

**VETERANS MEMORIAL DISTRICT  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**VETERANS MEMORIAL DISTRICT  
ANNUAL FINANCIAL REPORT  
As of and for the Year Ended December 31, 2020**

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**VETERANS MEMORIAL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

The following narrative is presented to facilitate a better understanding of the year-end financial position and results of operations for the year ended December 31, 2020. When read in conjunction with the notes to the financial statements, financial highlights, overview and analysis should assist the reader to gain a more complete knowledge of the financial performance.

**FINANCIAL HIGHLIGHTS**

Our financial statements provide these insights into the results of this year of operations:

- Assets exceeded liabilities by \$ 2,713,859 (net position), a slight decrease of 1.4% from the prior year.
- Total net position is comprised of the following:
  - (1) Net Investment in capital assets of \$1,787,647 including facilities and equipment, net of accumulated depreciation.
  - (2) Unrestricted net position of \$926,212 representing the balance available to fund programs and activities for veterans and the community.
- Total spending for all governmental activities was \$561,464; there were no program revenues. The general revenues used to offset the shortfall for program expenses were \$524,152.
- The governmental funds reported ending fund balance of \$926,212, all unassigned.
- Total revenue reported for all governmental funds was \$524,152 and expenditures were \$443,802, including no capital expenditures. This resulted in the net change in fund balance for the year in the amount of \$80,350.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The Government-wide Financial Statements – the Statement of Net Position and the Statement of Activities provide information about the governmental activities as a whole and present a longer-term view of the finances. The Fund Financial Statements- the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the operations in more detail than the government-wide statements by providing information about the most significant funds.

**VETERANS MEMORIAL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

***Government-Wide Financial Statements (GWFS)***

The government-wide financial statements are designed to provide readers with a broad overview of the finances, in a manner similar to a private-sector business. The statement of net position presents information on all of the assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues, governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges.

***Fund Financial Statements (FFS)***

The fund financial statements provide detailed information about the most significant funds—not as a whole. Some funds are required to be established by State laws. The District utilizes the governmental type of fund with the following accounting approach. The basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The FFS provide a detailed short-term view of the general government operations and the basic services provided. This information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. We describe the relationship (or differences) between governmental activities (GWFS) and governmental funds (FFS) in reconciliation at the bottom of the fund financial statements.

**VETERANS MEMORIAL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

**FINANCIAL ANALYSIS AS A WHOLE**

The Statements of Net Position includes all of the assets and liabilities and provides information about the nature and amount of investments in resources and the obligations to creditors. This statement provides the basis for evaluating the capital structure and assessing the liquidity and financial flexibility.

To begin our analysis, a condensed summary of the Statement of Net Position is presented in the following table:

<b>Condensed Statement of Net Position</b>	<b>2019</b>	<b>2020</b>	<b>Dollar Change</b>
Current and Other Assets	\$ 1,420,947	\$1,492,960	\$ 72,013
Capital Assets	1,905,309	1,787,647	(117,662)
<b>Total Assets</b>	<b>3,326,256</b>	<b>3,280,607</b>	<b>(45,649)</b>
Current Liabilities	16,418	8,126	(8,292)
<b>Deferred inflows of resources</b>	<b>558,667</b>	<b>558,622</b>	<b>(45)</b>
Investment in Capital Assets	1,905,309	1,787,647	(117,662)
Unrestricted	845,862	926,212	80,350
<b>Total Net Position</b>	<b>\$ 2,751,171</b>	<b>\$2,713,859</b>	<b>\$ (37,312)</b>

Approximately \$1.7 million or 66% of the net position reflects the investment in capital assets (monument, pool, and water fountain cost, land improvements and equipment) less any related outstanding debt outstanding used to acquire those assets.

Net assets decreased by \$37,312 or 1.4% by the end of the year. The table following provides a summary of the changes in net position:

<b>Condensed Statement of Activities</b>	<b>2019</b>	<b>2020</b>	<b>Dollar Change</b>
Capital Grants and Contributions	\$ -	\$ -	\$ -
<b>Program Expenses:</b>			
Current	421,280	443,802	22,522
Depreciation	119,586	117,662	1,924
<b>Total program expenses</b>	<b>540,866</b>	<b>561,464</b>	<b>20,598</b>
<b>Net program income</b>	<b>(540,866)</b>	<b>(561,464)</b>	<b>(20,598)</b>
General revenues	515,642	524,152	8,510
<b>Change in Net Position</b>	<b>(25,224)</b>	<b>(37,312)</b>	<b>(12,088)</b>
<b>Net Position:</b>			

**VETERANS MEMORIAL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

Beginning of the year	2,776,395	2,751,171	(25,224)
End of the year	\$ 2,751,171	\$2,713,859	\$ (37,312)

**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS**

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the financing requirement. In particular, *unassigned fund balance* may serve as a useful measure of the net resources available for spending.

The General Fund ended the year with a fund balance of \$926,212, all considered unassigned. During the year the General Fund recorded \$523,796 in ad valorem tax revenues. The District expended \$443,802 in current expenditures, the largest amount of that was for maintenance costs of grounds and monuments (\$287,567). No capital outlay purchases were made.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Revenues are budgeted based on historic trends. Expenditures are budgeted based on the previous adopted levy. There were no budget amendments to the original budget during the year. All variances were favorable and in compliance with State and Local Budget Laws.

**CAPITAL ASSETS**

The investment in capital assets, net of accumulated depreciation, for governmental activities was as follows:

	2020	2019
Land	\$ 230,000	\$ 230,000
Monument	886,465	886,465
Building	440,064	440,064
Monument Cost	347,444	347,444
Improvements	485,418	485,418
Equipment	291,244	291,244
Office Equipment	17,493	17,493
Total Cost	2,698,128	2,698,128
Accumulated Depreciation	910,481	792,819
Net Capital Assets	\$ 1,787,647	\$ 1,905,309

**VETERANS MEMORIAL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
*For the Year Ended December 31, 2020*

Depreciation Expense	\$ 117,662	\$ 119,586
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There were no additions or deletions to capital assets. More detailed information about the capital assets is presented in Note 6 to the basic financial statements.

***NEXT YEAR'S BUDGET***

Highlights of next year's 2021 adopted budget follows:

<b>Beginning Fund</b>	
<b>Balance</b>	\$ 900,000
<b>Projected Revenue</b>	493,300
<b>Projected Expenditures:</b>	
Current	(642,100)
Capital outlay	(10,000)
Total Expenditures	(652,000)
<b>Ending Fund Balance</b>	<b>\$ 741,300</b>

***CONTACTING FINANCIAL MANAGEMENT***

This financial report is designed to provide a general overview of the Veterans Memorial District finances and to show accountability for the money it received. If you have questions about this report or need additional financial information, contact:

Mr. Larry Raymond, Treasurer  
16937 Hwy 3235  
Cut Off, LA 70345  
985-632-4317

# ***FINANCIAL SECTION***





# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## Independent Auditor's Report

To the Board of Commissioners,  
Veterans Memorial District  
Larose, Louisiana

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities and each major fund of the Veterans Memorial District as of and for the year ended December 31, 2020, and the notes to the financial statements, which collectively comprise the basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. 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 Statements*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

To the Board of Commissioners,  
Veterans Memorial District  
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In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund as of December 31, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Required Supplementary Information***

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



To the Board of Commissioners,  
Veterans Memorial District  
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***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head are presented for the purpose of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of management and were derived from and relate 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 Schedule of Compensation, Benefits and Other Payments to Agency Head are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated May 21, 2021 on our consideration of the internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

*Stagni & Company*

Thibodaux, Louisiana  
May 21, 2021



**VETERANS MEMORIAL DISTRICT**

**Statement of Net Position**

December 31, 2020

**ASSETS**

Cash	\$	933,838
Deposits		1,062
Taxes receivable		103,938
Due from Tax Collector - ad valorem taxes		454,122
Capital Assets, Net of Accumulated Depreciation		1,787,647
<b>TOTAL ASSETS</b>		<u><u>3,280,607</u></u>

**LIABILITIES**

Accounts Payable		8,126
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**DEFERRED INFLOWS OF RESOURCES**

Subsequent year - property taxes		558,622
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**NET POSITION**

Net investment in capital assets		1,787,647
Unrestricted		926,212
<b>TOTAL NET POSITION</b>	\$	<u><u>2,713,859</u></u>

See notes to financial statements.

**VETERANS MEMORIAL DISTRICT****Statement of Activities**

For the Year Ended December 31, 2020

	Expenses	Program Revenues:		Net (Expenses) Revenue
		Charges for Services	Capital Grants and Contributions	
<b>Governmental Activities</b>				
Professional Fees	\$ 8,000	\$ -	\$ -	(\$8,000)
Secretary Cost	1,823	-	-	(1,823)
Transportation Cost	96,317	-	-	(96,317)
Veteran Programs	9,701	-	-	(9,701)
Repairs and Maintenance	287,567	-	-	(287,567)
Insurance	15,802	-	-	(15,802)
Advertisement	1,107	-	-	(1,107)
Supplies	916	-	-	(916)
Taxes and Licenses	22,569	-	-	(22,569)
Depreciation	117,662	-	-	(117,662)
<b>Total Governmental Activities</b>	<b>\$ 561,464</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(561,464)</b>
<b>General Revenues:</b>				
Ad Valorem Taxes				523,796
Miscellaneous				356
		<b>Total General Revenues</b>		<b>524,152</b>
<b>Change in Net Position</b>				<b>(37,312)</b>
<b>Net Position:</b>				
Beginning				2,751,171
Ending				<b>\$ 2,713,859</b>

See notes to financial statements.

**VETERANS MEMORIAL DISTRICT**  
**Balance Sheet - Governmental Funds-General Fund**  
December 31, 2020

**ASSETS**

Cash and Cash equivalents	\$ 933,838
Receivables:	
Taxes receivable	103,938
Due from tax collector	454,122
Deposits	1,062
<b>TOTAL ASSETS</b>	<b><u>\$ 1,492,960</u></b>

**LIABILITIES**

Accounts payable	\$ 8,126
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**DEFERRED INFLOWS OF RESOURCES**

Subsequent year - property taxes	558,622
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**FUND EQUITY**

Fund Balances:	
Unassigned	926,212
<b>TOTAL FUND EQUITY</b>	<b><u>926,212</u></b>

<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<b><u>\$ 1,492,960</u></b>
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**RECONCILIATION TO THE STATEMENT OF NET POSITION:**

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:

	Capital Assets	2,698,128
	Accumulated Depreciation	<u>(910,481)</u>
		1,787,647
<b>Net position of governmental activities</b>		<b><u>\$ 2,713,859</u></b>

See notes to financial statements.

**VETERANS MEMORIAL DISTRICT**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2020**

	<b>General Fund</b>
<b>REVENUES</b>	
Ad Valorem Taxes	\$ 523,796
Miscellaneous	356
<b>Total Revenues</b>	<b>524,152</b>
<b>EXPENDITURES</b>	
Current - Health & Community Services:	
Professional Fees	8,000
Secretary Cost	1,823
Transportation Cost	96,317
Maintenance & Grounds	287,567
Insurance	15,802
Advertisement	1,107
Veteran Programs	9,701
Supplies	916
Utilities	22,569
Total Current	443,802
Capital Outlay	-
<b>Total Expenditures</b>	<b>443,802</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>80,350</b>
<b>FUND BALANCE</b>	
Beginning of year	845,862
End of year	<b>\$ 926,212</b>

See notes to financial statements.

**VETERANS MEMORIAL DISTRICT**

Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2020

<b>Net change in fund balances - governmental funds</b>		<b>\$ 80,350</b>
 Amounts reported for <i>governmental activities</i> in the Statement of Activities (government-wide financial statements) are different because:		
 Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their useful lives and reported as depreciation expense.		
Capital outlay	\$ -	
Depreciation expense	(117,662)	
Amount by which depreciation exceeded capital outlays		<u>(117,662)</u>
<b>Change in net assets of governmental activities</b>		<b><u>\$ (37,312)</u></b>

See notes to financial statements.



## **VETERANS MEMORIAL DISTRICT**

Notes to the Financial Statements  
For the Year Ended December 31, 2020

The Veterans' Memorial District of Ward 10 of Lafourche Parish was created by the Legislature of Louisiana in its Regular Session, 2005 by R.S. 33:9356. The governing authority shall consist of a Board of 9 Commissioners who are electors domiciled in Ward 10 of Lafourche Parish, and a minimum of six members shall be honorable discharged veterans' posts in Ward 10, one member each selected and appointed by the Lafourche Parish President, State Senator representing District 20, and State Representative representing District 54 serving different terms. A board member may be removed for cause by the Lafourche Parish Council.

The Board has the powers and duties of a governing body as provided by law, except the approval of the Lafourche Parish Council must first be obtained prior to any of the following actions by the Board:

- Adoption of annual budget
- Purchase, sale, or encumbrance of immovable property
- Submitting for voter approval a proposed renewal or increase in ad valorem taxes
- Any other matter or action as determined by ordinance adopted by the Lafourche Parish Council.

The accompanying basic financial statements have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

### **Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **A.      Reporting Entity**

Under Governmental Accounting and Financial Standards Section 2100, the financial reporting entity consists of the primary government and its component units. As the governing authority of the parish, the Lafourche Parish Council is considered to be the primary government for financial reporting purposes for the Parish of Lafourche.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Lafourche Parish Government, the general government services provided by that governmental unit, or any other governmental reporting entity. The accompanying financial statements will be included in the comprehensive annual financial report (CAFR) of the Lafourche Parish Government.

## **VETERANS MEMORIAL DISTRICT**

Notes to the Financial Statements  
For the Year Ended December 31, 2020

### **Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

#### **B.      Basic Financial Statements – Basis of Presentation**

The basic financial statements include both government-wide (reporting as a whole) and fund financial statements (reporting major funds). Both the government-wide and fund financial statements categorize primary activities as governmental type activities. All of the health and community service activity is classified as governmental activity.

#### **Government-Wide Financial Statements (GWFS)**

In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Net position is reported in three categories—net invested in capital assets; restricted; and unrestricted.

The government-wide Statement of Activities reports both the gross and net cost of functions and activities. These functions are also supported by general government revenues (ad valorem taxes and interest earned). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function. Operating grants include operating-specific and discretionary (either operating or capital) grants.

The net costs (by function) are normally covered by general revenue (ad valorem taxes and interest earned). This government-wide focus is more on the sustainability of the entity and the change in net assets resulting from the current year's activities.

#### **Fund Financial Statements (FFS)**

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

**VETERANS MEMORIAL DISTRICT**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**B.      Basic Financial Statements – Basis of Presentation (continued)**

**Fund Financial Statements (continued)**

**Governmental Funds**

Governmental funds account for all of the general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance.

In general, fund balance represents the accumulated expendable resources that may be used to finance future period programs or operations. The General Fund is used to account for all financial resources and expenditures except those that are required to be accounted for in another fund.

**C.      Measurement Focus / Basis of Accounting**

*Fund Financial Statements (FFS)*

The amounts reflected in fund financial statements, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of operations.

The amounts reflected in the fund financial statements, use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Revenues are considered available if they are collected within 60 days after the fiscal year end.

## **VETERANS MEMORIAL DISTRICT**

Notes to the Financial Statements  
For the Year Ended December 31, 2020

### **Note 1      *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)***

#### **C.      *Measurement Focus / Basis of Accounting (continued)***

Expenditures are recorded when the related fund liability is incurred, except for interest and principal payments on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The governmental funds use the following practices in recording revenues and expenditures:

**Revenues** – Ad valorem taxes are recorded as revenue in the period for which levied, thus the 2019 property taxes which were levied to finance the 2020 budget are recognized as revenue in 2020. Miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable or available until received.

**Expenditures** – The major expenditures current supplies, insurance and audit and accounting fees are recorded when payable or when the fees are incurred.

#### ***Government-Wide Financial Statements (GWFS)***

The government-wide financial statements display information as a whole. These statements include all the financial activities. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed).

Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of Section N50.

**Program Revenues** - Program revenues included in the column labeled Statement of Activities are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the general revenues.

**VETERANS MEMORIAL DISTRICT**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**Note 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**D. Use of Estimates**

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

**E. Operating Budgets**

As required by Louisiana Revised Statutes, The Board of Commissioners adopted a budget for the District. The Board, as allowed by state law, allowed for public participation in the budget process since budgeted expenditures exceeded \$500,000. The Board must approve any amendment involving the transfer of monies from one function to another, or increases in expenditures. All budgeted amounts that are not expended or obligated through contracts lapse at year-end. The General Fund budget is adopted on a basis materially consistent with accounting principles generally accepted in the United States of America. The budget was not amended during the current year.

**F. Cash and deposits**

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

**G. Receivables**

The financial statements contain no allowance for uncollectible accounts. Uncollectible amounts due for ad valorem taxes are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or operations of the funds.

# VETERANS MEMORIAL DISTRICT

Notes to the Financial Statements  
For the Year Ended December 31, 2020

## **Note 1**      **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

### **H. Deferred Inflows of Resources**

GASB Statements 63 and 65 provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources which defines those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively.

### **I. Capital Assets**

Capital assets are recorded at historical cost or estimated if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. Capital assets are recorded in the GWFS. All capital assets, other than land, are depreciated using the straight-line method over the following estimated useful lives:

<u>CATEGORY</u>	<u>LIFE</u>
BUILDINGS	25 YEARS
TRUCKS	15 YEARS
EQUIPMENT	5 YEARS

### **J. Restricted Net Assets**

For government-wide statement of net position, net assets are reported as restricted when constraints placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; and
2. imposed by law through constitutional provisions or enabling legislation.

### **K. Fund Equity**

Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned, or unassigned.

- Non-spendable fund balance cannot be spent because of its form.
- Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions.
- Committed fund balance is a limitation imposed by the Board through approval in minutes.
- Assigned fund balances is a limitation imposed by a designee of the Board.

**VETERANS MEMORIAL DISTRICT**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**Note 1            SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)**

**K.     Fund Equity (continued)**

- Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

**Note 2            DEPOSITS**

Demand (deposits, interest bearing demand deposits and certificates of deposit) are recorded at cost, which approximates fair value. At December 31, 2020, the reported amount of deposits was \$933,838 and the bank balance was \$934,996.

Custodial credit risk is the risk that in an event of a bank failure, the deposits may not be returned to it. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposits insurance or the pledge of securities owned by the fiscal agent bank. The market values of the pledged securities plus the federal deposit insurance (FDIC) 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. The District has \$684,996 exposed to custodial credit risk and securities pledged to cover those deposits.

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the entity that the fiscal agent has failed to pay deposited funds upon demand.

**Note 3            AD VALOREM TAXES**

In 2013 the voters approved to renew a ninety-four hundredths (.94) mills tax on all of the property subject to taxation in Ward 10 for a period of 10 years beginning in the year 2014 and ending with the year 2023, for the purpose of providing funds to construct, improve, maintain and operate memorials, halls, buildings and facilities within the District upon sites owned, leased or made available to the District and acquiring equipment and furnishings therefore for the use of veterans, nonveterans and patriotic, fraternal, or benevolent associations of such persons.

**VETERANS MEMORIAL DISTRICT**

Notes to the Financial Statements  
For the Year Ended December 31, 2020

**Note 3 AD VALOREM TAXES (continued)**

Property taxes are levied each December 1 on the assessed value listed as of the prior January 1 for all real property, merchandise and movable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all property is required to be completed no less than every four years. The last reevaluation was completed for the list of January 1, 2020.

Taxes are due and payable December 31 with interest being charged on payments after January 1. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes.

The 2019 property tax levy is recognized as revenue in fiscal 2020. The 2020 property tax levy is recognized as deferred in fiscal 2020 because it is the intent of the Board to use these taxes to fund 2021 operations. The tax rate for each of the years ended December 31, 2019 and 2020 was \$0.94 and \$0.99 per \$1,000 of assessed valuation on property within Lafourche Parish Veterans Memorial District for constructing and maintaining a monument and the retirement of general long term debt, principal, interest, and related costs for the District.

**Note 4 COMPENSATION OF BOARD MEMBERS**

No compensation was paid to Board Members during the year ended December 31, 2020.

**Note 5 DUE FROM OTHER GOVERNMENTAL UNITS**

The amounts due from other governmental units consisted of ad valorem tax collections due from the Lafourche Parish Tax Collector to be remitted in January 2021.



**VETERANS MEMORIAL DISTRICT**  
Notes to the Financial Statements  
For the Year Ended December 31, 2020

**Note 6 CAPITAL ASSETS**

A schedule of changes in capital assets follows:

<b>Governmental activities</b>	<b>Balance 12/31/19</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/20</b>
Land	\$ 230,000	\$ -	\$ -	\$230,000
Monument	886,465	-	-	886,465
Buildings & Improvements	440,064	-	-	440,064
Water Fountain & Pond	347,444	-	-	347,444
Improvements-other than Building	485,418	-	-	485,418
Equipment-Machinery & Vehicles	291,244	-	-	291,244
Equipment-Office	17,493	-	-	17,493
<b>Total Assets</b>	<b>\$2,698,128</b>	<b>-</b>	<b>-</b>	<b>\$2,698,128</b>

Less accumulated depreciation:

Monument	297,016	36,513	-	333,529
Buildings & Improvements	125,012	17,457	-	142,469
Water Fountain & Pond	72,519	12,946	-	85,465
Improvements-other than Building	120,458	21,159	-	141,617
Equipment-Machinery & Vehicles	161,970	28,873	-	190,843
Equipment-Office	15,844	714	-	16,558
<b>Totals</b>	<b>792,819</b>	<b>117,662</b>	<b>-</b>	<b>910,481</b>
<b>Capital assets, net</b>	<b>\$1,905,309</b>			<b>\$1,787,647</b>

Depreciation expense for the year was \$117,662 recorded as governmental activities. There were no additions to capital assets and no disposals.

**Note 7 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. To protect against these risks, the District has purchased commercial or other insurance for the losses to which it is exposed.

***REQUIRED SUPPLEMENTAL  
INFORMATION***

**VETERANS MEMORIAL DISTRICT**  
**Budget Comparison Schedule**  
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance - Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>	(no amendments)			
Ad Valorem Taxes	\$ 493,300	\$ 493,300	\$ 523,796	\$30,496
Miscellaneous	-	-	356	356
Total Revenues	<u>493,300</u>	<u>493,300</u>	<u>524,152</u>	<u>30,852</u>
<b>EXPENDITURES:</b>				
Current:				
Professional Fees	14,500	14,500	9,823	4,677
Transportation Cost	95,000	95,000	96,317	(1,317)
Veterans Programs	68,000	68,000	9,701	58,299
Repairs and Maintenance	355,000	355,000	287,567	67,433
Insurance	29,000	29,000	15,802	13,198
Advertising & Promotion	3,500	3,500	1,107	2,393
Supplies	49,000	49,000	916	48,084
Utilities	32,000	32,000	22,569	9,431
Total Current	646,000	646,000	443,802	202,198
Capital Outlay	374,200	374,200	0	374,200
Total Expenditures	<u>1,020,200</u>	<u>1,020,200</u>	<u>443,802</u>	<u>576,398</u>
<b>NET CHANGE IN FUND BALANCE</b>	(526,900)	(526,900)	80,350	607,250
<b>FUND BALANCE:</b>				
Beginning of year	513,000	513,000	845,862	268,789
End of year	<u>(\$13,900)</u>	<u>(\$13,900)</u>	<u>\$926,212</u>	<u>\$876,039</u>

## ***OTHER INFORMATION***

**VETERANS MEMORIAL DISTRICT**

Schedule of Compensation, Benefits and Other Payments to Agency Head  
For the Year Ended December 31, 2020

**Agency Head Name: Mr. Van Kurt Chouest, Board President**

<b>Purpose</b>	<b>Amount</b>
Salary	\$0
Benefits-insurance	\$0
Benefits-retirement	\$0
Deferred compensation (contributions made by the agency)	\$0
Benefits-other (describe)	\$0
Car allowance	\$0
Vehicle provided by government (enter amount reported on W-2 adjusted for various fiscal years)	\$0
Cell phone	\$0
Dues	\$0
Vehicle rental	\$0
Per diem	\$0
Reimbursements	\$0
Travel	\$0
Registration fees	\$0
Conference travel	\$0
Housing	\$0
Unvouchered expenses (expample: travel advances, etc.)	\$0
Special meals	\$0
Other (including payments made by other parties on behalf of the agency head)	\$0

*This form is used to satisfy the supplemental reporting requirement of R.S. 24:513(A)(3)*

***REPORTS REQUIRED BY GOVERNMENT  
AUDITING STANDARDS***



# STAGNI & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

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## **Independent Auditor's Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit Of Financial Statements Performed In Accordance With Government Auditing Standards**

To the Board of Commissioners,  
Veterans Memorial District  
Larose, LA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of the Veterans Memorial District, a component unit of the Lafourche Parish Government, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents and have issued our report thereon dated May 21, 2021.

### ***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the 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 internal control. Accordingly, we do not express an opinion on the effectiveness of the internal controls.

*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 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.

To the Board of Commissioners  
Veterans Memorial District  
Page 2

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

***Compliance and Other Matters***

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

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Stagni & Company*

May 21, 2021  
Thibodaux, Louisiana

