



**FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022**



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December 21, 2022

Independent Auditors' Report

To the Honorable Mayor and Board of Aldermen
Town of Ball, Louisiana

REPORT ON THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Ball, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Ball, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

1407 Peterman Drive
Post Office Box 12178
Alexandria, Louisiana 71315

Voice: 318.442.1608
Fax: 318.487.2027
Online: CenlaCPAs.com

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 Town of Ball's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Ball's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for

consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

The additional information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional information is fairly stated in all material respects in relation to the basic financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARD

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2022, on our consideration of the Town of Ball's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an engagement in accordance with *Government Auditing Standards* in considering the Town of Ball's internal control over financial reporting and compliance.



ROZIER, McKAY & WILLIS
Certified Public Accountants



December 21, 2022

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

To the Honorable Mayor and Board of Aldermen
Town of Ball, Louisiana

We were engaged to audit, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Ball, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated December 21, 2022.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 have not been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

1407 Peterman Drive
Post Office Box 12178
Alexandria, Louisiana 71315

Voice: 318.442.1608
Fax: 318.487.2027
Online: CenlaCPAs.com

COMPLIANCE AND OTHER MATTERS

In connection with our engagement to audit the Town of Ball's financial statements, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our engagement, and accordingly, we do not express such an opinion. The results of our tests did not disclose any instances of noncompliance that were required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



ROZIER, McKAY & WILLIS
Certified Public Accountants

Town of Ball

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

This section of the Town of Ball's annual financial report presents our discussion and analysis of the Town's financial performance during the year ended June 30, 2022.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government –Wide Financial Statements

The government-wide financial statements report information about the Town as a whole using accounting methods similar to those used by private-sector companies. These report all revenues and expenses regardless of when cash is received or paid. Furthermore, the government-wide statements include all of the Town's assets (including infrastructure acquired after January 1, 2004 and all of the Town's liabilities (including long-term debt).

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

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

Fund Financial Statements

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

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

Town of Ball

MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2022

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

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

Net Position

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

	For the Year Ended June 30, 2022			For the Year Ended June 30, 2021
	Govern- mental Activities	Business- Type Activities	Total	
<u>Assets:</u>				
Current and Other Assets	\$ 2,097,477	\$ 2,193,872	\$ 4,291,349	\$ 1,885,859
Capital Assets	1,323,466	4,579,831	5,903,297	6,461,290
Total Assets	<u>3,420,943</u>	<u>6,773,703</u>	<u>10,194,646</u>	<u>8,347,149</u>
Deferred Outflow of Resources	<u>472,886</u>	<u>102,569</u>	<u>575,455</u>	<u>884,066</u>
<u>Liabilities:</u>				
Current and Other Liabilities	981,099	185,137	1,166,236	296,375
Long-term Liabilities	1,292,868	1,693,281	2,986,149	3,124,020
Total Liabilities	<u>2,273,967</u>	<u>1,878,418</u>	<u>4,152,385</u>	<u>3,420,395</u>
Deferred Inflows of Resources	<u>590,500</u>	<u>138,586</u>	<u>729,086</u>	<u>225,186</u>
<u>Net Position:</u>				
Invested in Capital Assets (Net)	1,215,515	4,492,558	5,708,073	6,291,484
Restricted	----	----	----	508,409
Unrestricted	(186,153)	366,710	180,557	(1,214,259)
Total Net Position	<u>\$ 1,029,362</u>	<u>\$ 4,859,268</u>	<u>\$ 5,888,630</u>	<u>\$ 5,585,634</u>

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

Remaining resources are subject to restrictions that are imposed by agreements with various revenue sources.

Recognizing long-term liabilities associated with participation in cost sharing defined benefit retirement programs has eliminated the Town's remaining net position. Despite the absence of net position, the Town has sufficient resources to meet these obligations for the foreseeable future.

Town of Ball

MANAGEMENT'S DISCUSSION AND ANALYSIS **June 30, 2022**

Changes in Net Position

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

	For the Year Ended June 30, 2022			For the Year Ended June 30, 2021
	Govern- mental Activities	Business- Type Activities	Total	
<u>Revenues:</u>				
Program Revenue:				
Charges for Services	\$ 545,835	\$ 1,500,649	\$ 2,046,484	\$ 1,975,243
Operating Grants and Contributions	29,769	----	29,769	30,962
Capital Grants and Contributions	----	----	----	----
General Revenue:				
Taxes	2,073,935	80,740	2,154,675	1,668,347
Licenses & Permits	127,610	----	127,610	147,959
Other	26,714	4,430	31,144	33,320
Total Revenue	2,803,863	1,585,819	4,389,682	3,855,731
<u>Program Expenses:</u>				
General Government	571,663	----	571,663	483,045
Public Safety				
Police Department	767,867	----	767,867	865,986
Fire Department	390,885	----	390,885	379,986
Public Works – Streets	632,615	----	632,615	617,205
Interest on Long-Term Debt	6,169	27,682	33,851	8,409
Sanitation	----	492,348	492,348	512,709
Sewer	----	1,034,355	1,034,355	1,040,366
Total Expenses	2,369,199	1,554,385	3,923,584	3,907,267
Increase/(Decrease) in Net Position Before Special Items and Transfers	434,664	31,434	466,098	(51,536)
Special Items	(163,102)	----	(163,102)	----
Transfers	(119,267)	119,267	----	----
Change in Net Position	152,295	150,701	302,996	(51,536)
Net Position Beginning	877,067	4,708,567	5,585,634	5,637,170
Net Position Ending	\$ 1,029,362	\$ 4,859,268	\$ 5,888,630	\$ 5,585,634

Governmental activities increased the Town's net position by \$152,295. Business-type activities increased the Town's net position by \$150,701. The increase is attributable to prudent management of the Town's resources, and an increase in sales tax revenues in the current year.

Town of Ball

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2022

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

- The Town's governmental fund reported a fund balance of \$1,116,378, which represents an increase of \$7,393.
- Amounts reported for business-type activities in the Town's individual funds are identical to the business-type activities reported in the government-wide presentation.

GENERAL FUND BUDGET HIGHLIGHTS

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

CAPITAL ASSET ADMINISTRATION

Significant capital asset activity for the year ended June 30, 2022 was limited to the purchase of a new vehicle, various equipment purchases for the Sanitation Department, and equipment upgrades for the Sewer System.

DEBT ADMINISTRATION

Debt activity included the Town issuing new Sewer Revenue Bonds, totaling \$1,200,000, and paying amounts contractually due on existing debt.

FACTORS EXPECTED TO AFFECT FUTURE OPERATIONS

At the present time, management is not aware of any factors expected to have a significant impact on future operations.

Town of Ball

STATEMENT OF NET POSITION

June 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 1,845,020	\$ 2,057,744	\$ 3,902,764
Receivables (Net)	258,663	128,917	387,580
Internal Balances	(7,211)	7,211	-
Other Assets	1,005		1,005
Leased Assets	-	95,385	95,385
Capital Assets			
Non Depreciable Capital Assets	55,000	5,130	60,130
Depreciable Capital Assets, Net	<u>1,268,466</u>	<u>4,479,316</u>	<u>5,747,782</u>
Total Assets	<u>3,420,943</u>	<u>6,773,703</u>	<u>10,194,646</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension Funding Deferrals	<u>472,886</u>	<u>102,569</u>	<u>575,455</u>
<u>LIABILITIES</u>			
Accounts and Other Payables	90,311	21,656	111,967
Accrued Interest	-	9,479	9,479
Delayed Revenues	727,685	-	727,685
Due to Other Governments	163,103	-	163,103
Deposits Due Others	-	154,002	154,002
Long Term Liabilities			
Compensated Absences	16,481	25,599	42,080
Net Pension Liability	1,168,436	407,347	1,575,783
Long-Term Debt			
Due Within One Year	52,749	50,000	102,749
Due in More Than One Year	55,202	1,123,061	1,178,263
Lease Obligation			
Due Within One Year	-	57,324	57,324
Due in More Than One Year	<u>-</u>	<u>29,950</u>	<u>29,950</u>
Total Liabilities	<u>2,273,967</u>	<u>1,878,418</u>	<u>4,152,385</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension Funding Deferrals	<u>590,500</u>	<u>138,586</u>	<u>729,086</u>
<u>NET POSITION</u>			
Invested in Capital Assets, Net of Related Debt	1,215,515	4,492,558	5,708,073
Restricted	-	-	-
Unrestricted	<u>(186,153)</u>	<u>366,710</u>	<u>180,557</u>
Total Net Position (Deficit)	<u>\$ 1,029,362</u>	<u>\$ 4,859,268</u>	<u>\$ 5,888,630</u>

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

Town of Ball

STATEMENT OF ACTIVITIES **Year Ended June 30, 2022**

	Expenses	Program Revenues			Net Revenue (Expense)		
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total
<u>Governmental Activities:</u>							
General Government	\$ 571,663	\$ 8,623	\$ -	\$ -	\$ (563,040)	\$ -	\$ (563,040)
Public Safety							
Police Department	767,867	367,870	23,290	-	(376,707)	-	(376,707)
Fire Department	390,885	26,382	6,479	-	(358,024)	-	(358,024)
Public Works (Highways and Streets)	632,615	142,960	-	-	(489,655)	-	(489,655)
Interest on Long-Term Debt	6,169	-	-	-	(6,169)	-	(6,169)
Total Governmental Activities	<u>2,369,199</u>	<u>545,835</u>	<u>29,769</u>	<u>-</u>	<u>(1,793,595)</u>	<u>-</u>	<u>(1,793,595)</u>
<u>Business-Type Activities:</u>							
Sanitation	492,348	578,935	-	-	-	86,587	86,587
Sewer	1,062,037	921,714	-	-	-	(140,323)	(140,323)
Total Business-Type Activities	<u>1,554,385</u>	<u>1,500,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(53,736)</u>	<u>(53,736)</u>
Total	<u>\$ 3,923,584</u>	<u>\$ 2,046,484</u>	<u>\$ 29,769</u>	<u>\$ -</u>	<u>(1,793,595)</u>	<u>(53,736)</u>	<u>(1,847,331)</u>
<u>General Revenues:</u>							
Taxes:							
Ad Valorem					103,375	-	103,375
Sales					1,580,685	80,740	1,661,425
Franchise					389,875	-	389,875
Licenses & Permits					127,610	-	127,610
Other					26,714	4,430	31,144
Special Item - FEMA Repayment					(163,102)	-	(163,102)
Transfers					(119,267)	119,267	-
Total General Revenues, Special Items and Transfers					<u>1,945,890</u>	<u>204,437</u>	<u>2,150,327</u>
Change in Net Position					<u>152,295</u>	<u>150,701</u>	<u>302,996</u>
Net Position - Beginning					<u>877,067</u>	<u>4,708,567</u>	<u>5,585,634</u>
Net Position - Ending					<u>\$ 1,029,362</u>	<u>\$ 4,859,268</u>	<u>\$ 5,888,630</u>

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

Town of Ball

Balance Sheet

Governmental Funds - June 30, 2022

	<u>General Fund</u>
<u>Assets</u>	
Cash and Cash Equivalents	\$ 1,845,020
Receivables (net)	258,663
Other Assets	<u>1,005</u>
Total assets	<u>2,104,688</u>
 <u>Liabilities and Fund Balance</u>	
<u>Liabilities</u>	
Accounts Payable	90,311
Delayed Revenues	727,685
Due to Other Governments	163,103
Interfund Payables	<u>7,211</u>
Total liabilities	<u>988,310</u>
 <u>Fund Balance</u>	
Restricted For:	
Public Safety - Fire	217,377
Public Safety - Police	-
Public Works (Highways and Streets)	214,866
Unassigned	<u>684,135</u>
Total Fund Balances	<u>1,116,378</u>
 Total Liabilities and Fund Balance	 <u>\$ 2,104,688</u>

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

Town of Ball

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

June 30, 2022

Total Fund Balances - Governmental Funds	\$ 1,116,378
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,323,466
Liabilities not due and payable in the current period are excluded from the Governmental Fund Balance Sheet	(1,276,387)
Deferred inflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	(590,500)
Deferred outflows of resources that do not meet criteria for inclusion in the Governmental Fund Balance Sheet	472,886
Compensated absences are not due and payable in the current period and therefore they are not reported in the funds.	<u>(16,481)</u>
Net Position of Governmental Activities	<u>\$ 1,029,362</u>

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

Town of Ball

Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds - For the Year Ended June 30, 2022

	<u>General Fund</u>
<u>Revenues:</u>	
Taxes:	
Ad Valorem	\$ 103,375
Sales	1,580,685
Franchise	389,875
Licenses & Permits	127,610
Charges for Services	10,163
Intergovernmental	197,571
Fines and Forfeitures	367,870
Other	<u>26,714</u>
Total Revenues	<u>2,803,863</u>
<u>Expenditures:</u>	
Current:	
General Government	585,135
Public Safety	
Police Department	764,429
Fire Department	355,689
Public Works (Highways and Streets)	699,750
Capital Expenditures	52,523
Debt Service	<u>56,574</u>
Total Expenditures	<u>2,514,100</u>
Excess (Deficiency) of Revenue Over Expenditures	<u>289,763</u>
<u>Other Financing Sources (Uses):</u>	
Operating Transfers	(119,267)
Proceeds from Long-Term Debt	<u>-</u>
Total Other Financing Sources (Uses)	<u>(119,267)</u>
Special Item - FEMA Repayment	(163,103)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	7,393
Fund Balance (Deficit) - Beginning of Year	<u>1,108,985</u>
Fund Balance (Deficit) - End of Year	<u>\$ 1,116,378</u>

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

Town of Ball

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

For the Year Ended June 30, 2022

Net change in fund balances of Governmental Funds	\$	7,393
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over estimated useful lives and reported as depreciation expense.		
Capital Expenditures	52,523	
Depreciation	<u>(163,045)</u>	(110,522)
Governmental funds report pension expense based on contributions required for the current year; however, pension expense reported on the government wide basis is influenced by actuarial considerations.		
		196,819
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, while the payment of long-term debt has no effect on net position.		
		50,405
Compensated Absences are recorded in the governmental funds when paid, but are recorded in the statement of activities when earned. This represents the amount compensated absences paid exceeded amounts earned in the current period		
		<u>8,200</u>
Change in net position of governmental activities	\$	<u>152,295</u>

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

Town of Ball

Statement of Net Position

Proprietary Funds - June 30, 2022

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Sanitation</u>	<u>Sewer System</u>	<u>Total</u>
<u>ASSETS:</u>			
Current Assets:			
Cash and Cash Equivalents	\$ 153,753	\$ 1,903,991	\$ 2,057,744
Receivables (Net)	51,916	77,001	128,917
Interfund Receivables	49,310	-	49,310
Total Current Assets	254,979	1,980,992	2,235,971
Noncurrent Assets:			
Leased Assets	26,826	68,559	95,385
Non Depreciable Capital Assets	-	5,130	5,130
Depreciable Capital Assets, Net	8,492	4,470,824	4,479,316
Total Assets	290,297	6,525,505	6,815,802
<u>DEFERRED OUTFLOWS OF RESOURCES:</u>			
Pension Funding Deferrals	34,369	68,200	102,569
<u>LIABILITIES:</u>			
Current Liabilities:			
Accounts and Other Payables	5,671	15,985	21,656
Accrued Interest	-	9,479	9,479
Deposits Due Others	56,348	97,654	154,002
Interfund Payables	-	42,100	42,100
Total Current Liabilities	62,019	165,218	227,237
Long Term Liabilities			
Compensated Absences	8,920	16,679	25,599
Net Pension Liability	239,443	167,904	407,347
Revenue Bond Payable			
Due Within One Year		50,000	50,000
Due in More than One Year		1,123,061	1,123,061
Lease Obligation			
Due Within One Year	17,988	39,336	57,324
Due in More than One Year	-	29,950	29,950
Total Liabilities	328,370	1,592,147	1,920,517
<u>DEFERRED INFLOWS OF RESOURCES:</u>			
Pension Funding Deferrals	46,437	92,149	138,586
<u>NET POSITION:</u>			
Invested in Capital Assets, Net of Related Debt	17,330	4,475,228	4,492,558
Unrestricted	(67,471)	434,181	366,710
Total Net Position (Deficit)	\$ (50,141)	\$ 4,909,409	\$ 4,859,268

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

Town of Ball

Statement of Revenues, Expenditures and Changes in Fund Net Position Proprietary Funds - For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Sanitation	Sewer System	Total
<u>Operating Revenues:</u>			
Service Fees	\$ 578,935	\$ 921,714	\$ 1,500,649
Other	-	-	-
Total Operating Revenues	578,935	921,714	1,500,649
<u>Operating Expenses:</u>			
Salaries and Benefits	135,556	251,017	386,573
Insurance	32,755	30,147	62,902
Repairs & Maintenance	6,835	49,816	56,651
Supplies & Chemicals	60,632	129,979	190,611
Utilities	1,360	126,786	128,146
Depreciation	1,409	366,126	367,535
Amortization	107,303	39,176	146,479
Disposal Fees	130,905	-	130,905
Other	15,593	41,308	56,901
Total Operating Expenses	492,348	1,034,355	1,526,703
Operating Income (Loss)	86,587	(112,641)	(26,054)
<u>Nonoperating Revenues (Expenses):</u>			
Taxes	40,370	40,370	80,740
Other Revenue	278	4,152	4,430
Interest Expense	-	(27,682)	(27,682)
Change in Net Position Before Contributions and Transfers	127,235	(95,801)	31,434
<u>Contributions and Transfers:</u>			
Capital Contributions	-	-	-
Transfers	(50,809)	170,076	119,267
Change in net position	76,426	74,275	150,701
Total net position - beginning	(126,567)	4,835,134	4,708,567
Total net position - ending	\$ (50,141)	\$ 4,909,409	\$ 4,859,268

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

Town of Ball

Statement of Cash Flows

Proprietary Funds - For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Sanitation	Sewer System	Total
<u>Cash Flow From Operating Activities:</u>			
Cash Received From Customers	\$ 580,468	\$ 928,891	\$ 1,509,359
Cash Payments to Suppliers of Goods and Services	(270,676)	(442,328)	(713,004)
Cash Payments to Employees for Services	(134,512)	(251,409)	(385,921)
Net Cash Provided (Used) by Operating Activities	<u>175,280</u>	<u>235,154</u>	<u>410,434</u>
<u>Cash Flows From Non-Capital Financing Activities:</u>			
Change in Interfund Balances	4,554	(31,864)	(27,310)
Operating Transfers	(50,809)	170,076	119,267
Taxes	40,370	40,370	80,740
Other Non Operating Revenue	278	4,150	4,428
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(5,607)</u>	<u>182,732</u>	<u>177,125</u>
<u>Cash Flows From Capital and Related Financing Activities:</u>			
Capital Expenditures	(7,161)	(61,462)	(68,623)
Capital Grant Proceeds	-	-	-
Debt Proceeds	-	1,173,061	1,173,061
Principle Paid on Lease Obligations	(108,123)	(51,690)	(159,813)
Interest Paid on Debt Instruments	-	(16,121)	(16,121)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(115,284)</u>	<u>1,043,788</u>	<u>928,504</u>
Net Increase (Decrease) in Cash	54,389	1,461,674	1,516,063
Beginning Cash Balance	<u>99,364</u>	<u>442,317</u>	<u>541,681</u>
Ending Cash Balance	<u>\$ 153,753</u>	<u>\$ 1,903,991</u>	<u>\$ 2,057,744</u>

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

Town of Ball

Statement of Cash Flows (Continued)

Proprietary Funds - For the Year Ended June 30, 2022

	Business-Type Activities - Enterprise Funds		
	Sanitation	Sewer System	Total
<u>Reconciliation of Operating Income (Loss)</u>			
<u>to Net Cash Provided (Used) by Operating</u>			
<u>Activities</u>			
Operating Income (Loss)	\$ 86,588	\$ (112,641)	\$ (26,053)
Adjustments to Reconcile Operating Income to Net Cash			
Provided by Operating Activities:			
Depreciation	1,409	366,126	367,535
Amortization	107,303	39,176	146,479
(Increase) Decrease in Accounts Receivable	634	5,932	6,566
Decrease (Increase) in Net Pension Liability and Deferrals	(22,178)	(61,659)	(83,837)
(Decrease) Increase in Accounts and Other Payables	(419)	(2,633)	(3,052)
(Decrease) Increase in Meter Deposits	899	1,245	2,144
(Decrease) Increase in Compensated Absences	1,044	(392)	652
Net Cash Provided (Used) by Operating Activities	<u>\$ 175,280</u>	<u>\$ 235,154</u>	<u>\$ 410,434</u>

Supplemental disclosures of cash flow information:

During the period ended June 30, 2022, there were no operating, financing, or investing activities during the year that did not result in cash receipts or payments.

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

Town of Ball

Notes To Financial Statements

June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Ball (the Town) was incorporated under the provisions of the Lawrason Act. The Town is governed by a Mayor and a Board of Aldermen consisting of five (5) members. Services provided by the Town include police protection, fire protection, and street maintenance. The Town also operates a sanitation service and a sewer system that are supported by user charges.

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

Financial Reporting Entity

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

Governmental Accounting Standards establish criteria for determining which component units should be considered part of the Town of Ball for financial reporting purposes. The criteria to be considered are presented as follows:

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

Based on these criteria the presented above, the only potential component unit is the Town's Volunteer Fire Commission. However, based on further consideration, it was determined that the Commission serves in an advisory capacity and does not have sufficient decision-making authority to be considered a component unit.

Basic Financial Statements

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

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

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

Town of Ball

Notes To Financial Statements

June 30, 2022

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Major Governmental Funds

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

Major Business-Type Funds

Sanitation Service – Used to account for transactions associated with collecting and disposing of solid waste.

Sewer System – Used to account for sewer collection and treatment, which is supported by user charges.

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

Basis of Accounting and Measurement Focus

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

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

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

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

Town of Ball

Notes To Financial Statements

June 30, 2022

capital assets and the acquisition of capital assets is treated as an expenditure. In addition, long-term debts are excluded from amounts reported as liabilities. Proceeds from issuing long-term debt is reported as other financing sources and repayment of long-term debt is reported as an expenditure.

Use of Estimates

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

Restricted Assets:

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

Budget Practices:

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

Capital Assets

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

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

Cash and Cash Equivalents:

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

Internal Activity:

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

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

Town of Ball

Notes To Financial Statements

June 30, 2022

NOTE 2 - CASH AND CASH EQUIVALENTS

At June 30, 2022, cash and cash equivalents included the following amounts:

	Governmental Activities	Business-Type Activities	Total
Cash Deposited in Banks	\$ 1,844,720	\$ 2,057,744	\$ 3,902,464
Cash on Hand	300	----	300
Cash and Cash Equivalents	<u>\$ 1,845,020</u>	<u>\$ 2,057,744</u>	<u>\$ 3,902,764</u>

Cash deposited in banks is stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Even though the pledged securities are considered uncollateralized, state law imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified that the fiscal agent has failed to pay deposited funds upon demand. At June 30, 2022, the Town's deposits were secured by \$683,264 of federal deposit insurance, and \$3,954,712 in pledged securities held by the custodial bank in the name of the fiscal agent bank.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable for the year ended June 30, 2022 are summarized as follows:

	Governmental Activities	Business-Type Activities	Total
<u>Accounts Receivable</u>			
Charges for Services	\$ 6,825	\$ 203,376	\$ 210,201
Franchise Taxes	41,156	----	41,156
Insurance Premium Tax	31,006	----	31,006
Allowance for Doubtful Accounts	----	(81,500)	(81,500)
Total Accounts Receivable	<u>78,987</u>	<u>121,876</u>	<u>200,863</u>
<u>Due From Other Governmental Units</u>			
Sales Taxes	138,406	6,593	144,999
Other	41,270	448	41,718
Total Due From Other Governments	<u>179,676</u>	<u>7,041</u>	<u>186,717</u>
Total Receivables	<u>\$ 258,663</u>	<u>\$ 128,917</u>	<u>\$ 387,580</u>

Town of Ball

Notes To Financial Statements **June 30, 2022**

NOTE 4 – CAPITAL ASSETS

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

	Non-Depreciable Capital Assets			
	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental Activities</u>				
Land	\$ 55,000	\$ ----	\$ ----	\$ 55,000
Construction in Process	----	----	----	----
Total Governmental Activities	<u>55,000</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>55,000</u>
<u>Business-Type Activities</u>				
Sewer System				
Land	\$ 5,130	\$ ----	\$ ----	\$ 5,130
Construction in Process	----	----	----	----
Total Business-Type Activities	<u>\$ 5,130</u>	<u>\$ ----</u>	<u>\$ ----</u>	<u>\$ 5,130</u>
	Depreciable Capital Assets			
	Beginning Balance	Additions	Disposals	Ending Balance
<u>Governmental Activities</u>				
Furniture, Fixtures and Equipment	\$ 2,245,447	\$ 32,626	\$ ----	\$ 2,278,073
Buildings and Improvements	1,477,616	----	----	1,477,616
Street Infrastructure	412,565	19,897	----	432,462
Accumulated Depreciation	(2,756,640)	(163,045)	----	(2,919,685)
Total Governmental Activities	<u>\$ 1,378,988</u>	<u>\$ (110,522)</u>	<u>\$ ----</u>	<u>\$ 1,268,466</u>
<u>Business-Type Activities</u>				
Sewer System				
Furniture, Fixtures and Equipment	\$ 310,328	\$ 9,500	\$ ----	\$ 319,828
Sewer System	14,014,157	49,881	----	14,064,038
Accumulated Depreciation	(9,546,916)	(366,126)	----	(9,913,042)
Total Sewer System	<u>4,777,569</u>	<u>(306,745)</u>	<u>----</u>	<u>4,470,824</u>
Sanitation Department				
Furniture, Fixtures and Equipment	356,315	7,161	----	363,476
Buildings and Improvements	13,092	----	----	13,092
Accumulated Depreciation	(366,667)	(1,409)	----	(368,076)
Total Sanitation Department	<u>2,740</u>	<u>5,752</u>	<u>----</u>	<u>8,492</u>
Total Business-Type	<u>\$ 4,780,309</u>	<u>\$ (300,993)</u>	<u>\$ ----</u>	<u>\$ 4,479,316</u>

Town of Ball

Notes To Financial Statements

June 30, 2022

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Government	\$ 30,515	\$ ----	\$ 30,515
Police Department	65,579	----	65,579
Fire Department	38,551	----	38,551
Streets	27,734	----	27,734
Mayor's Court (General)	666	----	666
Sewer System	----	366,126	366,126
Sanitation	----	1,409	1,409
	<hr/>	<hr/>	<hr/>
Total Depreciation Expense	\$ 163,045	\$ 367,535	\$ 530,580

NOTE 5 – ACCOUNTS AND OTHER PAYABLES

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Payable to Vendors	\$ 10,614	\$ 17,240	\$ 27,854
Accrued Payroll/Payroll Taxes	14,254	4,416	18,670
Payroll Liabilities	65,443	----	65,443
	<hr/>	<hr/>	<hr/>
Accounts and Other Payables	\$ 90,311	\$ 21,656	\$ 111,967

NOTE 6 - LEASING

The Town of Ball entered into two lease agreements in the previous year for the purchase of two Sanitation Trucks, a Knuckle Boom Loader, and various Sewer Equipment. The lease for the Sanitation Trucks and Knuckle Boom Loader has an initial lease term of 24 months (Monthly Payments of \$9,157), while the lease for the Sewer Equipment has an initial lease term of 36 months (Monthly Payments of \$3,366). Based on these terms, the value of the leased equipment has been determined as follows:

Leased Equipment	\$ 332,134
Accumulated Amortization	<u>(236,749)</u>
Leased Equipment (Net of Accumulated Amortization)	<u>\$ 95,385</u>

The lease obligation at year end is summarized below:

Lease obligation	\$ 87,274
Portion Due Within One Year	<u>57,324</u>
Portion Due Within More Than One Year	<u>\$ 29,950</u>

Town of Ball

Notes To Financial Statements

June 30, 2022

Principal and interest requirements associated with the underlying lease obligation are presented as follows:

	Payment	Principle	Interest
2023	58,710	57,324	1,386
2024	31,908	29,950	1,958
Total Lease Obligation	<u>\$ 90,618</u>	<u>\$ 87,274</u>	<u>\$ 3,344</u>

NOTE 7 - LONG-TERM LIABILITIES

Debt attributable to the acquisition of the Town's utility system and the operation of the utility system is reported as an obligation of the City's business-type enterprise funds. Remaining debts are reported as governmental activities. The Town's long-term liabilities are summarized as follows:

Debt Instruments

Long-term liabilities include debt instruments that are summarized as follows:

	Governmental Activities	Business-Type Activities	Total
Installment Purchase Agreement	\$ 107,951	\$ ----	\$ 107,951
Revenue Bonds	----	1,200,000	1,200,000
Total Obligations	107,951	1,200,000	1,307,951
Deferred Issue Cost	----	(26,939)	(26,939)
Total Long-term Debt	107,951	1,173,061	1,281,012
Due Within One Year	52,749	50,000	102,749
Due in More Than One Year	\$ 55,202	\$ 1,123,061	\$ 1,178,263

Installment Purchase Agreements

The Town has acquired a several police vehicles by entering into an installment purchase agreement. The purchase obligation outstanding at June 30, 2022 is described as follows:

Purchase agreement dated January 30, 2019 executed in exchange for 9 police vehicles, with an original balance of \$248,567, bearing interest of 5.21 %, payable in 60 (Beginning July of 2019) monthly installments of \$4,714. \$ 107,951

A schedule of maturities for the note is presented as follows:

	Payment	Principle	Interest
2023	56,574	52,749	3,825
2024	56,574	55,202	1,372
Total Lease Obligation	<u>\$ 113,148</u>	<u>\$ 107,951</u>	<u>\$ 5,197</u>

Town of Ball

Notes To Financial Statements

June 30, 2022

Revenue Bonds

The Town has issued revenue bonds that are secured and payable solely from a pledge of funds generated by a specific revenue source. Revenue Bonds outstanding at June 30, 2022 are described as follows:

\$1,200,000 Sewer Revenue Bonds Series 2021, bearing interest ranging from .99% to 3.00%. The Bonds mature serially on August 1st of each year in amounts ranging from \$50,000 to \$76,000. Final maturity is scheduled for August 1, 2041 unless the Town elects to redeem the bonds prior to maturity. \$ 1,200,000

A schedule of maturities for the bond is presented as follows:

	Payment	Principle	Interest
2022-2023	78,438	50,000	28,438
2023-2024	77,930	50,000	27,930
2024-2025	78,372	51,000	27,372
2025-2026	78,728	52,000	26,728
2026-2027	77,987	52,000	25,987
6-10	390,162	275,000	115,162
11-15	387,850	310,000	77,850
16-20	387,600	360,000	27,600
Total Bond Obligation	1,557,067	1,200,000	357,067

NOTE 8 – TAXES

Ad Valorem Taxes:

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

Sales Taxes:

Citizens of the Town have permanently approved a 1.5% sales tax and a 0.5% sales tax. The sales taxes are collected by the Parish of Rapides and remitted to the Town on a monthly basis. The sales taxes are deposited in the Town's general fund and allocated to departments as required by dedications imposed by the sales tax propositions. These dedications are summarized as follows:

Fire Department	28.75%
Police Department	26.67%
Streets, Recreation and Community Centers	37.08%
General Administration	3.75%
Public Works and Facilities	3.75%
Total	<u>100.00%</u>

Town of Ball

Notes To Financial Statements June 30, 2022

The Town is also entitled to receive a portion of a parish-wide sales tax that is shared with other government agencies. The proceeds of this tax are unrestricted. Accordingly, the tax is deposited in the general fund and expended at the Town's discretion.

In addition, the Town receives an allocation from a 0.5% sales tax approved by the voters of Sales Tax District No. 3. The tax is available for general operations.

NOTE 9- RISK MANAGEMENT

The Town is exposed to various risk of loss related to torts; theft, damage or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town insures against these risks by participation in public entity risk pools that operate as common insurance programs and by purchasing commercial insurance.

NOTE 10 – RESTRICTED RESOURCES

As discussed in Note 8, portions of the sales taxes collected by the Town are dedicated to specific purposes. Proceeds from these sales taxes are reported as restricted until expended for purposes that are consistent with sales tax propositions.

NOTE 11 – PENSION PLANS:

Substantially all Town employees are members of statewide retirement systems. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. A summary of amounts reported in connection with participation in these plans is summarized as follows:

	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Municipal Employees' Retirement System	\$ 899,550	\$ 245,223	\$ 331,334
Firefighters' Retirement System of Louisiana	67,512	47,666	57,774
Municipal Police Employees' Retirement System of Louisiana	<u>608,721</u>	<u>282,566</u>	<u>339,978</u>
Total	1,575,783	575,455	729,086
Portion Applicable to Business Type Activities	<u>407,347</u>	<u>102,569</u>	<u>138,586</u>
Portion Applicable to Government Type Activities	<u>\$ 1,168,436</u>	<u>\$ 472,886</u>	<u>\$ 590,500</u>

Further information regarding each of the retirement systems presented above is furnished as follows:

Municipal Employees' Retirement System of Louisiana:

Plan Description - The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality are members of Plan A. All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Any member of Plan A who commenced participation in the System prior to January 1, 2013 can retire providing he or she meets one of the following criteria:

- Any age with twenty-five (25) or more years of creditable service.
- At age 60 with a minimum of ten (10) years of creditable service.

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- At any age with 20 years of creditable service, exclusive of military service with an actuarially reduced early benefit.

Any member of Plan A who commenced participation in the system after January 1, 2013 can retire providing, he or she meets one of the following criteria:

- At age 67 with seven (7) years of creditable service.
- At age 62 with ten (10) years of creditable service.
- At age 55 with thirty (30) years of creditable service
- At any age with twenty-five (25) years of creditable service with an actuarially reduced early benefit.

Generally, the monthly amount of the retirement allowance for any member of Plan A shall consist of an amount equal to 3% of their final-average salary for each year of creditable service multiplied by his or her years of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

Funding Policy - Under Plan A, members are required by state statute to contribute 9.50% of their annual covered salary and the Town is required to contribute at an actuarially determined rate. Contributions to the System also include one-fourth of 1% (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the system were equal to the required contributions for each of the past three years.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand-alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at mersla.com. The plans net pension liability was determined at June 30, 2021 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 1,253,886,002
Plan Fiduciary Net Position	975,735,673
Net Pension Liability	<u>278,150,329</u>
Town's Proportionate Share (Percentage)	0.323404%
Town's Proportionate Share (Amount)	<u>\$ 899,550</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period are provided as follows:

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Beginning Net Pension Liability		\$ 1,448,325
Employer Contributions		(191,231)
<u>Pension Expense</u>		
Proportionate Share of Plan Pension Expense	18,299	
Changes in Benefit Terms	----	
Employee Contributions	<u>(24,132)</u>	(5,833)
Change in Deferred Outflows of Resources		(136,368)
Change in Deferred Inflows of Resources		<u>(215,343)</u>
Ending Net Pension Liability		<u>\$ 899,550</u>

There were no changes between June 30, 2022 and the Plan's measurement date (June 30, 2021) that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Resources
Differences Between Expected and Actual Experience	\$ 324	\$ 10,287	\$ (9,963)
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	---	253,450	(253,450)
Changes of Assumptions	32,873	----	32,873
Changes in Proportion	----	67,597	(67,597)
Employer Contributions Made After the Measurement Date	<u>212,026</u>	<u>-----</u>	<u>212,026</u>
Total Deferrals	245,223	331,334	(86,111)
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>(212,026)</u>	<u>----</u>	<u>(212,026)</u>
Deferrals Subject to Amortization	<u>\$ 33,197</u>	<u>\$ 331,334</u>	<u>\$ (298,137)</u>

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

<u>For the Measurement Period Ending</u>	
June 30, 2022	\$ (85,936)
June 30, 2023	(61,065)
June 30, 2024	(65,341)
June 30, 2025	<u>(85,795)</u>
Total	<u>\$ (298,137)</u>

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

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost

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Actuarial Assumptions:	
Investment Rate of Return	6.85%, net of investment expense, including inflation
Projected Salary Increases	6.4% Plan A (1-4 Years of service) 4.5% Plan A (4+ Years of service)
Mortality Rates	<p>Annuitant and Beneficiary - PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.</p> <p>Employee Mortality - PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales</p> <p>Disabled Lives – PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP 2018 scale</p>

The 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 of 2.6% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return was 6.95% for the year ended June 30, 2021.

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Public Equity	53%	2.31%
Public Fixed Income	38%	1.65%
Alternatives	9%	0.39%
Totals	<u>100%</u>	<u>4.35%</u>
Inflation		<u>2.60%</u>
Expected Arithmetic Nominal Return		<u>6.95%</u>

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

The effects of certain other changes in the net pension liability are required to be included in pension expense over the current and future periods. The effects on the total pension liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in pension expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the pension plan (active employees and inactive

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employees), determined as of the beginning of the measurement period. The effect on net pension liability of differences between the projected earnings on pension plan investments and actual experience with regard to those earnings is required to be included in pension expense in a systematic and rational manner over a closed period of five years, beginning with the current period.

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

	1% Decrease 5.85% Discount Rate	Current Discount Rate 6.85%	1% Increase 7.85 % Discount
Net Pension Liability	\$ 1,332,278	\$ 899,550	\$ 534,050

Firefighters' Retirement System of Louisiana

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

Funding Policy – Plan members are required by state statute to contribute 10.0 percent of their annual covered salary and the Town is required to contribute at an actuarially determined rate. The contribution requirements of plan members and the Town are established and may be amended by state statute. As proved by state law, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town's contributions to the plan were equal to the required contributions for each of the past three years.

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand-alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at lafirefightersret.com. The plans net pension liability was determined at June 30, 2021 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 2,681,184,069
Plan Fiduciary Net Position	2,326,798,869
Net Pension Liability	<u>354,385,200</u>
Town's Proportionate Share (Percentage)	0.019050%
Town's Proportionate Share (Amount)	<u>\$ 67,512</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2021 are provided as follows:

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Beginning Net Pension Liability		\$	136,739
Employer Contributions			(15,446)
Pension Expense			
Proportionate Share of Plan Pension Expense	19,972		
Changes in Benefit Terms	----		
Employee Contributions	(5,442)		14,530
Change in Deferred Outflows of Resources			(28,418)
Change in Deferred Inflows of Resources			(39,893)
 Ending Net Pension Liability		\$	<u>67,512</u>

There were no changes between June 30, 2022 and the Plan's measurement date (June 30, 2021) that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Resources
Differences Between Expected and Actual Experience	\$ 963	\$ 6,063	\$ (5,100)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	---	40,969	(40,969)
Changes of Assumptions	14,629	----	14,629
Changes in Proportion	12,195	10,742	1,453
Employer Contributions Made After the Measurement Date	19,879	----	19,879
 Total Deferrals	 47,666	 57,774	 (10,108)
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	(19,879)	----	(19,879)
 Deferrals Subject to Amortization	 \$ 27,787	 \$ 57,774	 \$ (29,987)

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

<u>For the Measurement Period Ending</u>	
June 30, 2022	\$ 2,827
June 30, 2023	(8,904)
June 30, 2024	(11,138)
June 30, 2025	(12,991)
June 30, 2026	(173)
June 30, 2027	392
 Total	 <u>\$ (29,987)</u>

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

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Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Cost
Expected Remaining Service Lives	7 Years
Investment Rate of Return	6.90% per annum
Inflation Rate	2.50% per annum
Projected Salary Increases	Vary from 14.10% in the first two years of service to 5.20% after 3 years, including inflation and merit increases.
Cost of Living Adjustments	Only those previously granted

The estimated 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. The long term expected nominal rate of return was 6.90 % as of June 30, 2021.

Best estimates of real rates of return for each major asset class included in FRS' target asset allocation as of June 30, 2021 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U. S. Equity	27.50%	5.86%
Non-U.S. Equity	11.50%	6.44%
Global Equity	10.00%	6.40%
Emerging Market Equity	7.00%	8.64%
Fixed Income	26.00%	4.12%
Real Estate	6.00%	5.31%
Real Assets	3.00	
Private Equity	9.00%	9.53%
Totals	<u>100.00%</u>	

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

The mortality rate assumption used was set based upon an experience study performed on plan data for the period July 1, 2009, through June 30, 2014. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. The RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables

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projected to 2031 using Scale AA were selected for employee, annuitant, and beneficiary mortality. The RP-2000 Disabled Lives Mortality Table set back five years for males and set back three years for females was selected for disabled annuitants. Setbacks in these tables were used to approximate mortality improvement.

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

	1% Decrease 5.90% Discount Rate	Current Discount Rate 6.90%	1% Increase 7.90 % Discount
Net Pension Liability	\$ 129,514	\$ 67,512	\$ 15,800

Municipal Police Employees' Retirement System of Louisiana

Plan Description - All full-time police department employees engaged in law enforcement are eligible to participate in the System. Any member of the Plan who commenced participation in the Plan before January 1, 2013 is eligible for retirement provided he or she meets one of the following conditions:

- At any age and has 25 years of creditable service
- At age 50 and has 20 years of creditable service
- At age 55 and has 12 years of creditable service.

Retirees are entitled to a retirement benefit, payable monthly for life, equal to 3^{1/3} percent of their final-average salary for each year of creditable service, not to exceed 100% of their final salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination.

Any member of the Plan who commenced participation in the Plan after January 1, 2013 is eligible for retirement based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for retirement provided he or she meets one of the following conditions:

- At any age and has 25 years of creditable service
- At age 55 and has 12 years of creditable service.

Under the Non-Hazardous Duty sub plan, a member is eligible for retirement provided he or she meets one of the following conditions:

- At any age and has 30 years of creditable service
- At age 55 and has 25 years of creditable service.
- At age 60 and has 10 years of creditable service.

Under either Sub Plan, a member is eligible for early retirement after he or she has been a member of the System with 20 years of creditable service, with an actuarially reduced benefit from age 55. Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are 3% and 2 1/2%, respectively, of average final compensation (Average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary. The System also provides death and disability benefits for all members. Benefits are established or amended by state statute.

Funding Policy - Plan members are required by state statute to contribute a percent of their annual covered salary to the System. The percentage required for the measurement period ending June 30, 2021 is listed below:

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Members hired prior to January 1, 2013 –	10.00%
Hazardous Duty Members hired after January 1, 2013-	10.00%
Non-Hazardous Duty Members hired after January 1, 2013 -	8.00%

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

Financial Summary – The plan description, funding policies and financial information provides a summary of the Plan provisions and finances. For additional details, the System issues an annual publicly available stand-alone financial report. The financial report includes information about the plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position. The report can be obtained on the internet at lampers.org. The plans net pension liability was determined at June 30, 2020 (measurement date and actuarial valuation date) and details are provided as follows:

Total Pension Liability	\$ 3,350,028,394
Plan Fiduciary Net Position	<u>2,816,973,727</u>
Net Pension Liability	533,054,667
Town's Proportionate Share (Percentage)	0.114195%
Town's Proportionate Share (Amount)	<u>\$ 608,721</u>

The net pension liability presented above was not affected by any special funding situations. Changes in the Town's proportionate share of Plan's net pension liability during the measurement period ending June 30, 2021 are provided as follows:

Beginning Net Pension Liability	\$ 1,083,885
Employer Contributions	(117,594)
<u>Pension Expense</u>	
Proportionate Share of Plan Pension Expense	81,139
Changes in Benefit Terms	----
Employee Contributions	<u>(25,520)</u>
Change in Deferred Outflows of Resources	(164,524)
Change in Deferred Inflows of Resources	<u>(248,665)</u>
Ending Net Pension Liability	<u>\$ 608,721</u>

There were no changes between June 30, 2022 and the Plan's measurement date (June 30, 2021) that are expected to have a significant effect on the Town's proportionate share of the collective net pension liability. Balances presented as deferred outflows of resources and deferred inflows of resources reported in connection with participation in the plan are presented as follows:

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Notes To Financial Statements June 30, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Resources
Differences Between Expected and Actual Experience	\$ ----	\$ 18,747	\$ (18,747)
Net Difference Between Projected and Actual Investment			
Earnings on Pension Plan Investments	----	284,225	(284,225)
Changes of Assumptions	67,413	17,364	50,049
Changes in Proportion	102,187	19,642	82,545
Employer Contributions Made After the Measurement Date	<u>112,966</u>	<u>----</u>	<u>112,966</u>
 Total Deferrals	 282,566	 339,978	 (57,412)
Deferrals That Will be Recorded as a Reduction in Net Pension Liability in the Subsequent Reporting Period	<u>(112,966)</u>	<u>----</u>	<u>(112,966)</u>
 Deferrals Subject to Amortization	 <u>\$ 169,600</u>	 <u>\$ 339,978</u>	 <u>\$ (170,378)</u>

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

<u>For the Measurement Period Ending</u>	
June 30, 2022	23,459
June 30, 2023	(35,120)
June 30, 2024	(60,797)
June 30, 2025	<u>(97,920)</u>
 Total	 <u>(170,378)</u>

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

Valuation Date	June 30, 2021	
Actuarial Cost Method	Entry Age Normal Cost	
Investment Rate of Return	6.750 % per annum	
Expected Remaining Service Lives	4 Years	
Inflation Rate	2.5% per annum	
Projected Salary Increases Including Inflation and Merit	<u>Years of Service</u>	<u>Salary Growth Rate</u>
	1 - 2	12.30%
	3 & Over	4.70%

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Mortality Rates

Pub 2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females.

Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection

Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP 2019 scale.

Cost-of-Living Adjustments

The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases.

The best estimates of the arithmetic nominal rates of return for each major asset class included in the System's target allocation as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long Term Expected Portfolio Real Rate of Return
Equity	55.50%	3.47%
Fixed Income	30.50%	0.59%
Alternatives	14.00%	1.01%
Other	0.00%	0.00%
Totals	100.00%	5.08%
Inflation		2.22%
Expected Arithmetic Nominal Return		7.30%

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

The mortality rate assumption used was set based upon an experience study performed by the prior actuary on plan data for the period July 1, 2009 through June 30, 2014 and review of similar law enforcement mortality. The data was then assigned credibility weighting and combined with a standard table to produce current levels of mortality. This mortality was then projected forward to a period equivalent to the estimated duration of the System's liabilities. Annuity values calculated based on this mortality were compared to those produced by using a setback of standard tables. The result of the procedure indicated that the tables used would produce liability values approximating the appropriate generational mortality tables

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

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	1% Decrease 6.75% Discount Rate	Current Discount Rate 6.75%	1% Increase 7.75 % Discount
Net Pension Liability	\$ 1,060,906	608,721	\$ 231,301

NOTE 12-- INTERNAL BALANCES

In some cases, the general fund collects funds on behalf of other funds and retains these funds until the resources are needed by the recipient fund. These internal balances are summarized as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<u>Governmental Funds</u>		
General Fund	\$ ----	\$ (7,211)
<u>Business Type Funds</u>		
Sewer System	6,085	----
Sanitation System	49,310	(48,184)
Total	55,395	(55,395)
Elimination of Interfund Activity	(48,184)	48,184
Government Wide Totals	<u>\$ 7,211</u>	<u>\$ (7,211)</u>

NOTE 13 - TRANSFERS

Transfers are attributable to transferring excess resources to other funds, summarized as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
<u>Governmental Funds</u>		
General Fund	\$ ----	\$ 119,267
<u>Business Type Funds</u>		
Sewer Fund	(170,076)	----
Sanitation Fund	(40,347)	91,156
Total	\$ (210,423)	210,423
Elimination of Internal Activity	91,156	(91,156)
Government Wide Totals	<u>\$ (119,267)</u>	<u>\$ 119,267</u>

Town of Ball

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NOTE 14 – CONTINGENCIES:

Existing conditions that may have financial consequences are referred to as contingencies. Contingencies existing at June 30, 2022 are described as follows:

Litigation

Like most governmental units with extensive and diverse operations, the Town is occasionally named as a defendant in litigation. At the present time, there are no matters pending that are expected to exceed the limits of insurance coverage.

Grant Compliance

The Town receives state and federal assistance through various grant programs. Grantor agencies routinely review grant activity and could request reimbursement if a dispute occurs regarding compliance with grant conditions.

NOTE 15 – SPECIAL ITEMS

An investigation by FEMA of assistance received in connection with Hurricane Gustav resulted in the prosecution of several former Town Officials. As a result of these prosecutions, a former Mayor, Town Clerk and Police Chief have entered guilty pleas in criminal proceedings. In addition to the criminal prosecutions, the Town has been required to repay a portion of the FEMA assistance in the amount of \$163,102.

NOTE 16 – ON BEHALF PAYMENTS

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

Police Department	\$ 23,290
Fire Department	<u>6,479</u>
Total	<u>\$ 29,769</u>

Town of Ball

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - For the year ended June 30, 2022

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		<u>Positive (Negative)</u>
Revenues	<u>2,323,610</u>	<u>2,599,225</u>	<u>2,803,863</u>	<u>204,638</u>
<u>Expenditures:</u>				
Current:				
General Government	527,307	632,475	585,135	47,340
Public Safety				
Police Department	840,000	815,165	764,429	50,736
Fire Department	307,300	370,800	355,689	15,111
Public Works (Highways and Streets)	733,150	880,735	699,750	180,985
Capital Expenditures	-	-	52,523	(52,523)
Special Item - FEMA Repayment	-	-	163,103	(163,103)
Debt Service	-	-	56,574	(56,574)
Total Expenditures	<u>2,407,757</u>	<u>2,699,175</u>	<u>2,677,203</u>	<u>21,972</u>
Excess (Deficiency) of Revenue Over Expenditures	(84,147)	(99,950)	126,660	226,610
<u>Other Financing Sources (Uses):</u>				
Proceeds from Long-Term Debt	-	-	-	-
Operating Transfers In (Out)	-	-	(119,267)	(119,267)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(84,147)	(99,950)	7,393	107,343
Fund Balance (Deficit) - Beginning of Year	<u>847,256</u>	<u>1,056,206</u>	<u>1,108,985</u>	<u>52,779</u>
Fund Balance (Deficit) - End of Year	<u>\$ 763,109</u>	<u>\$ 956,256</u>	<u>\$ 1,116,378</u>	<u>\$ 160,122</u>

Town of Ball

Schedule of Net Pension Liability Data Cost Sharing Retirement Systems

Retirement System / Measurement Date	Share of Collective Net Pension Liability		Covered Payroll	Net Pension Liability as a Percentage of	Pension Plans Fiduciary Net Position as a Percentage of Total Pension Liability
	Percent	Amount		Covered Payroll	
Municipal Employees' Retirement System					
June 30, 2021	0.323404%	899,549	641,191	140.3%	77.8%
June 30, 2020	0.334996%	1,448,325	640,283	226.2%	64.5%
June 30, 2019	0.365237%	1,526,202	579,320	263.4%	64.7%
June 30, 2018	0.392412%	1,624,852	716,432	226.8%	63.9%
June 30, 2017	0.379910%	1,589,324	689,943	230.4%	62.5%
June 30, 2016	0.334469%	1,370,892	907,539	151.1%	62.1%
June 30, 2015	0.406275%	1,451,278	616,408	235.4%	66.2%
Firefighters's Retirement System					
June 30, 2021	0.019050%	67,512	54,076	124.8%	86.8%
June 30, 2020	0.019727%	136,739	49,115	278.4%	72.6%
June 30, 2019	0.020817%	130,354	50,313	259.1%	74.0%
June 30, 2018	0.020600%	118,493	49,630	238.8%	74.8%
June 30, 2017	0.021845%	125,212	51,125	244.9%	73.5%
June 30, 2016	0.021752%	142,278	45,966	309.5%	68.2%
June 30, 2015	0.005810%	31,363	31,388	99.9%	72.4%
Municipal Police Employees' Retirement System					
June 30, 2021	0.114195%	608,721	348,388	174.7%	84.1%
June 30, 2020	0.117274%	1,083,885	361,083	300.2%	70.9%
June 30, 2019	0.104638%	950,288	301,951	314.7%	71.0%
June 30, 2018	0.079236%	669,866	234,062	286.2%	71.9%
June 30, 2017	0.090544%	790,487	270,482	292.3%	70.1%
June 30, 2016	0.097950%	918,067	230,654	398.0%	66.0%
June 30, 2015	0.083390%	653,297	237,681	274.9%	70.7%

Notes to Schedule:

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

Town of Ball

Schedule of Employer Contributions Cost Sharing Retirement Systems

Retirement System / Fiscal Year Ending	Statutorily Required Employer Contributions	Contributions Recognized By the Pension Plan	Difference Between Required and Recognized Contributions	Covered Payroll	Contributions Recognized as a Percentage of Covered Payroll
Municipal Employees' Retirement System					
June 30, 2021	189,152	188,916	236	641,191	29.46%
June 30, 2020	177,678	177,679	(1)	640,283	27.75%
June 30, 2019	175,792	175,792	-	579,320	30.34%
June 30, 2018	178,101	177,317	784	716,432	24.75%
June 30, 2017	157,589	156,962	627	689,943	22.75%
June 30, 2016	179,239	119,530	59,709	907,539	13.17%
June 30, 2015	121,740	138,386	(16,646)	616,408	22.45%
Firefighters's Retirement System					
June 30, 2021	17,440	15,410	2,030	54,076	28.50%
June 30, 2020	13,629	13,629	-	49,115	27.75%
June 30, 2019	13,333	13,333	-	50,313	26.50%
June 30, 2018	13,028	12,997	31	49,630	26.19%
June 30, 2017	12,909	12,884	25	51,125	25.20%
June 30, 2016	12,526	13,386	(860)	45,966	29.12%
June 30, 2015	10,201	3,618	6,583	31,388	11.53%
Municipal Police Employees' Retirement System					
June 30, 2021	117,581	117,581	-	348,388	33.75%
June 30, 2020	117,352	117,724	(372)	361,083	32.60%
June 30, 2019	105,113	105,384	(271)	301,951	34.90%
June 30, 2018	71,905	71,974	(69)	234,062	30.75%
June 30, 2017	85,821	85,878	(57)	270,482	31.75%
June 30, 2016	73,809	81,025	(7,216)	230,654	35.13%
June 30, 2015	67,145	70,320	(3,175)	237,681	29.59%

Notes to Schedule:

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

Town of Ball

Schedule of Compensation Paid to Board Members For the year ended June 30, 2022

Gail Wilking	\$ 59,010
Suzanne Duncan-Furby	7,400
Kimberley Krischke	7,400
Carol Ward	7,400
Charlotte Smith	7,400
Marc Mercer	7,400
	<hr/>
Total	<u>\$ 96,010</u>

Town of Ball

Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer For the year ended June 30, 2022

	Agency Head (Mayor) G. Wilking	
Purpose:		
Compensation	\$	59,010
Retirement Contributions	\$	17,408
Insurance	\$	-
Payroll Taxes	\$	4,514
Reimbursements	\$	-

Town of Ball

Justice System Funding Schedule - Collecting / Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session -
Cash Basis Presentation
For the Year Ended June 30, 2022

	First Six Month Period Ended December 31, 2021	Second Six Month Period Ended June 30, 2022
Beginning Balance of Amounts Collected	\$ 6,515	\$ 3,801
Add: Collections		
Criminal Criminal/Costs/Fees	187,754	180,116
Subtotal Collections	<u>187,754</u>	<u>180,116</u>
Less: Disbursements to Governments & Nonprofits		
CMIS Collections	1,689	1,790
Crime Stoppers of Cenla	1,126	1,232
DHH- TH/SCI T.F.	1,010	1,090
Louisiana Commission On Law Enforcement	1,104	1,109
Louisiana Supreme Court	283	328
Less: Amounts Retained by the Town of Ball		
Self Disbursed Court Cost	185,256	167,270
Subtotal Disbursements / Retainage	<u>190,468</u>	<u>172,819</u>
Ending Balance of Amounts Collected but not Disbursed	<u>\$ 3,801</u>	<u>\$ 11,098</u>

TOWN OF BALL

Summary of Findings

June 30, 2022

PART I

SUMMARY OF AUDITOR'S RESULTS

- The Independent Auditor's Report on the financial statements for the Town of Ball as of June 30, 2022 and for the year then ended expressed an unmodified opinion.
- No significant internal control deficiencies that were considered to be a material weakness were reported.
- No instances of noncompliance material to the financial statements were reported.

PART II

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

NOT APPLICABLE

The Town of Ball did not have any findings related to the financial statements which are required to be reported in accordance with Generally Accepted Governmental Auditing Standards.

PART III

FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS WHICH SHALL INCLUDE AUDIT FINDINGS AS DEFINED BY OMB CIRCULAR A-133:

NOT APPLICABLE

The Town of Ball did not receive sufficient Federal Awards to require an Audit under OMB Circular A-133.

TOWN OF BALL

**Management's Corrective Action Plan
June 30, 2022**

<u>SECTION I</u> INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
<u>FINDINGS</u>	<u>RESPONSE</u>
<u>There were no findings of this nature.</u>	<u>Due to the absence of findings no response necessary.</u>
<u>SECTION II</u> MANAGEMENT LETTER	
<u>FINDINGS</u>	<u>RESPONSE</u>
<u>There were no findings of this nature.</u>	<u>Due to the absence of findings no response necessary.</u>

TOWN OF BALL

Summary of Prior Year Findings

June 30, 2022

SECTION I	
INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS.	
<u>FINDINGS</u>	<u>RESPONSE</u>
<u>There were no findings of this nature.</u>	<u>Due to the absence of findings no response necessary.</u>
SECTION II	
MANAGEMENT LETTER	
<u>FINDINGS</u>	<u>RESPONSE</u>
<u>There were no findings of this nature.</u>	<u>Due to the absence of findings no response necessary.</u>

APPENDIX A
Statewide Agreed-Upon Procedures



Independent Accountant's Report
On Applying Agreed-Upon Procedures

To the Town of Ball and
the Louisiana Legislative Auditor:

We have performed the procedures enumerated below, which were agreed to by the Town of Ball (the Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2021 through June 30, 2022. The Entity's management is responsible for those C/C areas identified in the SAUPs.

The entity 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 described above. 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.

We were engaged 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 the entity 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.

A handwritten signature in blue ink that reads 'Rozier, McKay, Willis'.

Rozier, McKay & Willis
Certified Public Accountants
Alexandria, Louisiana
December 21, 2022



1407 Peterman Drive
Post Office Box 12178
Alexandria, Louisiana 71315

Voice: 318.442.1608
Fax: 318.487.2027
Online: CenlaCPAs.com

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Written Policies and Procedures		
Agreed-Upon Procedure	Results	Managements' Response
<p>1 Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories.</p> <ul style="list-style-type: none"> • Budgeting • Purchasing • Disbursements • Receipts • Payroll/Personnel • Contracting • Credit Cards • Travel and expense reimbursements • Ethics • Debt Service • Disaster Recovery / Business Continuity • Sexual Harassment 	<p>The Town does not have written procedures regarding the following functions:</p> <ul style="list-style-type: none"> • Budgeting • Purchasing • Disbursements • Receipts • Contracting • Credit Cards • Travel and expense reimbursements • Ethics • Debt service • Disaster Recovery/Business Continuity • Sexual Harassment <p>The Town had adopted policies that covered each of the required elements for the following function(s):</p> <ul style="list-style-type: none"> • Payroll/Personnel 	<p>We will work with our auditor and Town Attorney to develop appropriate written policies and procedures for functions that weren't previously addressed. In addition, we have started a procedure committee, composed of elected officials and citizens to assist with this task.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
<p>2 Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:</p> <p>a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.</p> <p>b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. <i>Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.</i></p>	<p>Board and committee minutes were reviewed for the fiscal period.</p> <p>The committee met with a quorum monthly.</p> <p>Budget-to-Actual comparisons are included as part of the Board's monthly meetings.</p>	<p>The results did not include findings or criticisms.</p> <p>The results did not include findings or criticisms.</p> <p>The results did not include findings or criticisms.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Board (or Finance Committee)		
Agreed-Upon Procedure	Results	Managements' Response
c) For governmental entities, obtain the prior year audit report and observe the unrestricted fund balance in the general fund. If the general fund had a negative ending unrestricted fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unrestricted fund balance in the general fund.	The Town had a positive fund balance in the previous year's audit report.	The results did not include findings or criticisms.

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Bank Reconciliations		
Agreed-Upon Procedure	Results	Managements' Response
<p>3 Obtain a listing of client 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 selected each account, and observe that:</p> <p>a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);</p> <p>b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and</p> <p>c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.</p>	<p>RMW obtained the required listing, and selected accounts for testing.</p> <p>Bank Reconciliations were prepared within 2 months of the related statement closing date.</p> <p>Bank Reconciliations showed evidence of review.</p> <p>There were no such items outstanding for the selected bank accounts.</p>	<p>The results did not include findings or criticisms.</p> <p>The results did not include findings or criticisms.</p> <p>The results did not include findings or criticisms.</p> <p>The results did not include findings or criticisms.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
<p>4 Obtain a listing of <u>deposit sites</u> 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).</p> <p>5 For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:</p> <p>a) Employees that are responsible for cash collections do not share cash drawers/registers.</p>	<p>A list of deposit and collection sites has been completed.</p> <p>The Town utilizes one cash register which is maintained by the utility clerk. In some instances, this drawer is shared with other employees.</p>	<p>Due to the size of our workforce, it is impractical for each employee to have a separate cash drawer. However, a separate employee is responsible for reconciling collections.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.	The employee(s) responsible for cash collection is not responsible for preparing or making bank deposits.	The results did not include findings or criticisms.
c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.	The employee(s) responsible for cash collection are not responsible for posting general ledger or collection entries.	The results did not include findings or criticisms.
d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.	The employee(s) responsible for cash collections is not responsible for general ledger maintenance.	The results did not include findings or criticisms.
6 Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.	The administrative staff is covered by a theft bond.	The results did not include findings or criticisms.
7 Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day) . Alternately, the practitioner may use a source	RMW selected two deposit dates, and tested the previously selected accounts.	The results did not include findings or criticisms.

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Collections (excluding EFTs)		
Agreed-Upon Procedure	Results	Managements' Response
<p>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:</p> <p>a. Observe that receipts are sequentially pre-numbered.</p> <p>b. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.</p> <p>c. Trace the deposit slip total to the actual deposit per the bank statement.</p> <p>d. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).</p> <p>e. Trace the actual deposit per the bank statement to the general ledger.</p>	<p>Receipts are sequentially prenumbered.</p> <p>Collection documentation agreed to the deposit slip.</p> <p>The deposit slips matched the actual deposits per the bank statement.</p> <p>Deposits are made within one business day.</p> <p>Deposits were traced back to the general ledger.</p>	<p>The results did not include findings or criticisms.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Non-Payroll Disbursements – General (excluding credit card/debit card/fuel card/P-Card purchases or payments)		
Agreed-Upon Procedure	Results	Managements' Response
8 Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).	Payments are processed exclusively at Town Hall.	The results did not include findings or criticisms.
9 For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:		
a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.	At least two employees are involved in initiating a purchase request.	The results did not include findings or criticisms.
b) At least two employees are involved in processing and approving payments to vendors.	Checks require two signatures and approval from the Mayor.	The results did not include findings or criticisms.
c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.	The employee responsible for processing payments is not prohibited from modifying vendor files. However, the Mayor (In consultation with the Outside CPA Firm), will review the vendor files periodically.	The results did not include findings or criticisms.

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
<p>11 Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.</p>	<p>RMW obtained the required listing.</p>	<p>The results did not include findings or criticisms.</p>
<p>12 Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:</p> <p>a. Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing, by someone other than the authorized card holder.</p> <p>b. Observe that finance charges and late fees were not assessed on the selected statements.</p>	<p>Evidence was observed documenting approval by someone other than the authorized card holder.</p> <p>No finance charges were assessed.</p>	<p>The results did not include findings or criticisms.</p> <p>The results did not include findings or criticisms.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Credit Cards/Debit Cards/Fuel Cards/P-Cards		
Agreed-Upon Procedure	Results	Managements' Response
13 Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe 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).	Each credit card transaction was supported with a purchase order request along with its associated receipt for the purchase.	The results did not include findings or criticisms.

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Travel and Expense Reimbursement		
Agreed-Upon Procedure	Results	Managements' Response
<p>14 Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:</p> <p>a. If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).</p> <p>b. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.</p> <p>c. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).</p> <p>d. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.</p>	<p>RMW was provided with access to the general ledger.</p> <p>Reimbursements agreed with per diem rates set by GSA.</p> <p>Reimbursements were supported by itemized receipts.</p> <p>Each reimbursement has a request form which documents the business purpose of the purchase.</p> <p>Each reimbursement was reviewed and approved by someone other than the authorized card holder.</p>	<p>The results did not include findings or criticisms.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Contracts		
Agreed-Upon Procedure	Results	Managements' Response
<p>15 Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:</p> <p>a. Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.</p> <p>b. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).</p> <p>c. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.</p> <p>d. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.</p>	<p>RMW was given a list of all contracts that were renewed or initiated during the fiscal period.</p> <p>None of the contracts were subject to Public Bid Law.</p> <p>All selected contracts were approved by the Board of Aldermen.</p> <p>All of the selected contracts were original.</p> <p>All of the selected invoices agreed to the terms of the contract.</p>	<p>The results did not include findings or criticisms.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
16 Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.	RMW was provided with a complete list of employees during the fiscal year.	The results did not include findings or criticisms.
17 Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:		
a. Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).	All selected employees documented their attendance and leave.	The results did not include findings or criticisms.
b. Observe that supervisors approved the attendance and leave of the selected employees/officials.	All attendance and leave records were approved by supervisors.	The results did not include findings or criticisms.
c. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.	Leave accrued or taken during the period was reflected in the Town's leave records.	The results did not include findings or criticisms.
18 Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination	The selected termination payments utilized pay rates that were documented in the employee's personnel file, and were paid all accrued leave at their time of separation.	The results did not include findings or criticisms.

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Payroll and Personnel		
Agreed-Upon Procedure	Results	Managements' Response
payment calculations, agree the hours to the employee/officials' cumulate leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files. 19 Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.	The Town has represented that all employer and employee portions of payroll taxes, retirement contributions, health insurance and worker's compensations have been paid by the Town.	The results did not include findings or criticisms.

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Ethics		
Agreed-Upon Procedure	Results	Managements' Response
20 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and: a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period. b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.	<p>Of the five employees, documentation for ethics training was not available for three employees.</p> <p>Though no signature verification present in personnel file of reading the ethics policy, the yearly ethics training communicated the standards of ethical behavior the town requires of its employees.</p>	<p>We will institute a new system of tracking required training to insure all employees take each required course.</p> <p>While we don't formally document attendance at this meeting, ethical standards are communicated on a regular basis to the entire workforce.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Debt Service		
Agreed-Upon Procedure	Results	Managements' Response
21 Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.	Newly issued debt was limited to the issuance of a Sewer Revenue Bond in the current year. State Bond Commission approval was obtained for the issuance.	The results did not include findings or criticisms.
22 Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants.	All required payments were made and required reserve balances were maintained during the fiscal year.	The results did not include findings or criticisms.

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Fraud Notice		
Agreed-Upon Procedure	Results	Managements' Response
23 Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.	Management represented that there was no misappropriation of funds or assets during the year.	The results did not include findings or criticisms.
24 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 notice was posted.	The results did not include findings or criticisms.

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Information Technology Disaster Recovery /Business Continuity		
Agreed-Upon Procedure	Results	Managements' Response
<p>25 Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."</p> <p>a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.</p> <p>b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.</p> <p>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.</p>	<p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p> <p>We performed the procedure and discussed the results with management.</p>	<p>The results did not include findings or criticisms.</p>

Town of Ball

Statewide Agreed-Upon Procedures

Schedule of Procedures, Results and Managements' Response (Continued)

Sexual Harassment		
Agreed-Upon Procedure	Results	Managements' Response
<p>26 Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.</p>	<p>Three of the five selected employees did not have any sexual harassment documentation available in personnel file.</p>	<p>We will institute a new system of tracking required training to insure all employees take each required course.</p>
<p>27 Observe the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).</p>	<p>The Town doesn't have a written sexual harassment policy.</p>	<p>We will work with our attorney and auditor to adopt appropriate written policies.</p>
<p>28 Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe it includes the applicable requirements of R.S. 42:344:</p> <ul style="list-style-type: none"> a. Number and percentage of public servants in the agency who have completed the training requirements; b. Number of sexual harassment complaints received by the agency; c. Number of complaints which resulted in a finding that sexual harassment occurred; d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and e. Amount of time it took to resolve each complaint. 	<p>No report was filed during the fiscal year.</p>	<p>We will work with our attorney to better understand our reporting responsibilities as it is related to sexual harassment. All instances of sexual harassment are communicated directly to leadership, and employees are encouraged to inform the Mayor of any such matter immediately.</p>