

**Town of Sibley
Sibley, Louisiana**

Financial Statement with Auditors' Report

As of and For the Year Ended June 30, 2023

Town of Sibley
Sibley, Louisiana

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Sibley, Louisiana

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Independent Auditors' Report

The Honorable Jimmy Williams, Mayor
and Members of the Town Council
Town of Sibley
Sibley, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Sibley, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Sibley's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Sibley, as of June 30, 2023, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Sibley 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 Sibley's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 – 10 and 38 – 40 be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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

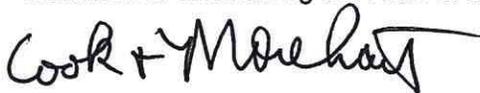
Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. As disclosed in Note 1 to the financial statements, the Town of Sibley prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. The other

supplementary information schedule, Justice System Funding Schedule, shown on page 41, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. This schedule is presented to satisfy the requirements of Act 87 of the 2020 Regular Legislative Session (R.S. 24:515.2) and must be presented on the cash basis of accounting which differs significantly from those principles used to present financial statements in accordance with accounting principles generally accepted in the United States of America. The 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 Justice System Funding Schedule, shown on page 41, is fairly stated in all material respects, in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Sibley's basic financial statements. The other supplementary information listed in the table of contents and shown on pages 42 – 43 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The other supplementary 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2023, on our consideration of the Town of Sibley, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Sibley's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Sibley's internal control over financial reporting and compliance.



Cook & Morehart
Certified Public Accountants
December 20, 2023

TOWN OF SIBLEY

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Town of Sibley's financial performance provides an overview of the Town of Sibley's financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the Town's financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- The Town of Sibley's net position of our governmental activities decreased by \$4,885 or .3%. The Town of Sibley's net position of our business-type activities decreased by \$126,207 or 4.6%.
- In the Town's governmental activities, total general and program revenues were \$854,223 in 2023 compared to \$758,787 in 2022. Total expenses, excluding depreciation, totaled \$765,092 for the year ended June 30, 2023.
- In the Town's business-type activities, revenues and transfers in decreased by \$130,864, while expenses increased by \$6,401. The decrease in revenue is mainly due to a decrease in capital grants.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 11 and 12) provide information about the activities of the Town of Sibley as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 13. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town of Sibley's operations in more detail than the government-wide statements by providing information about the Town of Sibley's most significant funds.

Reporting the Town of Sibley as a Whole

Our analysis of the Town of Sibley as a whole begins on page 11. One of the most important questions asked about the Town of Sibley's finances is "Is the Town of Sibley as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the funds maintained by the Town of Sibley as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town of Sibley's *net position* and changes in them. You can think of the Town of Sibley's net position – the difference between assets and liabilities – as one way to measure the Town of Sibley's financial health, or *financial position*. Over time, *increases* or *decreases* in the Town of Sibley's net position is one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Town's property tax base, to assess the overall health of the Town.

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

Governmental activities – Most of the Town's basic services are reported here, including the police, fire, public works, and general administration. Property taxes, franchise fees, sales taxes, and police department fines, and various other revenues finance most of these activities.

Business-type activities – The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's water and sewer system are reported here.

Reporting the Town's Most Significant Funds

Our analysis of the major funds maintained by the Town of Sibley begins on page 13. The fund financial statements begin on page 13 and provide detailed information about the most significant funds maintained by the Town of Sibley – not the Town of Sibley as a whole. The Town of Sibley's two kinds of funds – *governmental* and *proprietary* – use different accounting approaches.

Governmental funds – Most of the Town of Sibley's 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 governmental fund statements provide a detailed *short-term view* of the Town of Sibley's general government operations and the expenses paid from those funds. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance certain Town of Sibley expenses. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation following the fund financial statements.

Proprietary funds – When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

THE TOWN OF SIBLEY AS A WHOLE

The Town of Sibley’s combined net position changed from a year ago, decreasing from \$4,247,906 to \$4,116,814. A comparative analysis of the funds maintained by the Town of Sibley is presented below.

**Table 1
Net Position**

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 1,310,818	\$ 1,116,221	\$ 244,021	\$ 219,571	\$ 1,554,839	\$ 1,335,792
Capital assets	1,166,784	608,349	2,652,097	2,799,655	3,818,881	3,408,004
Total assets	<u>2,477,602</u>	<u>1,724,570</u>	<u>2,896,118</u>	<u>3,019,226</u>	<u>5,373,720</u>	<u>4,743,796</u>
Current liabilities	468,569	228,732	73,688	70,589	542,257	299,321
Long-term liabilities	524,649	6,569	190,000	190,000	714,649	196,569
Total liabilities	<u>993,218</u>	<u>235,301</u>	<u>263,688</u>	<u>260,589</u>	<u>1,256,906</u>	<u>495,890</u>
Net position:						
Net investment in capital assets	642,136	601,780	2,462,097	2,609,655	3,104,233	3,211,435
Restricted	684,468	607,226	37,611	36,093	722,079	643,319
Unrestricted	157,780	280,263	132,722	112,889	290,502	393,152
Total net position	<u>\$ 1,484,384</u>	<u>\$ 1,489,269</u>	<u>\$ 2,632,430</u>	<u>\$ 2,758,637</u>	<u>\$ 4,116,814</u>	<u>\$ 4,247,906</u>

Net position of the Town of Sibley’s governmental activities decreased by \$4,885 or .3%. Net position of the Town of Sibley’s business-type activities decreased by \$126,207 or 4.6%.

Table 2
Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues and gains						
Program revenues						
Charge for services	\$ 177,112	\$ 133,471	\$ 411,274	\$ 382,968	\$ 588,386	\$ 516,439
Capital grants and contributions			24,800	130,531	24,800	130,531
General revenue						
Ad valorem taxes	68,785	65,513			68,785	65,513
Sales taxes	442,342	399,193			442,342	399,193
Franchise taxes	34,637	31,819			34,637	31,819
Investment earnings	11,621	246	815	54	12,436	300
Intergovernmental	83,598	92,619			83,598	92,619
Gain on sale of assets		9,849				9,849
Miscellaneous	36,128	26,077			36,128	26,077
Total revenues	<u>854,223</u>	<u>758,787</u>	<u>436,889</u>	<u>513,553</u>	<u>1,291,112</u>	<u>1,272,340</u>
Expenses						
General government	345,157	291,077			345,157	291,077
Public safety	290,359	240,421			290,359	240,421
Public works	204,203	152,124			204,203	152,124
Interest on long-term debt	19,389	677			19,389	677
Water			334,666	329,198	334,666	329,198
Sewer			228,430	227,497	228,430	227,497
Total expenses	<u>859,108</u>	<u>684,299</u>	<u>563,096</u>	<u>556,695</u>	<u>1,422,204</u>	<u>1,240,994</u>
Transfers		(54,200)		54,200		
Increases (decreases) in net position	<u>\$ (4,885)</u>	<u>\$ 20,288</u>	<u>\$ (126,207)</u>	<u>\$ 11,058</u>	<u>\$ (131,092)</u>	<u>\$ 31,346</u>

The Town's total revenues increased by \$18,772 or 1.5%. The total cost of all programs and services increased \$181,210 or 14.6%. Our following analysis separately considers the operations of the governmental and business-type activities.

Governmental Activities

Total revenues and gains for the governmental activities increased \$95,436 (12.6%) from a year ago, from total revenues in the year ended June 30, 2022 of \$758,787 to total revenues and gains of \$854,223 in the year ended June 30, 2023, largely due to an increase in sales taxes and intergovernmental revenues.

The cost of all governmental activities this year was \$859,108. These costs were covered by \$177,112 of program revenues, with the remaining costs covered by property taxes, sales taxes, and other general revenues.

Business-type Activities

Total revenues for the business-type activities decreased by \$76,664 (14.9%) from total revenues in the year ended June 30, 2022 of \$513,553 to total revenues of \$436,889 in the year ended June 30, 2023. The decrease was due to decreases in capital grants received for water and sewer improvements.

The cost of all business-type activities this year was \$563,096. These costs were covered in large part by \$436,074 of program revenues and capital grant contributions.

THE TOWN'S FUNDS

As the Town completed the year, its governmental funds (as presented in the balance sheet on page 13) reported a *combined* fund balance of \$861,291, which is a decrease from last year's fund balance of \$870,091. Revenues increased \$105,285 from the prior year. Expenditures increased by \$709,149 mainly due to increases in capital outlay, repairs and maintenance and other operational expenses.

General Fund Budgetary Highlights

The Town adopted a budget for its General Fund for the year ended June 30, 2023. There was one amendment to the budget during the year. The Town's budgetary comparison is presented as required supplementary information and shown on page 38. Highlights for the year are as follows:

Sales tax revenue transferred in totaled \$202,101. Also, the Town received \$178,358 in proceeds from a financing lease.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2023, the Town of Sibley had invested \$3,818,881 in capital assets. (see table 3 below)

Table 3
Capital Assets at Year End
(Net Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 259,616	\$ 44,007	\$ 26,988	\$ 26,988	\$ 286,604	\$ 70,995
Buildings	85,750	47,572			85,750	47,572
Infrastructure	45,292	54,815			45,292	54,815
Furniture, equipment, and vehicles	64,671	36,957			64,671	36,957
Fire department equipment and vehicles	711,455	424,998			711,455	424,998
Sewer system			1,367,336	1,457,118	1,367,336	1,457,118
Water system			1,257,773	1,315,549	1,257,773	1,315,549
Total assets	<u>\$ 1,166,784</u>	<u>\$ 608,349</u>	<u>\$ 2,652,097</u>	<u>\$ 2,799,655</u>	<u>\$ 3,818,881</u>	<u>\$3,408,004</u>

This year's major additions included:

Other Water Equipment	24,800
Other improvements	38,314
Vehicle Purchase	28,000
Fire apparatus	346,291
	<u>\$ 437,405</u>

More detailed information about the capital assets are presented in Note 5 to the financial statements.

Debt

At year-end, the Town had \$714,649 in debt outstanding, versus \$196,569 last year – an increase of 263.6%.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Lease obligations	\$ 524,649	\$ 6,569	\$	\$	\$ 524,649	\$ 6,569
Sewer revenue refunding bonds			190,000	190,000	190,000	190,000
Totals	<u>\$ 524,649</u>	<u>\$ 6,569</u>	<u>\$ 190,000</u>	<u>\$ 190,000</u>	<u>\$ 714,649</u>	<u>\$ 196,569</u>

State law restricts the amount of debt that the Town of Sibley may issue. The aggregate principal amount of debt may not exceed 10% of the assessed valuation for property tax purposes of all real and personal property located within the parish. The Town of Sibley's total debt outstanding at year-end was well below this limitation.

The increase in the lease obligations for the year ended June 30, 2023 was due to two(2) new finance purchases of land and a new fire truck-pumper.

More detailed information about the debt is presented in Note 11 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Town of Sibley's management considered many factors when setting a fiscal year June 30, 2024 budget. Amounts available for appropriation in the governmental funds are expected to remain substantially the same.

General operating expenditures for the year ended June 30, 2024 are expected to remain substantially the same.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the Town of Sibley and to show the Town of Sibley's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Mayor at P.O. Box 128, Sibley, LA 71073.

Town of Sibley
Sibley, Louisiana
Statement of Net Position
June 30, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and cash equivalents	\$ 922,339	\$ 118,776	\$ 1,041,115
Investments	334,331	13,485	347,816
Receivables	44,921	34,761	79,682
Internal balances	9,227	(9,227)	
Restricted assets:			
Cash- customer deposits		48,615	48,615
Cash and cash equivalents- debt service		37,611	37,611
Capital assets not being depreciated	259,616	26,988	286,604
Depreciable capital assets, net	907,168	2,625,109	3,532,277
Total assets	2,477,602	2,896,118	5,373,720
Liabilities			
Accounts payable and accrued expenses	20,149	20,846	40,995
Unearned revenue	429,378		429,378
Customer deposits		48,615	48,615
Accrued interest payable	19,042	4,227	23,269
Non-current liabilities:			
Due within one year	96,812	24,000	120,812
Due in more than one year	427,837	166,000	593,837
Total liabilities	993,218	263,688	1,256,906
Net Position			
Net investment in capital assets	642,136	2,462,097	3,104,233
Restricted for:			
Debt Service		37,611	37,611
Public Safety	575,515		575,515
Public Works	108,953		108,953
Unrestricted	157,780	132,722	290,502
Total net position	\$ 1,484,384	\$ 2,632,430	\$ 4,116,814

See accompanying notes to the basic financial statements.

Town of Sibley
Sibley, Louisiana
Statement of Activities
For the Year Ended June 30, 2023

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions / Programs:						
Governmental Activities						
General government	\$ 345,157	\$ 70,746	\$	\$ (274,411)	\$	\$ (274,411)
Public safety	290,359	106,366		(183,993)		(183,993)
Public works	204,203			(204,203)		(204,203)
Interest on long-term debt	19,389			(19,389)		(19,389)
Total governmental activities	859,108	177,112		(681,996)		(681,996)
Business-type Activities						
Water	334,666	257,226	24,800		(52,640)	(52,640)
Sewer	228,430	154,048			(74,382)	(74,382)
Total business-type activities	563,096	411,274	24,800		(127,022)	(127,022)
Total Government	\$ 1,422,204	\$ 588,386	\$ 24,800	(681,996)	(127,022)	(809,018)
General revenues:						
				68,785		68,785
				442,342		442,342
				34,637		34,637
				83,598		83,598
				11,621	815	12,436
				36,128		36,128
			Total general revenues	677,111	815	677,926
			Change in net position	(4,885)	(126,207)	(131,092)
			Net position - beginning	1,489,269	2,758,637	4,247,906
			Net position - ending	\$ 1,484,384	\$ 2,632,430	\$ 4,116,814

See accompanying notes to the basic financial statements.

Town of Sibley
Sibley, Louisiana
Balance Sheet
Governmental Funds
June 30, 2023

	General	Sales Tax	Volunteer Fire Department	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 152,933	\$ 490,992	\$ 278,414	\$ 922,339
Investments	33,116		301,215	334,331
Receivables	3,421	41,500		44,921
Due from other fund		12,756	2,967	15,723
Total assets	<u>\$ 189,470</u>	<u>\$ 545,248</u>	<u>\$ 582,596</u>	<u>\$ 1,317,314</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable and accrued expenses	\$ 10,021	\$ 3,195	\$ 6,933	\$ 20,149
Unearned revenue		429,378		429,378
Due to other fund	2,626	3,722	148	6,496
Total liabilities	<u>12,647</u>	<u>436,295</u>	<u>7,081</u>	<u>456,023</u>
Fund balances:				
Restricted for:				
Public works		108,953		108,953
Public safety			575,515	575,515
Unassigned	176,823			176,823
Total fund balances	<u>176,823</u>	<u>108,953</u>	<u>575,515</u>	<u>861,291</u>
Total liabilities and fund balances	<u>\$ 189,470</u>	<u>\$ 545,248</u>	<u>\$ 582,596</u>	<u>\$ 1,317,314</u>

See accompanying notes to the basic financial statements.

Town of Sibley
 Sibley, Louisiana
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position
 June 30, 2023

Fund balances - total governmental funds	\$	861,291
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		1,166,784
<p>Long-term liabilities and other amounts not due and payable in the current period and therefore are not reported in the funds.</p>		
Finance purchases payable		(524,649)
Accrued interest payable		(19,042)
		(543,691)
Net position of governmental activities	\$	1,484,384

See accompanying notes to the basic financial statements.

Town of Sibley
Sibley, Louisiana
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2023

	General	Sales Tax	Volunteer Fire Department	Total Governmental Funds
Revenues:				
Ad valorem taxes	\$ 68,785	\$	\$	\$ 68,785
Sales tax		442,342		442,342
Franchise taxes	34,637			34,637
Licenses and permits	70,746			70,746
Intergovernmental revenues			83,598	83,598
Fines and forfeitures	106,366			106,366
Investment earnings	1,440	345	9,836	11,621
Miscellaneous	28,905	7,223		36,128
Total revenues	<u>310,879</u>	<u>449,910</u>	<u>93,434</u>	<u>854,223</u>
Expenditures:				
Current:				
General government	314,543			314,543
Public safety	198,159		75,101	273,260
Public works		140,502		140,502
Debt Service:				
Principal		6,569		6,569
Interest		347		347
Capital outlay	264,678	27,722	360,051	652,451
Total expenditures	<u>777,380</u>	<u>175,140</u>	<u>435,152</u>	<u>1,387,672</u>
Excess (deficiency) of revenue over (under) expenditures	<u>(466,501)</u>	<u>274,770</u>	<u>(341,718)</u>	<u>(533,449)</u>
Other financing sources (uses):				
Transfers in	202,101		80,840	282,941
Transfers out		(282,941)		(282,941)
Proceeds finance purchase	178,358		346,291	524,649
Total other financing sources (uses)	<u>380,459</u>	<u>(282,941)</u>	<u>427,131</u>	<u>524,649</u>
Net change in fund balances	(86,042)	(8,171)	85,413	(8,800)
Fund balances at beginning of year	<u>262,865</u>	<u>117,124</u>	<u>490,102</u>	<u>870,091</u>
Fund balances at end of year	<u>\$ 176,823</u>	<u>\$ 108,953</u>	<u>\$ 575,515</u>	<u>\$ 861,291</u>

See accompanying notes to the basic financial statements.

Town of Sibley
Sibley, Louisiana
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2023

Net change in fund balances - total governmental funds	\$	(8,800)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statements of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$94,016) is exceeded by capital outlays (\$652,451) in the current period.</p>		558,435
<p>The nonallocation method of accounting for prepayments is used in the fund statements, since the prepayment does not provide expendable financial resources.</p>		(17,398)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction has any effect on net assets.</p>		
Principal payments on long-term debt		6,569
Proceeds from finance leases payable		(524,649)
<p>Changes to accrued interest on long-term debt in the statement of activities does not require the use of current financial resources therefore, are not reported as expenditures in the governmental funds.</p>		<u>(19,042)</u>
Change in net position of governmental activities	<u>\$</u>	<u>(4,885)</u>

See accompanying notes to the basic financial statements.

Town of Sibley
Sibley, Louisiana
Statement of Net Position
Proprietary Funds
June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Totals
Assets			
Current assets:			
Cash and cash equivalents	\$ 82,633	\$ 36,143	\$ 118,776
Investments	13,485		13,485
Receivables	21,225	13,536	34,761
Restricted cash- customer deposits	48,615		48,615
Due from other fund	10,362		10,362
Total current assets	<u>176,320</u>	<u>49,679</u>	<u>225,999</u>
Noncurrent assets:			
Restricted cash and cash equivalents- debt service		37,611	37,611
Capital assets:			
Land	3,799	23,189	26,988
Plant and equipment	2,708,805	3,709,177	6,417,982
Less: accumulated depreciation	(1,451,033)	(2,341,840)	(3,792,873)
Total noncurrent assets	<u>1,261,571</u>	<u>1,428,137</u>	<u>2,689,708</u>
Total assets	<u>\$ 1,437,891</u>	<u>\$ 1,477,816</u>	<u>\$ 2,915,707</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 17,762	\$ 3,084	\$ 20,846
Due to other fund		19,589	19,589
Customer deposits	48,615		48,615
Revenue bonds		24,000	24,000
Accrued interest		4,227	4,227
Total current liabilities	<u>66,377</u>	<u>50,900</u>	<u>117,277</u>
Noncurrent liabilities:			
Revenue bonds		166,000	166,000
Total noncurrent liabilities		<u>166,000</u>	<u>166,000</u>
Total liabilities	<u>66,377</u>	<u>216,900</u>	<u>283,277</u>
Net position			
Net investment in capital assets	1,261,571	1,200,526	2,462,097
Restricted for debt service		37,611	37,611
Unrestricted	109,943	22,779	132,722
Total net position	<u>1,371,514</u>	<u>1,260,916</u>	<u>2,632,430</u>
Total liabilities and net position	<u>\$ 1,437,891</u>	<u>\$ 1,477,816</u>	<u>\$ 2,915,707</u>

See accompanying notes to the basic financial statements.

Town of Sibley
Sibley, Louisiana
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2023

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Operating revenues:			
Charges for service -			
Water sales	\$ 241,560	\$	\$ 241,560
Sewerage service charges		150,425	150,425
Other charges and fees	15,666	3,623	19,289
Total operating revenues	<u>257,226</u>	<u>154,048</u>	<u>411,274</u>
Operating expenses:			
Salaries	76,370	35,562	111,932
Payroll taxes	1,696	3,380	5,076
Employee benefits	12,298	11,265	23,563
Insurance - general	19,654	3,020	22,674
Maintenance and repairs	32,527	26,937	59,464
Miscellaneous expenses	13,574	6,158	19,732
Office expense	10,901	462	11,363
Materials and supplies	65,541	8,845	74,386
Uniforms	1,490	1,645	3,135
Utilities	18,039	32,919	50,958
Depreciation	82,576	89,782	172,358
Total operating expenses	<u>334,666</u>	<u>219,975</u>	<u>554,641</u>
Operating income (loss)	<u>(77,440)</u>	<u>(65,927)</u>	<u>(143,367)</u>
Non-operating revenues (expenses):			
Interest income	554	261	815
Interest expense and charges		(8,455)	(8,455)
Total non-operating revenues (expenses)	<u>554</u>	<u>(8,194)</u>	<u>(7,640)</u>
Income (loss) before capital contributions and transfers	(76,886)	(74,121)	(151,007)
Capital contributions	24,800		24,800
Transfers in (out)	(15,500)	15,500	
Total capital contributions and transfers	<u>9,300</u>	<u>15,500</u>	<u>24,800</u>
Change in net position	(67,586)	(58,621)	(126,207)
Net position - beginning of year	<u>1,439,100</u>	<u>1,319,537</u>	<u>2,758,637</u>
Net position - end of year	<u>\$ 1,371,514</u>	<u>\$ 1,260,916</u>	<u>\$ 2,632,430</u>

See accompanying notes to the basic financial statements.

Town of Sibley
Sibley, Louisiana
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2023

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Totals
Cash Flows From Operating Activities			
Receipts from customers	\$ 255,117	\$ 153,991	\$ 409,108
Cash payments to suppliers for goods and services	(172,339)	(94,548)	(266,887)
Cash payments to employees for services	(76,892)	(39,632)	(116,524)
Net Cash Provided By Operating Activities	<u>5,886</u>	<u>19,811</u>	<u>25,697</u>
Cash Flows From Noncapital Financing Activities			
Transfers to other funds	(15,500)	15,500	
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>(15,500)</u>	<u>15,500</u>	
Cash Flows From Capital and Related Financing Activities			
Acquisition of capital assets	(24,800)		(24,800)
Capital grants	24,800		24,800
Interest paid on capital debt		(4,228)	(4,228)
Net Cash (Used In) Capital and and Related Financing Activities		<u>(4,228)</u>	<u>(4,228)</u>
Cash Flows From Investing Activities			
Decrease in investments	36,066		36,066
Interest income	554	261	815
Net Cash Provided By Investing Activities	<u>36,620</u>	<u>261</u>	<u>36,881</u>
Net increase in cash and cash equivalents	27,006	31,344	58,350
Cash, Beginning of year	104,242	42,410	146,652
Cash, End of year	<u>\$ 131,248</u>	<u>\$ 73,754</u>	<u>\$ 205,002</u>
Cash and cash equivalents are reflected on the statement of net position as follows:			
Cash and cash equivalents	\$ 82,633	\$ 36,143	\$ 118,776
Restricted cash-customer deposits	48,615		48,615
Restricted cash and cash equivalents debt service		37,611	37,611
Total	<u>\$ 131,248</u>	<u>\$ 73,754</u>	<u>\$ 205,002</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By/(Used In) Operating Activities			
Operating income (loss)	\$ (77,440)	\$ (65,927)	\$ (143,367)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation expense	82,576	89,782	172,358
Accounts receivable	(2,109)	(57)	(2,166)
Due to / from other funds	(9,922)	9,922	
Customer deposits	3,900		3,900
Accounts payable	8,881	(13,909)	(5,028)
Net Cash Flows Provided By Operating Activities	<u>\$ 5,886</u>	<u>\$ 19,811</u>	<u>\$ 25,697</u>

See accompanying notes to the basic financial statements.

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023

INTRODUCTION

The Town of Sibley is incorporated under the provisions of the Lawrason Act. The Town operates under a Mayor–Council form of government.

(1) Summary of Significant Accounting Policies

The Town of Sibley's financial statements are prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Town of Sibley are discussed below.

A. Reporting Entity

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

GASB established criteria for determining which component units should be considered part of the Town of Sibley for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

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.

In addition, the GASB states that a legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if *all* of the following criteria are met:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

2. The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization.
3. The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

In addition, other organizations should be evaluated as potential component units if they are closely related to, or financially integrated with, the primary government.

Based on the criteria described above, there are no component units to be included as part of the reporting entity.

B. Basic Financial Statements – Government-Wide Statements

The Town of Sibley's basic financial statements include both government-wide (reporting the funds maintained by the Town of Sibley as a whole) and fund financial statements (reporting the Town of Sibley's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Town's sales tax fund, fire protection fund, and general fund are classified as governmental activities. The Town's water and sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental activities and business-type activities columns are presented on a consolidated basis by column and 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. The Town of Sibley's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town of Sibley's functions. The functions are also supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.). 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 while the capital grants column reflects capital-specific grants. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations of providing water and sewer services.

The net costs (by function) are normally covered by general revenue (property, sales and use taxes, certain intergovernmental revenues, interest income, etc.).

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

This government-wide focus is more on the sustainability of the Town of Sibley as an entity and the change in the Town of Sibley's net position resulting from the current year's activities.

C. Basic Financial Statements – Fund Financial Statements

The financial transactions of the Town of Sibley are recorded in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Town of Sibley:

1. Governmental Funds – the focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the Town of Sibley:
 - a. General fund is the general operating fund of the Town of Sibley. It is used to account for all financial resources except those required to be accounted for in another fund.
 - b. Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
2. Proprietary Funds – the focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Town:
 - a. Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Nonmajor funds by category are summarized into a single column. GASB sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of fund category) for the determination of major funds.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

The following major funds are presented in the fund financial statements:

General Fund – accounts for all financial resources except those required to be accounted for in another fund.

Sales Tax Fund - accounts for the proceeds of sales taxes levied for fire department maintenance, maintenance of streets, capital construction, and other general purposes of the Town.

Volunteer Fire Department Fund – accounts for the transfers from the sales tax fund to be used for fire protection.

Water Fund – accounts for the provision of water services of the Town.

Sewer Fund - accounts for the provision of sewer services of the Town.

D. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under modified accrual basis of accounting, revenues are recorded when susceptible to accrual: i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

E. Budgets

The Town uses the following budget practices:

1. The Mayor and Town Council prepare a proposed budget.
2. After completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

3. Budgetary amendments involving the transfer of funds from one department, program or function to another, or involving increases in expenditures resulting from revenues exceeding amounts estimated, require the approval of the Council.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts in the accompanying statements are as originally adopted, or as amended by the Council. There was one amendment to the budget for the year ended June 30, 2023.
6. The Town's fiscal year is June 30.

F. Cash, Cash Equivalents, and Investments

Cash includes amounts in petty cash, 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 Town may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, 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.

Investments are limited by R.S. 33:2955 and the Town's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

G. Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20–45 years
Infrastructure	20 years
Furniture and equipment	5–20 years
Vehicles	4–10 years
Fire-fighting apparatus	15–35 years
Water and sewer systems	5–50 years

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

GASBS requires the Town to report and depreciate new infrastructure assets effective July 1, 2003. Infrastructure assets include roads, bridges, traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is not required.

H. Revenues

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied by the Town in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted in the year billed. The Town bills and collects its own property taxes, using the assessed values determined by the tax assessor of Webster Parish. Sales tax revenues are recorded in the period in which the underlying exchange has occurred. Fines, forfeitures, licenses, and permits are recognized in the period they are collected. Interest income on demand and time deposits is recorded when earned. Federal and state grants are recorded when the Town is entitled to the funds.

I. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The Town's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

J. Sales Taxes

On April 1, 1980, the electors of the Town authorized a 1% sales and use tax, proceeds of which may be used for any lawful corporate purpose of the Town, including making capital improvements (after paying the reasonable and necessary expenses of collecting and administering the tax). Town officials have designated 50% of the tax proceeds for General Fund operations and 50% for capital improvements.

On October 24, 1987, the electors of the Town authorized an additional 1% sales and use tax, proceeds of which were dedicated as follows: 50% of income for fire department purchase and maintenance; 25% for streets and street construction, repair and maintenance; and 25% for capital construction, general fund or general administrative expenses. The effective date of this additional 1% sales tax was January 1, 1988.

On October 2, 2010, the electors of the Town authorized an additional 1/2% sales and use tax, proceeds of which are to be used as follows: 50% of the proceeds for maintaining, operating and supporting the Town's Police department and acquiring equipment, including vehicles and supplies, therefor, and 50% of the proceeds to be used for supporting the general fund of the Town.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

K. Compensated Absences

The Town allows up to three weeks vacation depending upon years of service. No carryover or accrued vacation leave is allowed. Unused vacation time will be applied upon termination.

The Town allows up to twelve days per year of sick leave and employees can accumulate up to twenty four days depending upon years of service. Unused accumulated sick pay will not be paid upon separation of service.

L. Interfund Activity

Interfund activity is reported as either loans, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

M. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

N. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities in the statement of net assets. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

O. Bad Debts

The Town uses the direct charge-off method of accounting for uncollectible ad valorem taxes and water system receivables. Although this method is not in accordance with generally accepted accounting principles, the overall effect on the financial statements is immaterial.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

P. Statement of Cash Flows

For the purposes of the Statement of Cash Flows, the Water and Sewer Funds consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Q. Postretirement Benefits

The Town provides no postretirement benefits to its employees.

R. Fund Balance

GASB has issued standards which defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form, such as inventory or prepaid expenses, or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.
2. Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.
3. Committed fund balances include amounts that can be used only for the specific purposes as a result of constraints imposed by the board of alderman (the Town's highest level of decision making authority). Committed amounts cannot be used for any other purpose unless the board of aldermen remove those constraints by taking the same type of action (i.e. legislation, resolution, ordinance).
4. Assigned fund balances are amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the Mayor, an appointed body, or official the Town's Alderman has delegated the authority to assign, modify, or rescind amounts to be used for specific purposes.
5. Unassigned fund balance are the residual classification for the Town's general fund and include all spendable amounts not contained in the other classifications.

The Town's policy is to apply expenditures against nonspendable fund balances, restricted fund balances, committed fund balances, assigned fund balances, and unassigned fund balances, in that order.

The calculation of fund balance amounts begins with the determination of nonspendable fund balances. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then any remaining fund balance amounts for the non-general funds are classified as restricted fund balance. It is possible for the non-general funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceeds the positive fund balance for the non-general fund.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At this time, the Town has no transactions that meet the definition of deferred outflows of resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At this time, the Town has no transactions that meet the definition of deferred inflows of resources.

T. Fair Value Measurements

Generally accepted accounting principles require disclosure to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 inputs – The valuation is based on quoted market prices for identical assets or liabilities traded in active markets;

Level 2 inputs – The valuation is based on quoted market prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability;

Level 3 inputs – The valuation is determined by using the best information available under the circumstances and might include the government's own data but should adjust those data if (a) reasonably available information indicates that other market participants would use different data or (b) there is something particular to the government that is not available to other market participants.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on lowest level of any input that is significant to the fair value measurement.

(2) Ad Valorem Taxes

The distributions of the Town's levy (tax rate per \$1,000 assessed value) were as follows:

	Tax Roll
	<u>2022</u>
General Fund	<u>8.97</u>

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

(3) Cash and Cash Equivalents and Investments

At June 30, 2023, the Town has cash, cash equivalents, and investments (book balances) totaling \$1,475,157 as detailed below:

A. Cash and Cash Equivalents

Cash and cash equivalents at June 30, 2023 (book balances) totaled \$1,127,341, of which \$86,226 is shown as restricted cash. These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

B. Investments

At June 30, 2023, the Town had investments totaling \$347,816 consisting of the following:

Investments in Louisiana Asset Management Pool (LAMP)	\$ 300,457
Money Market Funds	30,960
U.S. Government Securities	<u>16,399</u>
	<u>\$ 347,816</u>

At June 30, 2023, the Town had investments totaling \$300,457 in Louisiana Asset Management Pool (LAMP). The Louisiana Asset Management Pool (LAMP) is a local government investment pool. In accordance with GASB codification section 150.126, the investment in LAMP at the Town of Sibley is not categorized in the three risk categories provided by GASB because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based upon quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

At June 30, 2023, the Town had investments totaling \$47,359 in U.S. Government securities and money market funds. The market value of these particular type of investments are not materially different from their carrying amount. The investment in U.S. Government Securities and money market funds are registered in the name of the Town and are held in a brokerage account insured by the SIPC. These investments are presented in the financial statements at fair value using level 2 fair value measure.

C. Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As of June 30, 2023, \$652,974 of the Town's bank balances were exposed to custodial credit risk as follows:

Uninsured and collateral held by the
pledging bank's trust department; not
in the Town's name:

Cash and cash equivalents	<u>\$ 652,974</u>
---------------------------	-------------------

Even though the pledged securities are considered uncollateralized (Category 3) 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 that the fiscal agent has failed to pay deposited funds upon demand.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

(4) Restricted Assets – Proprietary Fund Type

Restricted assets were applicable to the following at June 30, 2023:

	Enterprise Fund		Total
	Sewer	Water	
Customer deposits	\$	\$ 48,615	\$ 48,615
Bond and interest sinking fund		28,227	28,227
Depreciation and contingency fund		9,384	9,384
	\$ 37,611	\$ 48,615	\$ 86,226

Enterprise Fund – Sewer

Under the terms of the bond agreement-resolution, on outstanding Sewer Revenue Bonds, income and revenues derived from the operating of the Town's Sewer System are pledged in amounts sufficient for the payment of principal and interest on the bonds as they become due and payable, and are to be set aside into the following special funds:

Revenue Fund – All income and revenues derived or to be derived from the operation of the Sewer System shall be deposited promptly into the Revenue Fund. Current expenses of operating and maintaining the system shall be paid from the Revenue Fund.

Revenue Bond and Interest Sinking Fund – Each month, there shall be transferred from the Revenue Fund an amount equal to 1/12th of the principal and interest of the next maturing installment on the outstanding bonds into this fund.

Depreciation and Contingency Fund – Funds will be transferred into this fund for the purpose of caring for depreciation, extensions, additions, improvements, and replacements necessary to properly operate the system. Also, funds may be used for the purpose of payment of bonds for which there is not sufficient money in the Bond and Interest Sinking Fund. The monthly transfer amount will be at least equal to five percent (5%) of the amount to be paid into the sinking fund until a sum equal to \$25,000 is on deposit.

For the year ended June 30, 2023 the Town was in compliance with the requirements for deposits into the reserve accounts.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

(5) Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows:

	<u>Balance at July 1, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2023</u>
<u>Governmental Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 44,007	\$ 215,609	\$	\$ 259,616
Capital assets, being depreciated:				
Buildings	304,674	38,314		342,988
Infrastructure	190,456			190,456
Furniture, equipment & vehicles	290,851	52,237	(19,900)	323,188
Fire department equipment and vehicles	1,009,035	346,291	(143,519)	1,211,807
Total capital assets, being depreciated, at historical cost	<u>1,795,016</u>	<u>436,842</u>	<u>(163,419)</u>	<u>2,068,439</u>
Less accumulated depreciation:				
Buildings	(244,022)	(13,216)		(257,238)
Infrastructure	(135,641)	(9,523)		(145,164)
Furniture, equipment & vehicles	(266,974)	(11,443)	19,900	(258,517)
Fire department equipment and vehicles	(584,037)	(59,834)	143,519	(500,352)
Total accumulated depreciation	<u>(1,230,674)</u>	<u>(94,016)</u>	<u>163,419</u>	<u>(1,161,271)</u>
Total capital assets, being depreciated, net	<u>564,342</u>	<u>342,826</u>		<u>907,168</u>
Governmental activities capital assets, net	<u>\$ 608,349</u>	<u>\$ 558,435</u>	<u>\$</u>	<u>\$ 1,166,784</u>

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023
<u>Business-Type Activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 26,988	\$	\$	\$ 26,988
Construction in progress				
	<u>26,988</u>			<u>26,988</u>
Capital assets, being depreciated:				
Sewer system	3,709,177			3,709,177
Water:				
Wells	47,261			47,261
Storage tanks	276,697			276,697
Treatment plant	114,321			114,321
Distribution system	2,120,536			2,120,536
Other equipment	125,190	24,800		149,990
Total capital assets, being depreciated, at historical cost	<u>6,393,182</u>	<u>24,800</u>		<u>6,417,982</u>
Less accumulated depreciation:				
Sewer system	(2,252,059)	(89,782)		(2,341,841)
Water:				
Wells	(47,261)			(47,261)
Storage tanks	(109,175)	(12,987)		(122,162)
Treatment plant	(114,321)			(114,321)
Distribution system	(1,030,575)	(64,683)		(1,095,258)
Other equipment	(67,124)	(4,906)		(72,030)
Total accumulated depreciation	<u>(3,620,515)</u>	<u>(172,358)</u>		<u>(3,792,873)</u>
Total capital assets, being depreciated, net	<u>2,772,667</u>	<u>(147,558)</u>		<u>2,625,109</u>
Business-type activities capital assets, net	<u>\$ 2,799,655</u>	<u>\$ (147,558)</u>	<u>\$</u>	<u>\$ 2,652,097</u>

Depreciation expense was charged to Governmental and Business-type Activities as follows:

	Governmental Activities	Business-type Activities	Total
Public safety	\$ 17,099	\$	\$ 17,099
Public works	63,701		63,701
General government	13,216		13,216
Water		82,576	82,576
Sewer		89,782	89,782
Total	<u>\$ 94,016</u>	<u>\$ 172,358</u>	<u>\$ 266,374</u>

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

(6) Receivables

The following is a summary of receivables at June 30, 2023:

<u>Class of Receivable</u>			
Governmental activities –			
Sales taxes		\$ 41,499	
Licenses and permits		<u>3,422</u>	
		<u>44,921</u>	
Business-type activities –			
Accounts receivable – water and sewer charges		<u>34,761</u>	
		<u>34,761</u>	
Total		<u>\$ 79,682</u>	

(7) Interfund Balances

Interfund balances at June 30, 2023 consisted of the following:

	<u>Due From Other Fund</u>	<u>Due To Other Fund</u>	<u>Net</u>
Governmental Funds:			
General	\$	\$ 2,626	\$ (2,626)
Sales tax	12,756	3,722	9,034
Volunteer Fire Department	<u>2,967</u>	<u>148</u>	<u>2,819</u>
Total Governmental Funds	<u>15,723</u>	<u>6,496</u>	<u>9,227</u>
Enterprise Funds:			
Water	10,362		10,362
Sewer		<u>19,589</u>	<u>(19,589)</u>
Total Enterprise Funds	<u>10,362</u>	<u>19,589</u>	<u>(9,227)</u>
Total	<u>\$ 26,085</u>	<u>\$ 26,085</u>	<u>\$</u>

The interfund balances are the result of the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

(8) Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at June 30, 2023, consisted of the following:

<u>Class of Payable</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ 12,385	\$ 17,622	\$ 30,007
Payroll and payroll taxes	<u>7,764</u>	<u>3,224</u>	<u>10,988</u>
Total	<u>\$ 20,149</u>	<u>\$ 20,846</u>	<u>\$ 40,995</u>

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

(9) Customers' Deposits

Deposits held for customers that are currently active on the water system total \$48,615 at June 30, 2023.

(10) Interfund Transfers

Interfund transfers for the year ended June 30, 2023 consisted of the following:

	Transfer To	Transfer From
Governmental Funds:		
General	\$ 202,101	\$
Sales Tax		282,941
Volunteer Fire Department	80,840	
Enterprise Funds:		
Water		15,500
Sewer	15,500	
	\$ 298,441	\$ 298,441

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. Also, funds were transferred from the water fund to the sewer fund for operating purposes.

(11) Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Finance purchases	\$ 6,569	\$ 524,649	\$ (6,569)	\$ 524,649	\$ 96,812
Business-type Activities:					
Sewer Revenue					
Refunding Bonds - 2017	\$ 190,000	\$	\$	\$ 190,000	\$ 24,000

Finance Purchases – Governmental Activities

The Town entered into a lease obligation to purchase real estate at a total price of \$178,358. The lease has a stated interest rate of 4.452% and matures August 19, 2027. In addition to the real estate, collateral for this obligation is a fire apparatus owned by the Town. The lease obligation calls for annual payments of \$40,574, beginning in August, 2023. The obligation will be repaid from funds legally available for such purposes by the Town.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

The Town entered into a lease obligation to purchase a fire apparatus at a total price of \$346,291. The lease has a stated interest rate of 3.81% and matures July 29, 2027. Collateral for the obligation is the fire apparatus. The lease obligation calls for annual payments of \$77,372, beginning in July, 2023. The obligation will be repaid from funds legally available for such purposes by the Town.

The following details the debt service requirements to maturity for the Town's finance purchase obligations at June 30, 2023:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 96,812	\$ 21,134	\$ 117,946
2025	100,709	17,237	117,946
2026	104,765	13,181	117,946
2027	108,986	8,959	117,945
2028	113,377	4,568	117,945
	<u>\$ 524,649</u>	<u>\$ 65,079</u>	<u>\$ 589,728</u>

Sewer Revenue Refunding Bonds – Series 2017

\$290,000 sewer revenue bonds dated September 27, 2017; due in annual payments of approximately \$32,000 which includes principal and interest; interest rate of 4.45%; final payment due July, 2029.

\$ 190,000

The Sewer Revenue Bonds constitute special obligations of the Town solely secured by a lien on and pledge of the net revenues of the water and sewer system. These bonds are considered direct borrowing and direct placement debt.

Debt service requirements at June 30, 2023 were as follows:

Business-Type Activities - Sewer Revenue Refunding Bonds

Fiscal Year	Principal	Interest
2024	\$ 24,000	\$ 7,921
2025	25,000	6,831
2026	26,000	5,696
2027	27,000	4,517
2028	28,000	3,293
2029-2030	60,000	2,714
	<u>\$ 190,000</u>	<u>\$ 30,972</u>

(12) Retirement Plan

Employees of the Town participate in a Savings Incentive Match Plan (SIMPLE IRA). The amount contributed by the Town during the year ended June 30, 2023 was \$2,981.

(Continued)

Town of Sibley
Sibley, Louisiana
Notes to Financial Statements
June 30, 2023
(Continued)

(13) Unearned Revenue

Unearned revenue at June 30, 2023, consists of funds received under the Coronavirus State and Local Fiscal Recovery Funds which had not yet been used/expended. The Town plans to use those funds in the subsequent year.

(14) Risk Management

The Town purchases commercial insurance to provide workers compensation coverage and general liability and property insurance. There were no significant reductions in insurance coverage from the previous year.

(15) Subsequent Events:

Subsequent events have been evaluated through December 20, 2023, the date the financial statements were available to be issued.

Subsequent to June 30, 2023, the Town entered into a separate financing lease totaling approximately \$74,896 for the purchases of equipment.

During November, 2023, the Town entered into a construction contract for a water main extension for approximately \$286,618.

Town of Sibley
Sibley, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2023

	Original	Final	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 65,000	\$ 65,000	\$ 68,785	\$ 3,785
Franchise taxes	30,000	30,000	34,637	4,637
Licenses and permits	60,000	60,000	70,746	10,746
Fines and forfeitures	80,000	100,000	106,366	6,366
Investment earnings	35	35	1,440	1,405
Miscellaneous	48,300	48,300	28,905	(19,395)
Total revenues	<u>283,335</u>	<u>303,335</u>	<u>310,879</u>	<u>7,544</u>
Expenditures:				
Current:				
General government	462,665	462,665	314,543	148,122
Public safety	177,640	203,640	198,159	5,481
Capital outlay	54,670	231,670	264,678	(33,008)
Total expenditures	<u>694,975</u>	<u>897,975</u>	<u>777,380</u>	<u>120,595</u>
Excess (deficiency) of revenues over expenditures	<u>(411,640)</u>	<u>(594,640)</u>	<u>(466,501)</u>	<u>128,139</u>
Other financing sources:				
Transfers in	170,000	176,000	202,101	26,101
Proceeds finance purchase	<u>170,000</u>	<u>177,000</u>	<u>178,358</u>	<u>1,358</u>
Total other financing sources	<u>170,000</u>	<u>353,000</u>	<u>380,459</u>	<u>27,459</u>
Net change in fund balance	(241,640)	(241,640)	(86,042)	155,598
Fund balance at beginning of year	253,640	253,640	262,865	9,225
Fund balance at end of year	<u>\$ 12,000</u>	<u>\$ 12,000</u>	<u>\$ 176,823</u>	<u>\$ 164,823</u>

Town of Sibley
Sibley, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
Sales Tax Fund
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original & Final</u>	<u>(Budgetary Basis)</u>	<u>Positive</u> <u>(Negative)</u>
Revenues:			
Sales tax	\$ 340,000	\$ 442,342	\$ 102,342
Miscellaneous	3,100	7,223	4,123
Investment earnings	90	345	255
Total revenues	<u>343,190</u>	<u>449,910</u>	<u>106,720</u>
Expenditures:			
Current:			
Public works	330,273	140,502	189,771
Capital outlay	68,000	27,722	40,278
Debt service	6,917	6,916	1
Total expenditures	<u>405,190</u>	<u>175,140</u>	<u>230,050</u>
Excess (deficiency) of revenues over expenditures	<u>(62,000)</u>	<u>274,770</u>	<u>336,770</u>
Other financing sources (uses):			
Transfers out	<u>(238,000)</u>	<u>(282,941)</u>	<u>(44,941)</u>
Total other financing sources (uses)	<u>(238,000)</u>	<u>(282,941)</u>	<u>(44,941)</u>
Net change in fund balance	(300,000)	(8,171)	291,829
Fund balance at beginning of year	<u>300,000</u>	<u>117,124</u>	<u>(182,876)</u>
Fund balance at end of year	<u>\$</u>	<u>\$ 108,953</u>	<u>\$ 108,953</u>

Town of Sibley
Sibley, Louisiana
Required Supplementary Information
Budgetary Comparison Schedule
Fire Department
For the Year Ended June 30, 2023

	<u>Budgeted Amounts</u> Original & Final	<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental revenues	\$ 77,500	\$ 83,598	\$ 6,098
Investment earnings	175	9,836	9,661
Total revenues	<u>77,675</u>	<u>93,434</u>	<u>15,759</u>
Expenditures:			
Current:			
Public safety	143,393	75,101	68,292
Capital outlay	437,282	360,051	77,231
Total expenditures	<u>580,675</u>	<u>435,152</u>	<u>145,523</u>
Excess (deficiency) of revenues over expenditures	<u>(503,000)</u>	<u>(341,718)</u>	<u>161,282</u>
Other financing sources:			
Transfers in	68,000	80,840	12,840
Proceeds finance purchase	-	346,291	346,291
Total other financing sources	<u>68,000</u>	<u>427,131</u>	<u>359,131</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(435,000)</u>	<u>85,413</u>	<u>520,413</u>
Fund balance at beginning of year	<u>435,000</u>	<u>490,102</u>	<u>55,102</u>
Fund balance at end of year	<u>\$</u>	<u>\$ 575,515</u>	<u>\$ 575,515</u>

Town of Sibley
Sibley, Louisiana
Other Supplementary Information
Justice System Funding Schedule
Collecting/Disbursing Schedule
As Required by Act 87 of the 2020 Regular Legislative Session
For the Year Ended June 30, 2023

	July 2022 - December 2022	January 1, 2023 - June 2023
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e. cash on hand)	-	-
Add: Collections		
Criminal Fines - Other	54,290	52,076
Subtotal Collections	54,290	52,076
Less: Disbursements to Governments and Nonprofits		
Louisiana Judicial College - Criminal Fines - Other	142	126
Louisiana Traumatic Head and Spinal Cord Injury Trust Fund - Criminal Fines - Other	385	325
North Louisiana Criminalistics Laboratory Commission - Criminal Fines - Other	7,730	6,310
State of Louisiana Treasurer - CMIS - Criminal Fines - Other	242	299
Louisiana Commission on Law Enforcement - Criminal Fines - Other	557	492
Ware Youth Center - Criminal Fines - Other	2,130	1,883
Less: Amounts Retained by Collecting Agency		
Amounts Self-Disbursed to Collecting Agency - Criminal Fines - Other	43,104	42,641
Subtotal Disbursements/Retainage	54,290	52,076
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	-	-
Ending Balance of "Partial Payments" Collected but not Disbursed	-	-

Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected (i.e. receivable balance)	-	-
Total Waivers During the Fiscal Period (i.e. non-cash reduction of receivable balances, such as time served or community service)	-	-

Town of Sibley
Sibley, Louisiana
Schedule of Compensation Paid to Mayor and Town Council
For the Year Ended June 30, 2023

Mayor - Jimmy Williams	\$ 18,000
Alderman:	
Helen Chanler	6,000
Alan Myers	6,000
Richard Davis	6,000
Wayne Bolton	6,000
Robert Smart	<u>6,000</u>
	<u>\$ 48,000</u>

Town of Sibley
Sibley, Louisiana
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended June 30, 2023

Agency Head: Jimmy Williams, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 18,000
Benefits - retirement and insurance	2,250
Travel	2,537

COOK & MOREHART

Certified Public Accountants

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AMERICAN INSTITUTE
CERTIFIED PUBLIC ACCOUNTANTS

SOCIETY OF LOUISIANA
CERTIFIED PUBLIC ACCOUNTANTS

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*

Independent Auditor's Report

The Honorable Jimmy Williams, Mayor
and Members of the Town Council
Town of Sibley
Sibley, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, business-type activities and each major fund of the Town of Sibley, Louisiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Sibley's basic financial statements, and have issued our report thereon dated December 20, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Sibley's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Sibley's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Sibley'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 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 the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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



Cook & Morehart
Certified Public Accountants
December 20, 2023

Town of Sibley
Sibley, Louisiana
Summary Schedule of Prior Year Audit Findings
Schedule For Louisiana Legislative Auditor
June 30, 2023

There were no findings for the prior year audit for the year ended June 30, 2022.

Summary Schedule of Current Year Audit Findings
for the Louisiana Legislative Auditor
June 30, 2023

There are no findings for the current year audit for the year ended June 30, 2023.

COOK & MOREHART

Certified Public Accountants

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CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Honorable Jimmy Williams, Mayor
And the Town Council
Town of Sibley
Sibley, Louisiana
and the Louisiana Legislative Auditor

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2022 through June 30, 2023. The Town of Sibley's management is responsible for those C/C areas identified in the SAUPs.

The Town of Sibley 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 July 1, 2022 through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) *Written Policies and Procedures*

- A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.
 - iii. ***Disbursements***, including processing, reviewing, and approving.
 - iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff

procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

- v. **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- xi. **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. **Prevention of Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Management provided written policies and procedures addressing all of the above.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds. *Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

- iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
- iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Procedures performed. No exceptions noted.

3) Bank Reconciliations

- A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:
 - i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);
 - ii. Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
 - iii. Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

Procedures performed. No exceptions noted.

4) Collections (excluding electronic funds transfers)

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

Management provided the requested information, along with management's representation that the listing is complete.
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that
 - i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;

- iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
- iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Procedures performed. Noted the following exception:

Exception: Employees responsible for collections share cash drawers.

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

Procedures performed. No exceptions noted.

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

- i. Observe that receipts are sequentially pre-numbered.
- ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- iii. Trace the deposit slip total to the actual deposit per the bank statement.
- iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
- v. Trace the actual deposit per the bank statement to the general ledger.

Procedures performed. No exceptions noted.

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

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

Management provided the requested information, along with management's representation that the listing is complete.

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

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

- ii. At least two employees are involved in processing and approving payments to vendors;
- iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
- iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

Procedures performed. Noted the following exception:

Exception: The employee responsible for processing payments also adds/modifies vendor files.

- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and
 - i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

Procedures performed. No exceptions noted.

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

Procedures performed. No exceptions noted.

6) Credit Cards/Debit Cards/Fuel Cards/P-Cards

- A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
- B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception

- reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and
- ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.
- Procedures performed. No exceptions noted.

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

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

Procedures performed. No exceptions noted.

8) Contracts

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

- i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
- ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);
- iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and
- iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Procedures performed. No exceptions noted.

9) Payroll and Personnel

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

Management provided the requested information, along with management's representation that the listing is complete.

- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
 - i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and
 - iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Procedures performed. Noted the following exception:

Exception: For the items selected for testing, three (3) employees' attendance records did not have supervisory approval documented.

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

The Town has no termination payments during the year ended June 20, 2023.

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

Procedures performed. No exceptions noted.

10) Ethics

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and
 - i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

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

Procedures performed. No exceptions noted.

11) Debt Service

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

Procedures performed. No exceptions noted.

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

Procedures performed. No exceptions noted.

12) Fraud Notice

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

The Town's management represented that there were no misappropriation of public funds and assets during the fiscal year.

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

Procedures performed. No exceptions noted.

13) Information Technology Disaster Recovery/Business Continuity

- A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."
- i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedures and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;
 - iii. Number of complaints which resulted in a finding that sexual harassment occurred;
 - iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
 - v. Amount of time it took to resolve each complaint.

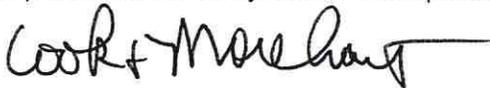
Procedures performed. Noted the following exception:

Exception: The Town did not post the sexual harassment policy on the Town's website.

We were engaged by the Town of Sibley, 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 Town of Sibley, 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.



Cook & Morehart
Certified Public Accountants
December 20, 2023



Town Of Sibley

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MAYOR
Jimmy Williams
TOWN CLERK
Sherry McCann, LMMC

ALDERMEN
Wayne Bolton
Helen Chanler
Richard Davis
Alan Myers
Robert Smart

December 20, 2023

Cook & Morehart, CPAs
1215 Hawn Ave
Shreveport, LA 71107

Town of Sibley submits the following response to the exceptions identified in the Statewide Agreed-Upon Procedures Report for the year ended June 30, 2023:.

Exception: Employees responsible for collections share cash drawers.

Management's Response: The Town Clerk reconciles all daily collections independent of the employees responsible for collecting.

Exception: The employee responsible for processing payments also adds/modifies vendor files.

Management's Response: Management will consider additional controls but due to the Town's size and number of employees, it may not be feasible to implement those controls.

Exception: For the items selected for testing, three (3) employees' attendance records did not have supervisory approval documented.

Management's Response: It is the Town's policy for the Town Clerk, Mayor, and Police Chief to approve payroll transactions.

Exception: The Town did not post the sexual harassment policy on the Town's website.

Management's Response: Town will consider posting its sexual harassment on the Town's website.

Sincerely,

Jimmy Williams
Mayor
Town of Sibley