Total Operating Revenues	<u>92,129</u>	<u>102,984</u>
Operating expenses:		
Dues & Fees	17,361	11,830
Depreciation Expense	57,154	55,612
Office Expense	2,818	2,594
Repairs and Maintenance	38,287	24,997
Miscellaneous	14,150	19,858
Utilities	<u>14,004</u>	<u>13,586</u>
Total operating expenses	<u>143,774</u>	<u>128,477</u>
Operating income (loss)	<u>(51,645)</u>	<u>(25,493)</u>
Non-operating revenues/(expenses):		
Interest Revenue	46	45
Interest Expense	<u>(14,291)</u>	<u>(14,656)</u>
Total non-operating revenues/(expenses)	<u>(14,245)</u>	<u>(14,611)</u>
Transfers in (out):		
Operating Transfers In	265	31,109
Operating Transfer Out	<u>-</u>	<u>-</u>
Total transfers in (out)	<u>265</u>	<u>31,109</u>
Change in net position	(65,625)	(8,995)
<u>Net Position, BEGINNING OF YEAR</u>	<u>861,832</u>	<u>870,827</u>
<u>Net Position, END OF YEAR</u>	<u>\$ 796,207</u>	<u>\$ 861,832</u>

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

VILLAGE OF PINE PRAIRIE
Proprietary Fund
Statement Of Cash Flows
For the Year Ended December 31, 2025

Cash flows from operating activities:	
Receipts from customers	\$ 99,358
Payments to suppliers	<u>(87,719)</u>
Net cash provided (used) by operating activities	<u>11,639</u>
Cash flows from noncapital financing activities:	
Cash received from other funds	<u>5,637</u>
Net cash provided by noncapital financing activities	<u>5,637</u>
Cash flows from capital and related financing activities:	
Note principal payments	(9,098)
Proceeds from debt	85,650
Payments for plant and equipment	(85,650)
Increase/(Decrease) in customers' deposits payable	<u>150</u>
Net cash used for capital and related financing activities	<u>(8,948)</u>
Cash flows from investing activities:	
Interest received	46
Interest paid	<u>(14,291)</u>
Net cash used for investing activities	<u>(14,245)</u>
Net increase (decrease) in cash and cash equivalents	(5,917)
Cash and cash equivalent, beginning of year	<u>168,532</u>
Cash and cash equivalent, end of year	<u>\$ 162,615</u>

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

VILLAGE OF PINE PRAIRIE
Proprietary Fund
Statement Of Cash Flows (continued)
For the Year Ended December 31, 2025

Reconciliation of operating loss to net cash
provided by operating activities:

Operating loss	\$ (51,645)
Adjustments to reconcile operating loss to net cash provided by/(used for) operating activities:	
Depreciation	57,154
Changes in current assets and liabilities:	
(Increase)/Decrease in accounts receivable	7,229
Increase/(Decrease) in accounts payable	(1,099)
Net cash provided (used) by operating activities	<u>\$ 11,639</u>

Reconciliation of cash and cash equivalents
per statement of cash flows to the balance sheet:

Cash and cash equivalents, beginning of year	
Cash—unrestricted	\$ 77,810
Cash—restricted	<u>90,722</u>
Total cash and cash equivalents, beginning of year	<u>168,532</u>
 Cash and cash equivalents, end of year	
Cash—unrestricted	70,842
Cash—restricted	<u>91,773</u>
Total cash and cash equivalents, end of year	<u>162,615</u>
 Net Increase (Decrease)	<u>\$ (5,917)</u>

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

NOTES TO THE FINANCIAL STATEMENTS

VILLAGE OF PINE PRAIRIE, LOUISIANA

Notes to the Financial Statements

December 31, 2025

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Pine Prairie was incorporated in 1959 under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting practices of the Village of Pine Prairie conform to generally accepted accounting principles of the United States of America as applicable to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies:

A. Financial reporting Entity

This report includes all funds which are controlled by or dependent on the Village executive and legislative branches (the Mayor and Board of Alderman). Control by or dependence on the Village was determined on the basis of financial accountability, budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility. The Village has no component units or fiduciary funds.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the Village of Pine Prairie, the primary government, as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the Village and for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Village of Pine Prairie are organized on the basis of funds each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which spending activities are controlled. The various funds are grouped in the financial statements in this report, into four generic fund types and two broad fund categories. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The major funds of the Village are described below:

Governmental Funds –

General Fund

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

**VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.**

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Additionally, the Village reports the following fund types:

Proprietary Fund

Enterprise Fund

The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar 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 to be financed or recovered primarily through user charges; or (b) where the governing body has decided the 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 Village of Pine Prairie's enterprise fund is the utility fund. It accounts for the provision of sewer services to residents of the Village.

Proprietary 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 the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. Measurement Focus/Basis of Accounting

Measurement focus is term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Sales taxes are considered "measurable" when collected by the collection agency and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year in which they are billed. Fees and non tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Available means collectible within the current period or soon enough thereafter to pay current liabilities, usually 60 days.

Those revenues susceptible to accrual are property taxes, grant revenues and interest revenue.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

The proprietary fund is accounted for using the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when incurred.

Bad debts are written off when accounts became worthless.

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These transactions are recorded when the transfers occur.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Village's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Village's general revenues.

Allocation of indirect expenses

The Village reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Assets, Liabilities, and Equity

Cash and Cash Equivalents

Cash includes amounts in demand deposit, interest bearing demand, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the municipality may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law, or any other state of the United States, or under the laws of the United States.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Receivables:

In the government-wide statements, receivables consist of all revenue earned at year-end and not yet received. In the fund financial statements, receivables include accruals for revenues which are measurable and available. Major receivable balances for the Villages' governmental activities reported in both the government-wide and the fund financial statements include sales taxes and ad valorem taxes. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Sewer utility accounts receivable compose the majority of proprietary fund receivables.

Interfund Receivables and Payables:

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note G for details of interfund transactions, including receivables and payables at year-end.

Fixed Assets:

The accounting treatment of property, plant, and equipment (fixed assets) 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.

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. Estimated historical cost of \$390,957 was used to value the majority of the assets acquired prior to January 1, 1988. The Village maintains a threshold level of \$500 or more for capitalizing capital assets.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	5-10 years
Improvements	20 years
Buildings	40 years
Sewerage Disposal Plant	40 years

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Fund Financial Statements

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

Restricted Assets:

Restricted assets include cash and interest-bearing deposits of the debt service and proprietary fund. The primary restricted assets are related to bonds/note repayment, sewer utility meter deposits, and sewer plant remediation monies.

Long-Term Debt:

The accounting treatment of long-term debt depends on whether the liabilities are reported in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable.

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

Equity Classifications:

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

- a. Invested in capital assets, net of related debt – 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 borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consist of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the village council – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the village council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the village’s “intent” to be used for specific purposes but are neither restricted nor committed. The village council and village manager have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Village considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Village considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Village has provided otherwise in its commitment or assignment actions.

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

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

E. Revenues, Expenditures, and Expenses

Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of March 16 of each year. Taxes are levied by the Village in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on March 16 of the following year. Revenues from ad valorem taxes are recorded in the year billed.

The Village bills and collects its own property taxes using the assessed values determined by the tax assessor of Evangeline Parish.

Sales Taxes

Proceeds of the two percent (2%) sales and use tax are dedicated to the following purposes:

50% for funding operations and capital improvements of the Village and 50% shall be dedicated and used exclusively for the purpose of construction, maintenance and repair of public streets and roadways within the Village and authority to fund the proceeds of the Tax into bonds for the purposes stated herein and related capital improvements within the Village in the manner provided by law.

The two percent (2%) sales tax is effective April 1, 2019, for a period of ten years.

Operating (Non-operating) Revenues and Expenses

Operating (Nonoperating) Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Expenditures/Expenses

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

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character:
Proprietary Fund – By Operating and Nonoperating

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

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

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

F. Budget and Budgetary Accounting

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

1. The Village Clerk prepares a proposed budget and submits same to Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.
5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.
6. All budgetary appropriations lapse at the end of each fiscal year.
7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles of the United States of America. Budgeted amounts are as originally adopted or as amended from time to time by the Board of Aldermen. The budget was amended prior to the fiscal year end December 31, 2025.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

H. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

NOTE B- STATEMENT OF CASH FLOWS

The statement of cash flows included in the financial statements presents cash and cash equivalents at the beginning and end of the period. Cash equivalents are defined as short-term, highly liquid investments that are both:

- a. Readily convertible to known amounts of cash.
- b. So near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

The statement of cash flows focuses on cash receipts and cash payments resulting from operating, non capital financing, capital and related financing, or investing activities.

Operating activities generally result from providing services and producing and delivering goods, and include all transactions and other events that are not defined as investing activities. Cash flows from operating activities generally are the cash effects of transactions and other events that enter into the determination of operating income.

Non capital financing activities include borrowing money for purposes other than to acquire, construct, or improve capital assets and repaying those amounts borrowed, including interest.

This category includes proceeds from all borrowings (such as revenue anticipation notes) not clearly attributable to acquisition, construction or improvement of capital assets, regardless of the form of the borrowing. Also, included are certain other interfund and intergovernmental receipts and payments.

Capital and related financing activities include (a) acquiring and disposing of capital assets used in providing services or producing goods, (b) borrowing money for acquiring, constructing, or improving capital assets and repaying the amounts borrowed, including interest, and (c) paying for capital assets obtained from vendors on credit.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Investing activities include making and collecting loans and acquiring and disposing of debt or equity instruments.

NOTE C-AD VALOREM TAXES

For the twelve months ended December 31, 2025, the 2025 tax roll taxes of 23.03 mills were levied on property with assessed valuations totaling \$6,296,860 and were dedicated as follows:

General Corporate Purposes	6.17	Mills
Street Maintenance	6.94	Mills
Street Construction	4.96	Mills
Police Protection	1.98	Mills
Recreation	2.98	Mills
Total	<u>23.03</u>	

Total taxes levied were \$145,016.

NOTE D- ACCOUNTING PRONOUNCEMENTS

The Government Accounting Standards Board (GASB) has issued the following Statements which will become effective in futures years as shown below:

Statement No. 103 Financial Reporting Model Improvements – This Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Statement No. 104 Disclosure of Certain Capital Assets – This Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

NOTE E – CAPITAL AND RIGHT TO USE ASSETS

The Village implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), requiring the recognition of a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability for subscription related payments that were previously expensed. It also provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA.

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

	Balance 12/31/2024	Additions	Retirements	Balance 12/31/2025
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 211,732	\$ -	\$ -	\$ 211,732
Construction in progress, park	20,366	23,851	-	44,217
Capital assets being depreciated:				
Machinery and Equipment	1,123,952	18,462	-	1,142,414
Improvements	3,149,983	-	-	3,149,983
Buildings	1,093,294	-	-	1,093,294
Total capital assets:	<u>5,599,327</u>	<u>42,313</u>	<u>-</u>	<u>5,641,640</u>
Less accumulated depreciation:				
Machinery and Equipment	(743,738)	(66,377)	-	(810,115)
Improvements	(2,428,874)	(55,832)	-	(2,484,706)
Buildings	(547,344)	(25,659)	-	(573,003)
Total accumulated depreciation	<u>(3,719,956)</u>	<u>(147,868)</u>	<u>-</u>	<u>(3,867,824)</u>
Right to use assets:				
Subscription	13,710	-	-	13,710
Total right to use assets	<u>13,710</u>	<u>-</u>	<u>-</u>	<u>13,710</u>
Less accumulated amortization				
Subscription	(5,484)	(2,742)	-	(8,226)
Total accumulated amortization	<u>(5,484)</u>	<u>(2,742)</u>	<u>-</u>	<u>(8,226)</u>
Governmental activities capital and right to use assets, net	<u>\$ 1,887,597</u>	<u>\$ (108,297)</u>	<u>\$ -</u>	<u>\$ 1,779,300</u>
Business type activities:				
Capital assets not being depreciated:				
Land	\$ 121,125	\$ -	\$ -	\$ 121,125
Construction in progress, sewer	-	85,650	-	85,650
Capital assets being depreciated :				
Machinery and Equipment	2,285,599	-	-	2,285,599
Total capital assets	<u>2,406,724</u>	<u>85,650</u>	<u>-</u>	<u>2,492,374</u>
Less accumulated depreciation:				
Machinery and Equipment	(1,387,980)	(57,154)	-	(1,445,134)
Total accumulated depreciation	<u>(1,387,980)</u>	<u>(57,154)</u>	<u>-</u>	<u>(1,445,134)</u>
Business type activities capital assets, net	<u>\$ 1,018,744</u>	<u>\$ 28,496</u>	<u>\$ -</u>	<u>\$ 1,047,240</u>

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	\$ 28,279
Public safety (Police)	33,116
Recreation	35,110
Streets	51,363
Total governmental activities	<u>147,868</u>

Business-type activities:

Sewer utility	<u>57,154</u>
Total business-type activities	<u>57,154</u>
Total depreciation expense	<u>\$ 205,022</u>

Amortization of the right to use SBITA asset is computed by the straight-line method over the life of the subscription period including renewals. Amortization of the right to use SBITA asset totaled \$2,742 for the year ended December 31, 2025, and is reported within depreciation/amortization under operating expenses in the Statement of Revenues, Expenses and Changes in Net Position.

The Village entered into a Subscription-Based Information Technology Arrangement with Digital Ally on January 1, 2023 for a period of five years. The Village paid the total subscription cost in full, upon activation; therefore, there is no subscription liability.

NOTE F –LONG-TERM LIABILITIES

Long-Term Liability Activity:

Long-term liability activity for the year ended December 31, 2025, was as follows:

	Balance 12/31/2024	Additions	Retirements	Balance 12/31/2025	Due in One Year
Governmental Activities:					
Bonds Payable:					
General Fund	\$ 166,403	\$ -	\$ 4,091	\$ 162,312	\$ 4,263
Total Governmental Activities:	<u>166,403</u>	<u>-</u>	<u>4,091</u>	<u>162,312</u>	<u>4,263</u>
Business-Type Activities:					
Notes Payable - USDA	340,411	-	9,098	331,313	9,491
Notes Payable - GOHSEP	-	85,650	-	85,650	85,650
Total Business-Type Activities:	<u>340,411</u>	<u>85,650</u>	<u>9,098</u>	<u>416,963</u>	<u>95,141</u>
Total Government	<u>\$ 506,814</u>	<u>\$ 85,650</u>	<u>\$ 13,189</u>	<u>\$ 579,275</u>	<u>\$ 99,404</u>

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Description of Debt:

Governmental Activities:

Debt Service Fund –

The Village started drawing on a \$210,000, 40 year, 4.125% interest note for the purpose of constructing a hurricane evacuation/community center in 2009. The first payment on the note will be interest only on June 28, 2010, with the remainder being \$906.00 per month including principal and interest starting on July 28, 2010, and maturing on June 28, 2049. There shall be set aside into a Reserve Fund, an amount of \$45 per month until there shall have been accumulated in the Reserve Account an amount equal to \$10,872. The Reserve Fund is fully funded as of December 31, 2025.

Debt service requirements to maturity are estimated to be as follows:

<u>Year Ended</u>	<u>Principal Amounts</u>	<u>Interest Amounts</u>
2026	4,263	6,609
2027	4,442	6,430
2028	4,629	6,243
2029	4,824	6,048
2030	5,026	5,846
2031-2035	28,485	25,875
2036-2040	34,997	19,363
2041-2045	42,998	11,362
2046-2049	32,648	12,959
	<u>\$ 162,312</u>	<u>\$ 100,735</u>

Enterprise Fund - The Village borrowed \$445,000 on a USDA Rural Development note for the construction of a new sewer plant. The note is a 40 year, four and one-quarter percent note with the first payment being interest only on the first anniversary of the note, and then monthly payments with interest beginning the following month. There shall be set aside into a Reserve Fund, an amount of \$97 per month until there shall have been accumulated in the Reserve Account an amount equal to the maximum principal and interest requirements in any one maturity year, or \$23,389. Such amounts may be used only for the payments of maturing loans and interest for which sufficient funds are not on deposit in the Sinking Fund and as to which there would otherwise be default.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Funds will also be set aside into a Depreciation and Contingency Fund at the rate of \$143 per month. Money in this fund may be used for the making of extensions, additions, improvements, renewals, and replacements to the system which are necessary to keep the system in operating condition and for which money is not available as a maintenance and operating expense. Money in this fund may also be used to pay principal or interest on the bonds falling due at any time there is not sufficient money for payment in the other related funds.

Estimated debt service requirements to maturity are as follows:

<u>Year Ending</u>	<u>Principal Amounts</u>	<u>Interest Amounts</u>
2026	9,491	13,898
2027	9,903	13,486
2028	10,332	13,057
2029	10,780	12,609
2030	11,247	12,142
2031-2035	63,982	52,963
2036-2040	79,101	37,844
2041-2045	97,791	19,154
2046-2047	38,686	1,509
Total	<u>\$ 331,313</u>	<u>\$ 176,662</u>

The Village received loan funds from the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) in the amount of \$85,650 as of December 31, 2025. In January 2026, additional funds in the amount of \$18,975 were received for a total loan of \$104,625, used for emergency sewer system repairs and improvements. The loan is expected to be repaid within the next fiscal year by funds from the Louisiana Department of Environmental Quality (DEQ) State Revolving Fund.

NOTE G – CASH AND CASH EQUIVALENTS

The cash and cash equivalents of the Village of Pine Prairie are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Village that the fiscal agent

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

bank has failed to pay deposited funds upon demand. Further Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Village's name.

The Village's cash was adequately collateralized at December 31, 2025.

	<u>Interest Bearing</u>	<u>Non-interest Bearing</u>
December 31, 2025		
Investar Bank	\$ 1,181,876	\$ 168,344
Less Amount Insured by FDIC	<u>(250,000)</u>	<u>(250,000)</u>
	<u>931,876</u>	<u>(81,656)</u>
Less Amount Collateralized with an FHLB Letter of Credit	<u>(1,400,000)</u>	<u>-</u>
(Over)/Under Collateralized Bank Balances December 31, 2025	<u><u>\$ (468,124)</u></u>	<u><u>\$ (81,656)</u></u>

NOTE H – INTERFUND RECEIVABLES, PAYABLES

The interfund receivables and payables at December 31, 2025 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>General Fund</u>		
Due to Sewer Fund	\$ -	\$ 31,572
<u>Proprietary Fund</u>		
Due from General Fund	<u>31,572</u>	<u>-</u>
Totals	<u><u>\$ 31,572</u></u>	<u><u>\$ 31,572</u></u>

NOTE I – COMPENSATION OF MAYOR AND BOARD OF ALDERMEN

A schedule of compensation paid to the Mayor and Board of Aldermen is as follows:

	<u>Salary</u>	<u>Expenses</u>
Quint West (Mayor)	\$ 26,400	\$ 8,400
Gilbert Bordelon	6,400	4,200
Tammy H. Buxton	6,400	4,200
Kevin Rodriguez	6,400	4,200
Total	<u><u>\$ 45,600</u></u>	<u><u>\$ 21,000</u></u>

**VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.**

NOTE J— PENSION PLANS

Plan Descriptions

In addition to the federal social security system, substantially all employees of the Village of Pine Prairie are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, or Municipal Police Employees Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Article 10, Section 29 of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions to the state legislature. The systems issue annual, publicly-available financial reports that include financial statements and required supplementary information for the systems. The reports for MERS and MPERS may be obtained at www.mersla.com and www.lampers.org, respectively.

Plan Description- MERS

MERS was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana and is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees (6) of the Village of Pine Prairie are members of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in MERS.

The System is administered by a Board of Trustees composed of eleven members, three of whom shall be active and contributing members of the System with at least six years creditable service and who are elected to office in accordance with the Louisiana Election Code, two of whom shall be active and contributing members of the System with at least six years creditable service and who are not elected officials; one of whom shall be a retired member of the System; one of whom shall be president of the Louisiana Municipal Association who shall serve as an ex-officio member during his tenure; one of whom shall be the Chairman of the Senate Retirement Committee; and one of whom shall be a member of the House Retirement Committee appointed by the Speaker of the House; the Commissioner of Administration; and the State Treasurer.

The System is the administrator of a cost-sharing multiple-employer defined benefit pension plan. The System was established and provided for by R.S. 11:1731 of the Louisiana Revised Statutes (LRS).

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Effective October 1, 1978, under Act #788, the "regular plan" and the "supplemental plan" were replaced, and are now known as Plan "A" and Plan "B." Plan A combines the original plan and the supplemental plan for those municipalities participating in both plans, while Plan B participates in only the original plan.

Plan Description- MPERS

The Municipal Police Employees' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in the System is mandatory for any full-time police officer (3) employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, provided he or she does not have to pay social security and providing he or she meets the statutory criteria. The System provides retirement benefits for municipal police officers. The projections of benefit payments I the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

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

Benefits Provided

Retirement Benefits- MERS

Any member of Plan B who commenced participation in the System prior to January 1, 2013 can retire providing he meets one of the following criteria:

1. Any age with thirty (30) years of creditable service.
2. Age 60 with a minimum of ten (10) or more years of creditable service.

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to two percent of the member's final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Any member of Plan B Tier 2 shall be eligible for retirement if he meets one of the following criteria:

**VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.**

1. Age 67 with seven (7) years of creditable service.
2. Age 62 with ten (10) years of creditable service.
3. Age 55 with thirty (30) years of creditable service.
4. Any age with twenty-five (25) years of creditable service, exclusive of military service and unused annual sick leave, with an actuarially reduced early benefit.

The monthly amount of the retirement allowance for any member of Plan B Tier 2 shall consist of an amount equal to two percent of the member's final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Retirement Benefits- MPERS

Members of MPERS with membership beginning prior to January 1, 2013 are eligible for regular retirement after he or she has been a member of MPERS and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years of creditable service and is age 55. A member is eligible for early retirement after he or she has been a member of MPERS for 20 years of creditable service at any age with an actuarially reduced benefit. Members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third percent (3.33%) of the member's final compensation (employee's average salary over the 36 consecutive or joined months that produce the highest average) multiplied by the member's years of creditable service.

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

Members of MPERS with membership beginning on or after January 1, 2013 are eligible for regular retirement, early retirement, disability and survivor benefits based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he or she has been a member of MPERS and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he or she has been a member of MPERS and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he or she has been a member of MPERS for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the

**VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.**

highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

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

In 1999, the State Legislature authorized MPERS to establish an Initial Benefit Option program. This is available to MPERS members who are eligible for regular retirement but have not participated in DROP. This program provides both a one-time single sum payment of up to 46 months of the regular monthly retirement benefit, plus a reduced monthly retirement benefit for life.

Deferred Retirement Options

In lieu of terminating employment and accepting a service retirement allowance, any member of MERS who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. A MERS member may participate in DROP only once. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment, are credited to the MERS member's individual DROP account. Interest is earned when the member has completed DROP participation. Upon termination of employment prior to or at the end of the participation period, the member may receive a lump sum from the account or a true annuity based on the account balance. If employment is not terminated at the end of the three year DROP participation period, payments into the DROP account cease and the person resumes active contributing membership in MERS. In addition, no cost of living increases are payable to participants until employment which made them eligible to become members of the system has been terminated for at least one full year.

A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. Upon filing the application for the program, the employee's active membership in the System is terminated. At the entry date into the DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in the DROP is 36 months or less. If employment is terminated after the three-year period the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into the System shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service. For those eligible to enter DROP prior to January 1, 2004, DROP accounts shall earn interest subsequent to the termination

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

of DROP participation at a rate of half of one percentage point below the percentage rate of return of the System's investment portfolio as certified by the actuary on an annual basis but will never lose money. For those eligible to enter DROP subsequent to January 1, 2004, an irrevocable election is made to earn interest based on the System's investment portfolio return or a money market investment return. This could result in a negative earnings rate being applied to the account.

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

Initial Benefit Option Plan

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

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

Disability Benefits

A member of MERS Plan B is eligible to retire and receive a disability benefit if he or she has at least 10 years of creditable service, is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. The monthly maximum retirement benefit under Plan B of MERS is the lesser of an amount equal to two percent of member's final compensation multiplied by years of service (not less than 30% of member's final compensation) or an amount equal to what the member's normal retirement benefit would be based on final compensation at time of disability, but assuming continuous service until member's earliest normal retirement age.

VILLAGE OF PINE PRAIRIE

NOTES TO FINANCIAL STATEMENTS, CONT'D.

A member of MPERS is eligible to retire and receive a disability benefit if he or she has been certified as disabled by the State Medical Disability Board. If the disability incurred is job-related, there is no minimum creditable service requirement. If the disability is non-job-related, a minimum of 10 years of creditable service is required if the member was employed on or after July 1, 2008. Members of MPERS employed prior to July 1, 2008 must have a minimum of 5 years of creditable service to be eligible to retire with disability benefits if the disability incurred is non-job-related. The disability benefit received by a MPERS member is equal to three percent of his or her final average compensation multiplied by years of creditable service (not less than 40%, nor more than 60% of final average compensation). At the time the disabled MPERS member reaches normal retirement age, he or she will have the option to continue to receive the disability retirement benefit or to receive his or her vested retirement benefit.

Survivor's Benefit

Upon the death of any member of Plan B with five (5) or more years of creditable service, not eligible for normal retirement, the plan provides for benefits for the surviving spouse as outlined in the statutes.

Any member of Plan B who is eligible for normal retirement at time of death and who leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

Survivor benefits for MPERS members are payable to the surviving spouse or surviving minor child/children of a deceased active contributing member or a deceased disability retiree. Survivor benefits are not payable to survivors of retirees receiving benefits under the provisions of early or normal service retirement. The maximum benefit for a surviving spouse of a MPERS member is equal to the regular retirement formula, regardless of age, but not less than 40% or more than 60% of the deceased member's final average compensation. There is no requirement for minimum years of creditable service. If the MPERS member is killed in the line of duty, the surviving spouse shall receive a benefit equal to 100% of the deceased member's final average compensation, less any survivor benefits payable to a child or children. Each surviving minor child of the MPERS member will receive a benefit equal to 10% of deceased member's final average compensation or \$200 per month, whichever is greater. Benefits for a surviving child cease upon the child's attainment of age 18 or upon marriage, whichever occurs first. The benefit may continue after age 18 if the child meets certain educational or disability requirements. The surviving minor child may receive an increased benefit if there is no surviving spouse of the MPERS member.

Cost of Living Increases

MERS is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit

**VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.**

for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows the System to grant additional cost of living increases to all retirees and beneficiaries who are age sixty-five and above to equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after this date.

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

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

A COLA may only be granted if funds are available from interest earnings in excess of normal requirements, as determined by the actuary.

Deferred Benefits

Both plans provide for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

Contributions

The MERS and MPERS employer contribution rates are established annually under La R.S 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the system's actuary. Each plan pays a separate actuarially-determined employer contribution rate. For the year ending December 31, 2025 the employer contribution rate for MERS Plan B was 14.00% for January through June and 13.50% for July through December, and MPERS was 35.60% from January through June and 33.475% from July through December.

Employer contributions to MERS and MPERS were \$16,321 and \$28,914, respectively, for the year ended December 31, 2025. Employees participating in MERS are required to contribute 5.00% and employees participating in MPERS are required to contribute 10.00% for hazardous and 8% for non-hazardous pay.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. MERS receives ad valorem taxes and state revenue sharing funds. MPERS receives insurance premium tax monies appropriated by the legislature each year based on an actuarial study. The Village of Pine Prairie recognizes revenue in an amount equal to its proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended December 31, 2025, the Village of Pine Prairie recognized revenue as a result of support received from non-employer contributing entities of \$5,649 for its participation in MERS and \$4,489 for its participation in MPERS.

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

At December, 2025, the Village of Pine Prairie reported a liability for MERS and MPERS of \$69,974 and \$139,482, respectively, for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2025, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuations as of that date. The Village of Pine Prairie's proportion of the net pension liability for each retirement system was based on a projection of the Village of Pine Prairie's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2025, the Village of Pine Prairie's proportion for MERS and MPERS was 0.146361% and 0.020197%, respectively. This reflects a decrease for MERS and a increase for MPERS of 0.031886% and 0.002938%, respectively, from its proportion measured as of June 30, 2024.

For the year ended December 31, 2025, the Village of Pine Prairie recognized net pension liability, for which there were no forfeitures, as follows:

	Net Pension Liability
MERS	\$ 69,974
MPERS	139,482
	<u>\$ 209,456</u>

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

At December 31, 2025, the Village of Pine Prairie reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	MERS	MPERS	Total	MERS	MPERS	Total
Differences between expected and actual experience	\$ -	\$ 6,763	\$ 6,763	\$ (977)	\$ (3,690)	\$ (4,667)
Changes in assumptions	-	-	-	(1,653)	(6,406)	(8,059)
Net difference between projected and actual earnings on pension plan investments	-	-	-	(2,528)	(10,987)	(13,515)
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	24,081	24,081	(19,480)	(29,697)	(49,177)
Employer contributions subsequent to measurement date	7,832	13,550	21,382	-	-	-
Total	<u>\$ 7,832</u>	<u>\$ 44,394</u>	<u>\$ 52,226</u>	<u>\$ (24,638)</u>	<u>\$ (50,780)</u>	<u>\$ (75,418)</u>

During the year ended December 31, 2025, employer contributions totaling \$7,832 and \$13,550 were made subsequent to the measurement date for MERS and MPERS, respectively. These contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	MERS	MPERS
2026	\$ (8,053)	\$ 9,136
2027	(4,412)	(20,131)
2028	(3,460)	(2,974)
2029	(1,456)	(4,603)
Total	<u>\$ (17,381)</u>	<u>\$ (18,572)</u>

Actuarial Assumptions

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. The components of the net pension liability of MERS and MPERS employers as of June 30, 2025 are as follows:

	MERS Plan B	MPERS
Total Pension Liability	\$ 463,585	\$ 772,353
Plan Fiduciary Net Position	(393,611)	(632,871)
Total Net Pension Liability	<u>\$ 69,974</u>	<u>\$ 139,482</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.91%	81.94%

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

The Village of Pine Prairie's allocation is 0.146361% of the Total Net Pension Liability for MERS and 0.017259% of the Total Net Pension Liability for MPERS.

The total pension liabilities for MERS and MPERS in the June 30, 2025 actuarial valuations were determined using the following actuarial assumptions:

	MERS	MPERS												
Actuarial cost method	Entry Age Normal	Entry Age Normal Cost												
Expected remaining service lives	2 years for Plan B	4 years												
Investment rate of return	6.85%, net of investment expense	6.75%, net of investment expense												
Inflation rate	2.500%	2.500%												
Projected salary increases		<table><tr><td></td><td><u>Salary</u></td></tr><tr><td>1 - 2 years of service</td><td><u>Years of</u> <u>Growth</u></td></tr><tr><td>>2 years of service</td><td><u>Service</u> <u>Rate</u></td></tr><tr><td></td><td>1 13.00%</td></tr><tr><td></td><td>2 13.00%</td></tr><tr><td></td><td>Over 2 4.75%</td></tr></table>		<u>Salary</u>	1 - 2 years of service	<u>Years of</u> <u>Growth</u>	>2 years of service	<u>Service</u> <u>Rate</u>		1 13.00%		2 13.00%		Over 2 4.75%
	<u>Salary</u>													
1 - 2 years of service	<u>Years of</u> <u>Growth</u>													
>2 years of service	<u>Service</u> <u>Rate</u>													
	1 13.00%													
	2 13.00%													
	Over 2 4.75%													
Cost of living adjustments	None	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.												
Mortality	Annuitant and beneficiary mortality: PubG-2010(B) Healthy Retiree Table set equal to 115% for males and 120% for respective male and female MP2021 scales. Employee mortality: PubG-2010(B) Employee Table set equal to 115% for males and 120% for females, adjusted using their respective male and female MP2021 scales.	For active members, the Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Employees was used multiplied by 125% for males and 125% for females, each with full generational projections using the MP2021 scale. For annuitants and beneficiaries, the Pub-2016 Public Retirement Plans Mortality Table for Safety Below-Median Healthy Retirees was used multiplied by 125% for males and 125% for females, each with full generational projections using the MP2021 scale.												

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Mortality	Disabled lives mortality: PubNS-2010(B) Disabled Retiree Table set equal to 115% for males and 120% for females with the full generational MP2021 scale.	For disabled retirees, the Pub-2016 Public Retirement Plans Mortality Table Total Dataset for Safety Disabled Retirees was used multiplied by 125% for males and 125% for females, each with full generational projection using the MP2021 scale.
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The MERS and MPERS actuarial assumptions used were based on the results of an experience study for the period July 1, 2018 through June 30, 2023.

The forecasted long-term expected rate of return on pension plan investments was determined using a building-block method in which best- estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return for MERS is 6.85% and MPERS is 6.75% for the year ended June 30, 2025.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation for MERS and MPERS as of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocations		Long-Term Expected Real Rate of Return	
	MERS	MPERS	MERS	MPERS
Equity	53%	51.0%	2.31%	3.20%
Fixed Income	29%	35.0%	1.26%	1.21%
Alternatives	18%	14.0%	0.78%	1.04%
Other	0%	0%	0.00%	0.00%
Total	100%	100%	4.35%	5.05%
Inflation			2.50%	2.67%
Expected Nominal Return			6.85%	8.12%

Discount Rates

The discount rate used to measure the total pension liability for MERS was 6.85% and MPERS was 6.75%. 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 PERSAC taking into consideration the recommendation of the actuary. Based on those assumptions, the net position of MERS and MPERS was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rates

The following table presents the Village of Pine Prairie's proportionate share of the net pension liability using the discount rate of 6.85% for MERS and 6.75% for MPERS, 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 than the current rate:

	1% Decrease	Current Discount	1% Increase
MERS	\$ 120,724	\$ 69,974	\$ 27,087
MPERS	228,799	139,482	64,685
Total	<u>\$ 349,523</u>	<u>\$ 209,456</u>	<u>\$ 91,772</u>

Payables to the Pension Plans

At June 30, 2025, payables to MERS and MPERS were \$1,706 and \$3,420 respectively.

NOTE K – ON BEHALF PAYMENTS

Certain employees of the Village working in the police department receive supplemental pay from the state of Louisiana. In accordance with GASB Statement No. 24, the Village has recorded revenues and expenditures for these payments in the General Fund. Revenues under this arrangement totaled \$14,600 and the related expenditure is recorded in police payroll expense.

NOTE L – SUBSEQUENT EVENTS

The Village has evaluated subsequent events through June 15, 2026, the date which the financial statements were available to be issued.

**VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.**

NOTE M – MUNICIPALITY CLASSIFICATION

An investigative audit conducted by the Louisiana Legislative Auditor found that the Village appears to be improperly classified as a village under the provisions of the Lawrason Act. The Village management is researching the population reported by the Census to determine if prison inmates were included in error. If the population is correct as reported by the Census, the Village will adopt a resolution to request the governor to change its classification to a town.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF PINE PRAIRIE
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	<u>Budget</u>		<u>Actual</u>	<u>Budget Variance Positive/ (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes: Ad valorem	\$ 64,000	\$ 64,000	\$ 70,084	\$ 6,084
Franchise	51,000	51,000	66,468	15,468
Licenses	51,000	51,000	48,041	(2,959)
Fines and Forfeits	513,000	450,000	453,970	3,970
Prison Fees	90,000	90,000	90,000	-
Miscellaneous & Grants	30,500	29,000	43,560	14,560
Total Revenues	<u>799,500</u>	<u>735,000</u>	<u>772,123</u>	<u>37,123</u>
Expenditures:				
Current:				
General Government	448,700	442,925	399,532	43,393
Public Safety	481,000	500,275	442,417	57,858
Capital Outlay	10,000	15,277	18,462	(3,185)
Debt Service	11,000	11,000	10,872	128
Total Expenditures:	<u>950,700</u>	<u>969,477</u>	<u>871,283</u>	<u>98,194</u>
Other Financing Sources / (Uses)				
Interest Income	200	200	369	169
Operating Transfers In	260,000	260,000	274,021	14,021
Operating Transfers Out	(190,000)	(190,015)	(159,645)	30,370
Total Other Financing Sources/(Uses)	<u>70,200</u>	<u>70,185</u>	<u>114,745</u>	<u>44,560</u>
Net change in fund balances	<u>\$ (81,000)</u>	<u>\$ (164,292)</u>	15,585	<u>\$ 179,877</u>
Fund Balance, Beginning Of Year			<u>371,369</u>	
Fund Balance, End Of Year			<u>\$ 386,954</u>	

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

VILLAGE OF PINE PRAIRIE
Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2025

	<u>Budget</u>		<u>Actual</u>	<u>Budget Variance Positive/ (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes: Ad Valorem	\$ 65,000	\$ 65,000	\$ 74,933	\$ 9,933
Sales	250,000	282,000	291,965	9,965
Miscellaneous	-	500	349	(151)
Total Revenues	<u>315,000</u>	<u>347,500</u>	<u>367,247</u>	<u>19,747</u>
Expenditures:				
Current:				
Street Department	272,125	287,125	213,357	73,768
Capital Outlay	<u>80,000</u>	<u>80,000</u>	<u>23,851</u>	<u>56,149</u>
Total Expenditures:	<u>352,125</u>	<u>367,125</u>	<u>237,208</u>	<u>129,917</u>
Other Financing Sources / (Uses)				
Interest Income	600	600	1,652	1,052
Operating Transfers In	178,000	190,000	159,380	(30,620)
Operating Transfers Out	<u>(320,000)</u>	<u>(260,000)</u>	<u>(274,021)</u>	<u>(14,021)</u>
Total Other Financing Sources/(Uses)	<u>(141,400)</u>	<u>(69,400)</u>	<u>(112,989)</u>	<u>(43,589)</u>
 Net Change in Fund Balances	 <u>\$ (178,525)</u>	 <u>\$ (89,025)</u>	 17,050	 <u>\$ 106,075</u>
 Fund Balance, Beginning Of Year			 <u>911,787</u>	
 Fund Balance, End Of Year			 <u>\$ 928,837</u>	

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

VILLAGE OF PINE PRAIRIE, LOUISIANA
Schedule of Employer's Share of Net Pension Liability
Year Ended December 31, 2025

		Employer Proportionate Share of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of It's Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
	Fiscal Year					
MERS	2025	0.146361	\$ 69,974	\$ 142,654	49.05%	84.91%
MERS	2024	0.178247	\$ 108,156	\$ 170,873	63.29%	80.10%
MERS	2023	0.189393	\$ 151,868	\$ 162,555	93.42%	73.25%
MERS	2022	0.230711	\$ 202,560	\$ 185,483	109.20%	69.56%
MERS	2021	0.230472	\$ 133,514	\$ 177,122	75.38%	79.14%
MERS	2020	0.259770	\$ 235,410	\$ 190,948	123.28%	66.26%
MERS	2019	0.236533	\$ 206,922	\$ 180,821	114.43%	66.14%
MERS	2018	0.253512	\$ 214,429	\$ 182,767	117.32%	65.60%
MERS	2017	0.326890	\$ 282,836	\$ 222,646	127.03%	63.49%
MERS	2016	0.270269	\$ 224,028	\$ 182,967	122.44%	63.38%
MPERS	2025	0.020197	\$ 139,482	\$ 78,105	178.58%	81.94%
MPERS	2024	0.017259	\$ 156,366	\$ 59,616	262.29%	75.84%
MPERS	2023	0.023919	\$ 252,703	\$ 81,031	311.85%	71.30%
MPERS	2022	0.021392	\$ 218,664	\$ 64,086	341.20%	70.80%
MPERS	2021	0.000000	\$ 141,036	\$ 85,481	164.99%	84.09%
MPERS	2020	0.038576	\$ 356,532	\$ 115,940	307.51%	70.94%
MPERS	2019	0.040205	\$ 365,129	\$ 125,091	291.89%	71.01%
MPERS	2018	0.029721	\$ 251,263	\$ 85,351	294.38%	71.89%
MPERS	2017	0.014600	\$ 127,464	\$ 43,777	291.16%	70.08%
MPERS	2016	0.024026	\$ 225,191	\$ 65,052	346.17%	66.04%

The amounts presented have a measurement date of the previous fiscal year end.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

VILLAGE OF PINE PRAIRIE, LOUISIANA
Schedule of Employer's Contribution
Year Ended December 31, 2025

	Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percent of Covered Employee Payroll
MERS	2025	\$ 16,322	\$ 16,322	\$ -	\$ 118,657	13.75%
MERS	2024	\$ 23,772	\$ 23,772	\$ -	\$ 161,050	14.76%
MERS	2023	\$ 25,023	\$ 25,023	\$ -	\$ 161,440	15.50%
MERS	2022	\$ 26,890	\$ 26,890	\$ -	\$ 173,483	15.50%
MERS	2021	\$ 26,600	\$ 26,600	\$ -	\$ 171,611	15.50%
MERS	2020	\$ 28,964	\$ 28,964	\$ -	\$ 196,241	14.76%
MERS	2019	\$ 27,357	\$ 27,357	\$ -	\$ 195,404	14.00%
MERS	2018	\$ 24,579	\$ 24,579	\$ -	\$ 180,422	13.62%
MERS	2017	\$ 25,793	\$ 25,793	\$ -	\$ 214,579	12.02%
MERS	2016	\$ 23,975	\$ 23,975	\$ -	\$ 232,588	10.31%
MPERS	2025	\$ 28,944	\$ 28,944	\$ -	\$ 83,722	34.57%
MPERS	2024	\$ 24,891	\$ 24,891	\$ -	\$ 71,765	34.68%
MPERS	2023	\$ 15,925	\$ 15,925	\$ -	\$ 49,117	32.42%
MPERS	2022	\$ 26,573	\$ 26,573	\$ -	\$ 86,625	30.68%
MPERS	2021	\$ 22,394	\$ 22,394	\$ -	\$ 70,249	31.87%
MPERS	2020	\$ 32,178	\$ 32,178	\$ -	\$ 96,343	33.40%
MPERS	2019	\$ 42,191	\$ 42,191	\$ -	\$ 130,320	32.37%
MPERS	2018	\$ 34,924	\$ 34,924	\$ -	\$ 110,627	31.60%
MPERS	2017	\$ 18,486	\$ 18,486	\$ -	\$ 58,476	31.61%
MPERS	2016	\$ 16,071	\$ 16,071	\$ -	\$ 52,660	30.52%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

VILLAGE OF PINE PRAIRIE, LOUISIANA
Notes to the Required Supplementary Information
December 31, 2025

(1) Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

(2) Budgetary Practices

The Village prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

(3) Pension Plans

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUNDS

Street Maintenance Fund:

To account for the receipt and use of proceeds of the Village's 6.60 mill tax on all property subject to state taxation in the Village. The expenditures are for the purpose of maintaining streets in the Village.

Street Construction Fund:

To account for the receipt and use of proceeds of the Village's 4.71 mill tax on all property subject to state taxation in the Village. The expenditures are for the purpose of constructing streets in the Village.

Sales Tax Fund:

To account for the receipt and use of the Village's 2% sales and use tax. These taxes are dedicated for, after paying the necessary cost of collection and administration, the hard surfacing and resealing and maintaining of roads in the Village, and for the payment of bonds or other funded indebtedness of said Village incurred for said purposes.

VILLAGE OF PINE PRAIRIE**Special Revenue Funds
Combining Balance Sheet
December 31, 2025**

	Street Maintenance Tax Fund	Street Construction Tax Fund	Sales Tax Fund	Totals
ASSETS:				
Cash and Interest-Bearing Deposits	\$ 12,271	\$ 141,514	\$ 658,831	\$ 812,616
Ad Valorem Taxes Receivable	36,627	27,322	-	63,949
Sales Tax Receivable	-	-	54,531	54,531
Total Assets	<u>\$ 48,898</u>	<u>\$ 168,836</u>	<u>\$ 713,362</u>	<u>\$ 931,096</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 2,259	\$ -	\$ -	\$ 2,259
Total Liabilities	<u>2,259</u>	<u>-</u>	<u>-</u>	<u>2,259</u>
Fund Balances:				
Restricted for:				
Debt Service	-	-	180,595	180,595
Street Projects	46,639	168,836	532,767	748,242
Unassigned	-	-	-	-
Total Fund Balances	<u>46,639</u>	<u>168,836</u>	<u>713,362</u>	<u>928,837</u>
Total Liabilities and Fund Balances	<u>\$ 48,898</u>	<u>\$ 168,836</u>	<u>\$ 713,362</u>	<u>\$ 931,096</u>

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

VILLAGE OF PINE PRAIRIE
Special Revenue Funds
Combining Statement Of Revenues, Expenditures,
And Changes In Fund Balances
For the Year Ended December 31, 2025

	Street Maintenance Tax Fund	Street Construction Tax Fund	Sales Tax Fund	Totals
Revenue:				
Tax: Sales	\$ -	\$ -	\$ 291,965	\$ 291,965
Ad valorem	43,700	31,233	-	74,933
Total Revenues	<u>44,049</u>	<u>31,233</u>	<u>291,965</u>	<u>367,247</u>
Expenditures:				
Current:				
Street Department	62,853	-	150,504	213,357
Capital Outlay	23,851	-	-	23,851
Total Expenditures	<u>86,704</u>	<u>-</u>	<u>150,504</u>	<u>237,208</u>
Other Financing Sources/(Uses)				
Interest Income	-	13	1,639	1,652
Operating Transfer In	43,498	-	115,882	159,380
Operating Transfer Out	-	-	(274,021)	(274,021)
Total Other Financing Sources/(Uses)	<u>43,498</u>	<u>13</u>	<u>(156,500)</u>	<u>(112,989)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES/(USES)	843	31,246	(15,039)	17,050
FUND BALANCE, BEGINNING OF YEAR	<u>45,796</u>	<u>137,590</u>	<u>728,401</u>	<u>911,787</u>
FUND BALANCE, END OF YEAR	<u>\$ 46,639</u>	<u>\$ 168,836</u>	<u>\$ 713,362</u>	<u>\$ 928,837</u>

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

**VILLAGE OF PINE PRAIRIE
SCHEDULE OF INSURANCE
December 31, 2025**

<u>TYPE</u>	<u>AMOUNT</u>	<u>EXPIRATION DATE</u>
Automobile Liability	\$ 500,000	5/1/2026
Commercial General Liability	500,000	5/1/2026
Law Enforcement Officer's Comprehensive Liability	500,000	5/1/2026
Public Officials' Errors and Omissions Liability	500,000	5/1/2026
Worker's Compensation	500,000	1/1/2026
Commercial Property Building, Contents, & Equipment	3,370,000	10/3/2026
Fidelity Bond – Public Employees	125,000	5/16/2026
Vehicle Physical Damage	235,553	

VILLAGE OF PINE PRAIRIE
SCHEDULE OF METERS AND RATES AND ACCOUNTS RECEIVABLE
December 31, 2025

Accounts Receivables were aged as follows:

0 – 30 days	\$ 8,728
31 – 60 days	1,358
Over 60 days	<u>35,549</u>
	<u>\$ 45,635</u>

The Village's monthly sewer rates at December 31, 2025 were as follows:

Residential users:	\$12.00 for the first 2000 gallons of water used and \$2.40 for every 1000 gallons used thereafter.
Commercial users:	\$108.00 for the first 100,000 gallons of water used and \$.61 for each 1000 gallons used thereafter.
Schools:	\$47.25 for the first 100,000 gallons of water used and \$.61 for each 1000 gallons used thereafter.

As of December 31, 2025, the Village had 356 residential customers and 3 commercial customers and 3 school customers on its sewer system.

**VILLAGE OF PINE PRAIRIE
SCHEDULE OF MAYOR AND ALDERMEN
December 31, 2025**

Current officials of the Village are as follows:

<u>Name</u>	<u>Address/Telephone</u>	<u>Term</u>
Quint West, Mayor	P.O. Box 424 Pine Prairie, LA 70576 337-599-2898	1/1/25 – 12/31/28
Tammy H. Buxton, Council Member	P.O. Box 185 Pine Prairie, LA 70576 337-599-2014	1/1/25 – 12/31/28
Kevin Rodriguez, Council Member	P.O. Box 532 Pine Prairie, LA 70576 337-224-0274	1/1/25 – 12/31/28
Gilbert Bordelon, Council Member	P.O. Box 246 Pine Prairie, LA 70576 337-523-1036	1/1/25 – 12/31/28

VILLAGE OF PINE PRAIRIE
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
December 31, 2025

Agency Head Name: James Q. West, Mayor
Service Period: 12 Months

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 26,400
Expense allowance	8,400
Telephone allowance	600
Benefits - retirement	3,564
	<u>\$ 38,964</u>

VILLAGE OF PINE PRAIRIE
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Session
Cash Basis Presentation
For the Year Ended December 31, 2025

	First Six Month Period Ended 06/30/2025	Second Six Month Period Ended 12/31/2025
Beginning Balance of Amounts Collected (i.e. cash on hand)	<u>\$ 4,154</u>	<u>\$ 6,419</u>
Add: Collections		
Bond Fees	4,100	2,300
Criminal Fines - Other	256,251	191,319
Subtotal Collections	<u>260,351</u>	<u>193,619</u>
Less: Disbursements To Governments & Nonprofits:		
LA Comm on Law Enforcement - Criminal Fines Other	1,813	1,501
LA Supreme Court - Criminal Fines Other	463	385
Treasurer, State of LA CMS - Criminal Fines Other	168	769
DHH-TH/SCI T.F. - Criminal Fines Other	4,625	3,845
Acadiana Crime Lab - Criminal Fines Other	28,060	23,430
Less: Amounts Retained by Collecting Agency		
Criminal Fines Other	222,957	166,213
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Subtotal Disbursements/Retainage	<u>258,086</u>	<u>196,143</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	<u>\$ 6,419</u>	<u>\$ 3,895</u>

OTHER REPORTS

VIGE, TUJAGUE NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

151 N. 2ND STREET
P. O. BOX 1006
EUNICE, LOUISIANA 70535

SHIRLEY VIGE, JR., C.P.A.
FRANK G. TUJAGUE, C.P.A.
DOMINIQUE M. NOEL, C.P.A.

TELEPHONE:
337-457-9324
FAX:
337-457-8743

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 Board of Aldermen
Village of Pine Prairie, 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 Village of Pine Prairie, Louisiana, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Village of Pine Prairie, Louisiana's basic financial statements and have issued our report thereon dated June 15, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, as item #2025-001, that we consider to be a significant deficiency.

Report on Compliance and Other Matters

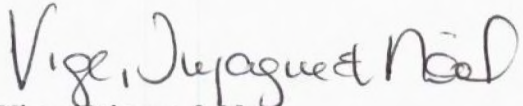
As part of obtaining reasonable assurance about whether Village of Pine Prairie, Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item #2025-001.

Village of Pine Prairie, Louisiana's Response to Findings

Village of Pine Prairie, Louisiana's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. Village of Pine Prairie, Louisiana's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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


Vigé, Tujague & Noël
Eunice, Louisiana

June 15, 2026

VILLAGE OF PINE PRAIRIE
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended December 31, 2025

We have audited the basic financial statements of the Village of Pine Prairie, Louisiana as of and for the year ended December 31, 2025, and have issued our report thereon dated June 15, 2026. 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 audit of the financial statements as of December 31, 2025, resulted in an unmodified opinion.

Section I. Summary of Auditor's Reports

- a. Report on Internal Control over Financial Reporting and on Compliance and other matters material to the Financial Statements

Internal Control

Material Weaknesses	<u> </u> Yes	<u>X</u> No
Significant Deficiencies	<u>X</u> Yes	<u> </u> No

Noncompliance Material to the
Financial Statements

 Yes X No

Section II. Financial Statement Findings.

2025-001. Inadequate Segregation of Duties

Condition: The Village of Pine Prairie has separate individuals having dual responsibilities for custody and record keeping for revenue transactions.

Criteria: Segregation of duties is critical to effective internal control because it reduces the risk of mistakes and inappropriate actions. It helps fight fraud by reducing collusion. There are four general categories of duties: authorization, custody, recordkeeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities. The more negotiable an asset is, the greater the need for proper segregation of duties. This is especially the case when dealing with cash, a highly liquid asset. Any department that accepts funds, has access to accounting records, or has control over any type of asset, should be concerned with segregation of duties.

Effect: The Village does not have an adequate segregation of duties, to serve as a check and balance system, to assist in the prevention of erroneously recording transactions or other mistakes or inappropriate actions.

Cause: Segregation of duties is inadequate because of the lack of manpower, i.e., a limited number of personnel.

VILLAGE OF PINE PRAIRIE
SCHEDULE OF FINDINGS AND RESPONSES (Continued)
For the Year Ended December 31, 2025

Recommendation: Within the constraints of a limited number of staff, we recommend a detailed supervisory review of related activities as a compensating control activity. Management needs to take a more active role in achieving segregation of duties, by reviewing the work done by other employees. Sometimes, the knowledge that records will be reviewed by others is enough to prevent misappropriation of assets.

Response: The Village agrees with the finding and the auditor's recommendations have been adopted.

Section III. Management Letter

None Issued.

**VILLAGE OF PINE PRAIRIE
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2025**

**SECTION I. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE
FINANCIAL STATEMENTS**

2024-001. Inadequate Segregation of Duties

Condition: The Village of Pine Prairie has separate individuals having dual responsibilities for custody and record keeping for revenue transactions.

Criteria: Segregation of duties is critical to effective internal control because it reduces the risk of mistakes and inappropriate actions. It helps fight fraud by reducing collusion. There are four general categories of duties: authorization, custody, recordkeeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities. The more negotiable an asset is, the greater the need for proper segregation of duties. This is especially the case when dealing with cash, a highly liquid asset. Any department that accepts funds, has access to accounting records, or has control over any type of asset, should be concerned with segregation of duties.

Effect: The Village does not have an adequate segregation of duties, to serve as a check and balance system, to assist in the prevention of erroneously recording transactions or other mistakes or inappropriate actions.

Cause: Segregation of duties is inadequate because of the lack of manpower, i.e., a limited number of personnel.

Recommendation: Within the constraints of a limited number of staff, we recommend a detailed supervisory review of related activities as a compensating control activity. Management needs to take a more active role in achieving segregation of duties, by reviewing the work done by other employees. Sometimes, the knowledge that records will be reviewed by others is enough to prevent misappropriation of assets.

Response: The Village agrees with the finding and the auditor's recommendations have been adopted.

Status: This finding is repeated as #2025-001.

VIGE, TUJAGUE & NOEL, CPA'S
P. O. BOX 1005
EUNICE, LA 70535

RE: Management Response

The following are our responses to your recommendations we received in the Village's Audited Financial Statement as of December 31, 2025.

2025-001 Segregation of Duties

We are aware of and have evaluated this inadequacy and concluded that the related costs vs benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation of duties. However, we will try to segregate duties as much as possible with the existing staff.



Quint West, Mayor

VILLAGE OF PINE PRAIRIE, LOUISIANA
STATEWIDE AGREED-UPON PROCEDURES REPORT
YEAR ENDED DECEMBER 31, 2025

VIGE, TUJAGUE NOEL

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Management and Board of Commissioners of the Village of Pine Prairie, Louisiana and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2025 through December 31, 2025. Village of Pine Prairie, Louisiana's management is responsible for those C/C areas identified in the SAUPs.

Village of Pine Prairie, Louisiana has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period January 1, 2025 through December 31, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
 - i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
Obtained policies and procedures and observed that they address the functions noted above.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure

compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

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

Obtained policies and procedures and observed that they address the functions noted above.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
- i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
- The board met with a quorum at least monthly.
- ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-

to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds.

No exceptions noted.

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

The general fund had a positive unassigned fund balance.

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

Not applicable. The reported finding did not require a plan of resolution.

3) Bank Reconciliations

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

Obtained a listing and management's representation that the listing is complete.

- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
- ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

No exceptions.

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

Management has documentation reflecting the research of reconciling items that have been outstanding more than 12 months in the month selected for testing.

4) Collections (excluding electronic funds transfers)

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

Obtained management's representation that there is one deposit site.

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

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

Employees do share a cash drawer; however, collections are reconciled at the end of the day by an employee that did not collect the cash.

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

Employees responsible for collecting cash are also responsible for preparing/making bank deposits; however, each employee's collections are reconciled by another employee. The fee accountant also reconciles collection documentation to the bank deposits.

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

Employees collecting cash are not responsible for posting collection entries to the general ledger. The Village has a fee accountant.

- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or

agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Employees responsible for collecting cash are not responsible for reconciling cash.

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

No exceptions.

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

- i. Observe that receipts are sequentially pre-numbered.

No exceptions.

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

No exceptions.

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

No exceptions.

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

No exceptions.

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

No exceptions.

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

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

Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete.

- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
No exceptions noted.
 - ii. At least two employees are involved in processing and approving payments to vendors;
No exceptions noted.
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
No exceptions noted.
 - iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
No exceptions noted.
 - v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.
No exceptions noted.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
No exceptions noted.
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
No exceptions noted.

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

No exceptions noted.

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

This section is not applicable since the Village does not have or use credit cards.

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is

supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
- Obtained a listing and management's representation that the listing is complete.
- i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);
No exceptions.
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
No exceptions.
 - iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and
No exceptions.
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
No exceptions.

8) Contracts

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

Obtained a listing and management's representation that the listing is complete.

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
No exceptions.
- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
No exceptions.
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
No exceptions.
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions.

9) Payroll and Personnel

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

Obtained a listing and management's representation that the listing is complete.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
No exceptions.
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
No exceptions.
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
No exceptions.
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
No exceptions.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
No exceptions.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.
No exceptions.

10) Ethics

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

All employees selected for testing have documentation to demonstrate that the required hour of ethics training was completed during the calendar year.

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

There were no changes made to the entity's ethics policy during the fiscal period.

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

An ethics designee has been appointed.

11) Debt Service

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

No exceptions.

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

No exceptions.

12) Fraud Notice

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

There were no misappropriations of public funds and assets during the fiscal year per management's representation.

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

The entity has the required notice concerning the reporting of misappropriations posted on its premises.

13) Information Technology Disaster Recovery/Business Continuity

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 there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

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

We performed the procedure 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.

We performed the procedure and discussed the results with management.

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

We performed the procedure and discussed the results with management.

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

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

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

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

Obtained documentation that the selected employees completed the required sexual harassment training requirement.

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

Observed that the sexual harassment policy and complain procedure is posted.

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

Obtained the entity's annual report and observed that the report includes all of the applicable requirements listed below.

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;

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

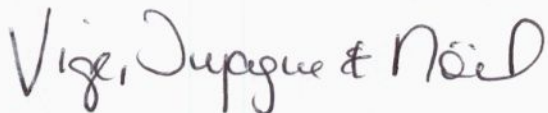
Management's Response

The Village of Pine Prairie, Louisiana had no exceptions for the current year agreed-upon procedures testing.

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

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

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



Vige, Tujague & Noel
Eunice, Louisiana
June 15, 2026