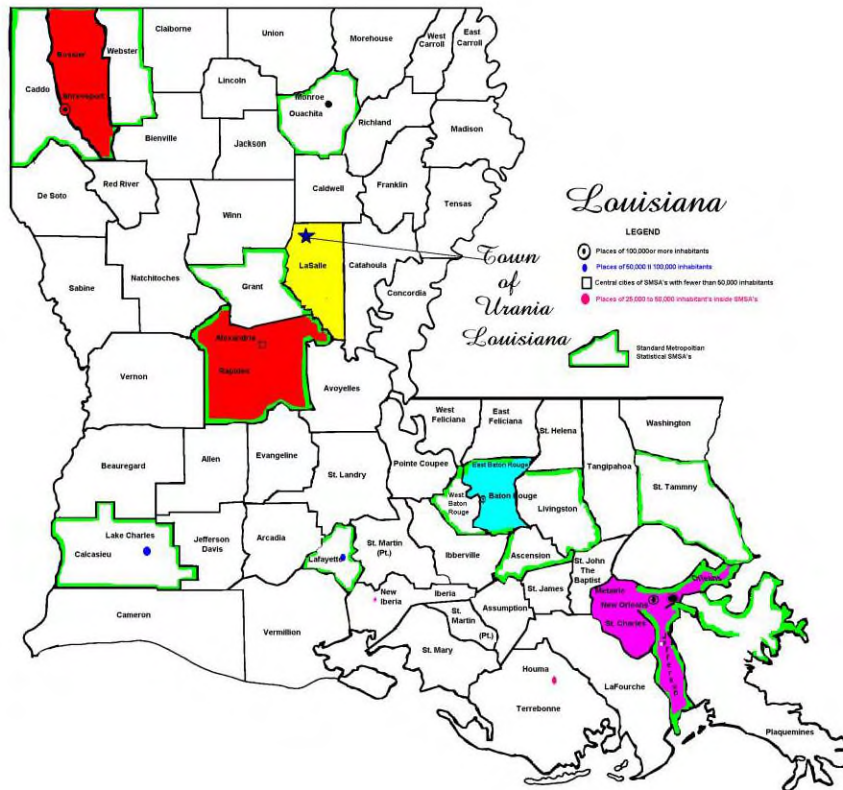


**TOWN OF URANIA, LOUISIANA**

**Annual Financial Statements**

**June 30, 2023**

# TOWN OF URANIA, LOUISIANA



✓ The Town of Urania was incorporated under the Lawrason Act and operates under the Mayor-Board of Alderman form of government. The Town provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water and sewer services) and general administrative functions, including coordination of related services with parish, state and federal governing bodies.

**TOWN OF URANIA, LOUISIANA**  
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**June 30, 2023**

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### MEMBERS

American Institute of  
Certified Public Accountants

Society of Louisiana  
Certified Public Accountants

Association of  
Certified Fraud Examiners

### **INDEPENDENT AUDITOR'S REPORT**

Honorable Jay Ivy, Mayor  
Town of Urama  
PO Box 339  
Urama, LA 71480

#### **Reports on the Audit of the Financial Statements**

##### **Opinions**

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the business-type activities of the Town of Urama, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Urama, 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 Urama's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

### **Other Matters**

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

### ***Supplemental Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Urania’s basic financial statements. The Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedule are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Compensation of Benefits and Other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedule are the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the Schedule of Compensation Benefits and Other Payments to Agency Head or Chief Executive Officer and Justice System Funding Schedule are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 15, 2023, on our consideration of the Town of Urania, State of 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Urania, Louisiana’s internal control over financial reporting and compliance.

*The Vercher Group*

Jena, Louisiana  
September 15, 2023

# TOWN OF URANIA

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of the Town, we offer readers of the Town of Urania's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with the Town's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the new reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999.

### FINANCIAL HIGHLIGHTS

#### *Governmental Funds*

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$760,581 (*net position*). This is a \$24,917 increase from last year, mainly due to an increase in cash in the amount of \$37,062.
- The Town had total revenues of \$538,906, in which \$126,173 came from collection of fines and \$255,492 came from ARPA Grant. This is a \$47,141 increase from last year's revenues, mainly due to an increase in other revenues in the amount of \$39,892 included in this amount are donations the Town has received for various general fund accounts and the sale of equipment.
- The Town had total expenditures of \$475,966, which is a \$54,108 increase from last year, mainly due to an increase in capital outlay expense in the amount of \$19,742 and general administrative expense in the amount of \$39,142.

#### *Enterprise Funds*

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$3,739,280 (*net position*). This is a \$115,114 increase from last year.
- The Town had total revenues of \$795,231, which were operating revenues. This is a \$49,661 increase from last year, mainly due to an increase in water charges in the amount of \$40,145.
- The Town had total expenses of \$719,290, in which \$707,925 were for operating expenses and \$11,365 was for non-operating expenses. This is a \$314,493 increase from last year, mainly due to an increase in operations expenses in the amount of \$296,846.

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## MD&A

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### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements consist of two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Town is a special-purpose entity engaged only in governmental activities. Accordingly, only fund financial statements are presented as the basic financial statements.

Effective, January 1, 2004, the Town adopted Governmental Accounting Standards (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*.

### FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### USING THIS ANNUAL REPORT

The Town's annual report consists of financial statements that show information about the Town's funds, enterprise funds and governmental funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the basic financial statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the other information included in this report. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

### Reporting the Town's Most Significant Funds

The Town's financial statements provide detailed information about the most significant funds. The Town may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using grants and other money. The Town's enterprise fund uses the following accounting approach.

All of the Town's services are reported in an enterprise fund. They are reported using the full accrual method of accounting in which all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The focus of proprietary funds is on income measurement, which, together with the maintenance of equity, is an important financial indication.



## MD&A

### GOVERNMENTAL FUNDS

#### Comparative Statement of Net Position as of June 30, 2023:

	<u>2022</u>	<u>2023</u>	<u>% Change</u>
<b>Assets</b>			
Cash & Investments	\$ 493,719	\$ 530,781	7.5
Receivables	26,602	9,337	-64.9
Other Current Assets	29,837	29,946	0.4
Capital Assets, Net of Depreciation	208,181	209,332	0.6
<b>Total Assets</b>	<u>758,339</u>	<u>779,396</u>	2.8
<b>Liabilities &amp; Net Position</b>			
Accounts, Salaries, & Other Payables	22,675	18,815	-17.0
<b>Total Liabilities</b>	<u>22,675</u>	<u>18,815</u>	-17.0
<b>Net Position</b>			
Net Investment in Capital Assets	208,181	209,332	0.6
Restricted for Debt Service	-0-	-0-	0.0
Unrestricted	527,483	551,249	4.5
<b>Total Net Position</b>	<u>\$ 735,664</u>	<u>\$ 760,581</u>	3.4

#### Comparative Statement of Revenues, Expenditures, and Changes in Fund Balances for the year ended June 30, 2023:

	<u>2022</u>	<u>2023</u>	<u>% Change</u>
<b>Revenues</b>			
Fees & Charges	\$ 91,449	\$ 80,400	-12.1
Taxes	26,135	27,196	4.1
Fines	121,645	126,173	3.7
Grants	244,133	255,492	4.7
Interest	74	1,424	1824.3
Other	8,329	48,221	479.0
<b>Total Revenues</b>	<u>491,765</u>	<u>538,906</u>	9.6
<b>Expenditures</b>			
General & Administrative	248,051	287,193	15.8
Police Expense	101,157	105,799	4.6
Recreational	16,723	5,562	-66.7
Fire	10,270	12,205	18.8
Street & Sanitation	38,657	38,465	-0.5
Capital Outlay	7,000	26,742	282.0
Debt Service	-0-	-0-	0.0
<b>Total Expenditures</b>	<u>421,858</u>	<u>475,966</u>	12.8
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>69,907</u>	<u>62,940</u>	-10.0
Transfers In (Out)	<u>228,633</u>	<u>(39,174)</u>	-117.1
<b>Net Change in Fund Balance</b>	298,541	23,766	-92.0
<b>Fund Balances--Beginning</b>	228,942	527,483	130.4
<b>Fund Balances--Ending</b>	<u>\$ 527,483</u>	<u>\$ 551,249</u>	4.5

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## MD&A

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### ENTERPRISE FUND

#### Comparative Statement of Net Position as of June 30, 2023:

	2022	2023	% Change
<b>Current Assets</b>			
Cash & Cash Equivalents	\$ 775,285	\$ 1,030,431	32.9
Investments	-0-	-0-	0.0
Receivables (Net of Allowances For Uncollectable)	70,577	70,412	-0.2
Prepaid Insurance	70,450	41,397	-41.2
<b>Total Current Assets</b>	916,312	1,142,240	24.7
<b>Non-Current Assets</b>			
Restricted Assets	22,584	24,199	7.2
Capital Assets (Net of Accumulated Depreciation)	3,008,909	2,866,144	-4.7
<b>Total Non-Current Assets</b>	3,031,493	2,890,343	-4.7
<b>Total Assets</b>	3,947,805	4,032,583	2.1
<b>Current Liabilities</b>			
Accounts, Salaries, & Other Payables	13,619	7,411	-45.6
Customer Deposits	22,584	23,699	4.9
Notes Payable, Current	22,581	25,274	11.9
<b>Current Liabilities</b>	58,784	56,384	-4.1
<b>Non-Current Liabilities</b>			
Notes Payable	264,855	236,919	-10.5
<b>Total Non-Current Liabilities</b>	264,855	236,919	-10.5
<b>Total Liabilities</b>	323,639	293,303	-9.4
<b>Net Position</b>			
Net Investment in Capital Assets	2,721,473	2,603,951	-4.3
Unrestricted	902,693	1,135,329	25.8
<b>Total Net Position</b>	\$ 3,624,166	\$ 3,739,280	3.2

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## MD&A

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### ENTERPRISE FUND

#### Comparative Statement of Revenues, Expenses, & Changes in Net Position for the year ended June 30, 2023:

	<u>2022</u>	<u>2023</u>	<u>% Change</u>
<b>Operating Revenues</b>			
Water Sales	\$ 432,237	\$ 472,382	9.3
Sewer Charges	<u>313,333</u>	<u>322,849</u>	3.0
<b>Total Operating Revenues</b>	<u>745,570</u>	<u>795,231</u>	6.7
<b>Operating Expenses</b>			
Administration	63,844	81,491	27.6
Operations	186,823	483,669	158.9
Depreciation	<u>142,765</u>	<u>142,765</u>	0.0
<b>Total Operating Expenses</b>	<u>393,432</u>	<u>707,925</u>	79.9
<b>Operating Income (Loss)</b>	<u>352,138</u>	<u>87,306</u>	-75.2
<b>Non-Operating Revenues (Expenses)</b>			
Interest Expense	<u>(12,412)</u>	<u>(11,365)</u>	8.4
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(12,412)</u>	<u>(11,365)</u>	8.4
<b>Income (Loss) Before Contributions &amp; Transfers</b>	339,726	75,941	-77.6
Transfers In/(Out)	(228,633)	39,173	82.9
Capital Contributions	<u>-0-</u>	<u>-0-</u>	0.0
<b>Change in Net Position</b>	111,093	115,114	3.6
<b>Total Net Position – Beginning</b>	<u>3,513,073</u>	<u>3,624,166</u>	3.2
<b>Total Net Position – Ending</b>	<u>\$ 3,624,166</u>	<u>\$ 3,739,280</u>	3.2

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**MD&A**

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**CAPITAL ASSETS**

*Capital Assets – Governmental Fund*

On June 30, 2023, the Town had \$209,332 invested in capital assets, including equipment.

<b>Capital Assets at Year-End</b>		
	<u>2022</u>	<u>2023</u>
Equipment	\$ 728,758	\$ 747,997
Land*	67,300	67,300
Accumulated Depreciation	<u>(587,877)</u>	<u>(605,965)</u>
<b>Total</b>	<u>\$ 208,181</u>	<u>\$ 209,332</u>

\*Land in the amount of \$67,300 is not being depreciated.

*Capital Assets – Enterprise Fund*

On June 30, 2023, the Town had \$2,866,145 invested in capital assets, including the sewer system, machinery, and equipment.

<b>Capital Assets at Year-End</b>		
	<u>2022</u>	<u>2023</u>
Sewer System	\$ 3,299,740	\$ 3,299,740
Water System	2,847,818	2,847,818
Accumulated Depreciation	<u>(2,995,883)</u>	<u>(3,281,413)</u>
<b>Total</b>	<u>\$ 3,151,675</u>	<u>\$ 2,866,145</u>

**CHANGES IN LONG-TERM DEBT**

The following is a summary of long-term debt of the Town of Urania for the year ended June 30, 2023:

			<u>Certificate of Indebtedness</u>	
			<u>Water</u>	<u>Total</u>
<b>Notes Payable 06/30/2022</b>	\$	287,437	\$	287,437
Additional Principal		-0-		-0-
Principal Retirement		<u>(25,274)</u>		<u>(25,274)</u>
<b>Notes Payable 06/30/2023</b>	\$	<u>262,163</u>	\$	<u>262,163</u>

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## **MD&A**

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### **CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the entity's finances and to show that the entity's accountability for the money it receives. If you have questions about this report or need additional information, contact Mayor Jay Ivy at the Town Hall, phone number (318) 495-3452.

**BASIC FINANCIAL STATEMENTS**

**TOWN OF URANIA, LOUISIANA**  
**Statement of Net Position**  
**June 30, 2023**

	<b>PRIMARY GOVERNMENT</b>		
	<b>GOVERNMENTAL ACTIVITIES</b>	<b>BUSINESS-TYPE ACTIVITIES</b>	<b>TOTAL</b>
<b>CURRENT ASSETS</b>			
Cash	\$ 530,781	\$ 1,030,431	\$ 1,561,212
Investments	29,946	-0-	29,946
Receivables (Net of Allowances for Uncollectible)	9,337	70,412	79,749
Prepaid Insurance	-0-	41,397	41,397
<b>TOTAL CURRENT ASSETS</b>	<u>570,064</u>	<u>1,142,240</u>	<u>1,712,304</u>
<b>NON-CURRENT ASSETS</b>			
Restricted Assets	-0-	24,199	24,199
Capital Assets (Net of Accumulated Depreciation)	209,332	2,866,144	3,075,476
<b>TOTAL NON-CURRENT ASSETS</b>	<u>209,332</u>	<u>2,890,343</u>	<u>3,099,675</u>
<b>TOTAL ASSETS</b>	<u>779,396</u>	<u>4,032,583</u>	<u>4,811,979</u>
<b>CURRENT LIABILITIES</b>			
Accounts, Salaries, & Other Payables	18,815	7,411	26,226
Customer Deposits	-0-	23,699	23,699
Notes Payable, Current	-0-	25,274	25,274
<b>TOTAL CURRENT LIABILITIES</b>	<u>18,815</u>	<u>56,384</u>	<u>75,199</u>
<b>NON-CURRENT LIABILITIES</b>			
Notes Payable	-0-	236,919	236,919
<b>TOTAL NON-CURRENT LIABILITIES</b>	<u>-0-</u>	<u>236,919</u>	<u>236,919</u>
<b>TOTAL LIABILITIES</b>	<u>18,815</u>	<u>293,303</u>	<u>312,118</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	209,332	2,603,951	2,813,283
Unrestricted	551,249	1,135,329	1,686,578
<b>TOTAL NET POSITION</b>	<u>\$ 760,581</u>	<u>\$ 3,739,280</u>	<u>\$ 4,499,861</u>

The accompanying notes are an integral part of this statement.

**TOWN OF URANIA, LOUISIANA**  
**Statement of Activities**  
**For the Year Ended June 30, 2023**

	PROGRAM REVENUES				NET REVENUES (EXPENSES) & CHANGES OF PRIMARY GOVERNMENT		
	Expenses	Charges for Services	Capital Grants & Contributions	Net (Expenses) Revenue	Governmental Activities	Business Type Activities	Total Activities
<b>Governmental Activities</b>							
General Government	\$ (291,442)	\$ 24,921	\$ 255,492	\$ (11,029)	\$ (11,029)		\$ (11,029)
Police	(110,687)	-0-	-0-	(110,687)	(110,687)		(110,687)
Fire	(14,098)	20,741	-0-	6,643	6,643		6,643
Recreation	(14,983)	2,400	-0-	(12,583)	(12,583)		(12,583)
Street & Sanitation	(43,605)	32,338	-0-	(11,267)	(11,267)		(11,267)
<b>Total Governmental Activities</b>	<u>(474,815)</u>	<u>80,400</u>	<u>255,492</u>	<u>(138,923)</u>	<u>(138,923)</u>		<u>(138,923)</u>
<b>Business-Type Activities</b>							
Water & Sewer	(565,160)	730,813	-0-	165,653		\$ 165,653	165,653
Interest on Long-Term Debt	(11,365)	-0-	-0-	(11,365)		\$ (11,365)	(11,365)
<b>Total Business-Type Activities</b>	<u>(576,525)</u>	<u>730,813</u>	<u>-0-</u>	<u>154,288</u>		<u>154,288</u>	<u>154,288</u>
<b>Total Primary Government</b>	<u>\$ (1,051,340)</u>	<u>\$ 811,213</u>	<u>\$ 255,492</u>	<u>\$ 15,365</u>			<u>15,365</u>
			<b>General Revenues</b>				
			Fines		126,173	-0-	126,173
			Taxes:				
			Ad Valorem Tax		7,386	-0-	7,386
			Franchise Tax		19,746	-0-	19,746
			Beer Tax		64	-0-	64
			Interest Income		1,424	-0-	1,424
			Donations		22,768	-0-	22,768
			Other Income		25,453	-0-	25,453
			Transfers In (Out)		(39,174)	(39,174)	(78,348)
			<b>Total General Revenues</b>		<u>163,840</u>	<u>(39,174)</u>	<u>124,666</u>
			<b>Change in Net Position</b>		24,917	115,114	140,031
			<b>Net Position - Beginning</b>		735,664	3,624,166	4,359,830
			<b>Net Position - Ending</b>		<u>\$ 760,581</u>	<u>\$ 3,739,280</u>	<u>\$ 4,499,861</u>

The accompanying notes are an integral part of this statement.



**TOWN OF URANIA, LOUISIANA**  
**Balance Sheet, Governmental Funds**  
**June 30, 2023**

		<b>GENERAL FUND</b>
		<hr/>
<b>ASSETS</b>		
Cash	\$	530,781
Investments		29,946
Receivables (Net of Allowances for Uncollectible)		9,337
<b>TOTAL ASSETS</b>		<hr/> <b>570,064</b> <hr/>
 <b>LIABILITIES</b>		
Accounts, Salaries, & Other Payables		18,815
<b>TOTAL LIABILITIES</b>		<hr/> <b>18,815</b> <hr/>
 <b>FUND BALANCE</b>		
Unassigned		551,249
<b>TOTAL FUND BALANCE</b>		<hr/> <b>551,249</b> <hr/>
 <b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>\$</b>	<hr/> <b>570,064</b> <hr/>

The accompanying notes are an integral part of this statement.

**TOWN OF URANIA, LOUISIANA**  
**Reconciliation of the Government Funds Balance Sheet**  
**to the Government-Wide Financial Statement of Net Position**  
**June 30, 2023**

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund Balance, Total Governmental Funds (Statement C)	\$ 551,249
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	209,332
Long-term liabilities including bonds payable are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Other	----- -0-
Net Position of Governmental Activities (Statement A)	\$ <u>760,581</u>

The accompanying notes are an integral part of this statement.

**TOWN OF URANIA, LOUISIANA**  
**Statement of Revenues, Expenditures &**  
**Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2023**

	<b>GENERAL</b>
<b>REVENUES</b>	
Fees & Charges	\$ 80,400
Taxes:	
Ad Valorem Tax	7,386
Franchise Tax	19,746
Beer Tax	64
Fines	126,173
Grants	255,492
Interest	1,424
Donations	22,768
Other	25,453
<b>TOTAL REVENUES</b>	<b>538,906</b>
<b>EXPENDITURES</b>	
General & Administrative	287,193
Police Expense	105,799
Fire	12,205
Recreational	5,562
Street & Sanitation	38,465
Capital Outlay	26,742
<b>TOTAL EXPENDITURES</b>	<b>475,966</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>62,940</b>
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers In (Out)	(39,174)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(39,174)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>23,766</b>
<b>FUND BALANCES--BEGINNING</b>	<b>527,483</b>
<b>FUND BALANCES--ENDING</b>	<b>\$ 551,249</b>

The accompanying notes are an integral part of this statement.

**TOWN OF URANIA, LOUISIANA**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**& Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**For the Year Ended June 30, 2023**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balances, Total Governmental Funds, (Statement E)	\$	23,766
--	----	--------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay	26,742		
Current Depr.	<u>(25,591)</u>		1,151

The issuance of long-term debt (bonds, leases, etc.) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

-0-

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Changes in Net Position of Governmental Activities, (Statement B)	\$	<u>24,917</u>
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The accompanying notes are an integral part of this statement.

**TOWN OF URANIA, LOUISIANA**  
**Statement of Net Position**  
**Proprietary Fund**  
**June 30, 2023**

	<b>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUND</b>
<b>CURRENT ASSETS</b>	
Cash & Cash Equivalents	\$ 1,030,431
Receivables (Net of Allowances for Uncollectable)	70,412
Prepaid Insurance	41,397
<b>TOTAL CURRENT ASSETS</b>	<b>1,142,240</b>
 <b>NON-CURRENT ASSETS</b>	
Restricted Assets	24,199
Capital Assets (Net of Accumulated Depreciation)	2,866,144
<b>TOTAL NON-CURRENT ASSETS</b>	<b>2,890,343</b>
 <b>TOTAL ASSETS</b>	<b>4,032,583</b>
 <b>CURRENT LIABILITIES</b>	
Accounts, Salaries, & Other Payables	7,411
Customer Deposits	23,699
Notes Payable, Current	25,274
<b>TOTAL CURRENT LIABILITIES</b>	<b>56,384</b>
 <b>NON-CURRENT LIABILITIES</b>	
Notes Payable	236,919
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>236,919</b>
 <b>TOTAL LIABILITIES</b>	<b>293,303</b>
 <b>NET POSITION</b>	
Net Investment in Capital Assets	2,603,951
Unrestricted	1,135,329
<b>TOTAL NET POSITION</b>	<b>\$ 3,739,280</b>

The accompanying notes are an integral part of this statement.

**TOWN OF URANIA, LOUISIANA**  
**Statement of Revenues, Expenses & Changes in Net Position**  
**Proprietary Fund**  
**June 30, 2023**

	<b>BUSINESS-TYPE ACTIVITIES</b>
	<b>ENTERPRISE FUND</b>
<b>OPERATING REVENUES</b>	
Water Sales	\$ 472,382
Sewer Charges	322,849
<b>TOTAL OPERATING REVENUES</b>	<b>795,231</b>
<b>OPERATING EXPENSES</b>	
Administration	81,491
Operations	483,670
Depreciation	142,765
<b>TOTAL OPERATING EXPENSES</b>	<b>707,926</b>
<b>OPERATING INCOME (LOSS)</b>	<b>87,305</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Interest Income	-0-
Interest Expense	(11,365)
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(11,365)</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS &amp; TRANSFERS</b>	<b>75,940</b>
Transfer In/(Out)	39,174
Capital Contributions	-0-
<b>CHANGE IN NET POSITION</b>	<b>115,114</b>
<b>TOTAL NET POSITION – BEGINNING</b>	<b>3,624,166</b>
<b>TOTAL NET POSITION – ENDING</b>	<b>\$ 3,739,280</b>

The accompanying notes are an integral part of this statement.

**TOWN OF URANIA, LOUISIANA**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**June 30, 2023**

	<b>BUSINESS-TYPE ACTIVITIES</b>
	<b>ENTERPRISE FUND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from Customers & Users	\$ 795,395
Payments to Suppliers & Employees	(387,811)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	407,584
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Transfers to Other Funds	39,173
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	39,173
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	
Capital Grants	-0-
Capital Purchases	-0-
Principal Paid on Capital Debt	(25,244)
Interest Paid on Capital Debt	(11,365)
<b>NET CASH PROVIDED (USED) BY CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>	(36,609)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
(Increase) Decrease in Investments & Restricted Funds	(155,002)
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	(155,002)
<b>NET INCREASE (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	255,146
<b>CASH &amp; CASH EQUIVALENTS, BEGINNING OF YEAR</b>	775,285
<b>CASH &amp; CASH EQUIVALENTS, END OF YEAR</b>	1,030,431
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	
Operating Income (Loss)	240,753
Depreciation Expense	142,765
(Increase) Decrease in Accounts Receivable	164
(Increase) Decrease in Prepaid Insurance	29,054
Increase (Decrease) in Accounts Payable	(6,267)
Increase (Decrease) Customer Deposits	1,115
<b>TOTAL ADJUSTMENTS</b>	166,831
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	\$ 407,584

The accompanying notes are an integral part of this statement.

**NOTES TO THE BASIC  
FINANCIAL STATEMENTS**



## **TOWN OF URANIA, LOUISIANA**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS**

#### **(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Urania was incorporated under the provisions of the Lawrason Act. The entity operates under the Mayor-Board of Alderman form of government. The entity provides the following significant services to its residents as provided by its charter: public safety (police and fire), highways and streets, utilities (water, gas and sewer services) and general administrative functions, including coordination of related services with parish, state, and federal governing bodies.

The accounting and reporting policies of the Town of Urania conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the Louisiana Municipal Audit and Accounting Guide, and to the industry audit guide, Audits of State and Local Governmental Units.

#### **A. GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of changes in Net Position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meetings the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

## TOWN OF URANIA, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

#### **B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, & FINANCIAL STATEMENT PRESENTATION**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The municipality reports the following major governmental funds:

- The General Fund is the municipality's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The municipality reports the following major proprietary fund:

- Enterprise Fund
  - Water Activities
  - Sewer Activities

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

## TOWN OF URANIA, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

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 a proprietary fund's principal ongoing operations. The principal operating revenues are charges for services and sales taxes. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### C. EQUITY CLASSIFICATIONS

In the government-wide financial statements, equity is classified as Net Position and displayed in three components as applicable. The components are as follows:

Net Investment in Capital Assets - Capital assets including restricted capital assets, when applicable, net of accumulated depreciation.

Restricted Net Position - Net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

Unrestricted Net Position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, management applies restricted resources first. The policy concerning which to apply first varies with the intended use and legal requirements. The decision is typically made by management at the incurrence of the expense.

In the Fund Financial Statements, governmental fund equity is classified as a fund balance. The District has implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance – amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation,
- c. Committed fund balance – amounts constrained to specific purposes by a government itself using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

**TOWN OF URANIA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

- d. Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- e. Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

**D. CASH & CASH EQUIVALENTS**

The Town’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of six months or less from the date of acquisition. State law and the municipality’s investments policy allow the municipality to invest in collateralized certificate of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities.

**E. RECEIVABLES & PAYABLES**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

**F. INVENTORIES**

Immaterial amounts of inventory are maintained for general fund and enterprise fund operations and, accordingly, these supplies are expensed as purchased.

**G. FIXED ASSETS & LONG-TERM LIABILITIES**

For the year ended June 30, 2023, no interest costs were capitalized for construction of fixed assets. The Town of Urania has a capitalization policy of \$1,500.

Depreciation of all exhaustible fixed assets is charged as an expense against its operations. Accumulated depreciation is reported on the proprietary fund balance sheet and governmental fund Statement of Activities. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

	<u>Life In Years</u>
Water System	20-40
Sewer System	20-40
Buildings	40
Equipment	5-10

## TOWN OF URANIA, LOUISIANA

### NOTES TO THE BASIC FINANCIAL STATEMENTS (CONTINUED)

#### H. FUND EQUITY

In the fund equity statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plan that are subject to change.

#### (2) CASH & CASH EQUIVALENTS

##### *Custodial Credit Risk*

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. The Entity does not have a policy for custodial credit risk.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Entity that the fiscal agent bank has failed to pay deposit funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Entity's name.

All cash and investments (CD's over 90 days) are reported at cost and are on deposit at federally insured banks.

##### *Deposits*

It is the Town's policy for deposits to be 100% secured by collateral at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation insurance. The Town's deposits are categorized to give an indication of the level of risk assumed by the Town at fiscal year-end. All deposits were secured at the year-end.

**TOWN OF URANIA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

	<b>Sabine State Bank</b>	<b>Concordia Bank</b>	<b>Total</b>
<b>Bank Balances</b>	\$ 1,664,531	\$ 15,330	\$ 1,679,861
<i>Secured As Follows</i>			
FDIC (Category 1)	250,000	15,330	265,330
Securities (Category 2)	1,562,560	-0-	1,562,560
Uncollateralized (Category 3)	-0-	-0-	-0-
<b>Total</b>	\$ 1,812,560	\$ 15,330	\$ 1,827,890

All deposits were fully secured as of June 30, 2023.

For purposes of the Statement of Net Position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposit of the Town of Urania. For the purpose of the proprietary fund Statement of Cash Flows, “Cash and Cash Equivalents” include all demand savings accounts and certificates of deposit under 90 days.

**(3) AD VALOREM TAXES**

The entity levies taxes on real and business personal property located within its boundaries. The entity utilizes the services of the LaSalle Parish Tax Assessor to assess the property values and prepare the entity's property tax roll. The entity bills and collects its own property taxes.

**Property Tax Calendar**

<b>Property Tax Calendar</b>	
Assessment Date	January 1
Levy Date	No Later Than June 1
Tax Bills Mailed	On or About October 15
Total Taxes Are Due	December 31
Penalties and Interest are Added	January 1
Lien Date	January 1

For the year ended June 30, 2023, taxes of 2.55 mills were levied against property having a valuation of some \$2,940,115 which produced some \$7,498 in revenue.

Ad Valorem Taxes are broken down as follows:

	<b>Mills</b>
Urania General Alimony	2.55
<b>Total</b>	2.55

**TOWN OF URANIA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**(4) RESTRICTED ASSETS - PROPRIETARY FUND TYPES**

At June 30, 2023, restricted assets of the Enterprise Funds were invested in either interest bearing checking accounts or time deposits and were restricted for the following purposes:

	<b>Water</b>
Meter Deposits	\$ 24,199
<b>Total</b>	\$ 24,199

**(5) ACCOUNTS RECEIVABLE & ALLOWANACE FOR BAD DEBTS**

At June 30, 2023, no reserve for bad debts in the general fund was required since the estimated uncollectible receivables outstanding were considered immaterial.

	<b>Enterprise Fund Water &amp; Sewer Fund</b>		<b>Governmental Fund General Fund</b>
Fees & Charges	\$ -0-	\$	9,337
Customer	73,933		-0-
Allowance	(3,521)		-0-
<b>Total</b>	\$ 70,412	\$	9,337

\*Allowances for uncollectible is estimated 5% of gross billing for water and sewer fund.

**(6) FIXED ASSETS**

**ENTERPRISE FUND: PROPERTY, PLANT, AND EQUIPMENT**

A summary of enterprise fund property, plant, and equipment at June 30, 2023, is as follows:

	<b>Balance 6-30-2022</b>		<b>Additions</b>		<b>(Deletions)</b>		<b>Balance 6-30-2023</b>
Water System	\$ 2,847,818	\$	-0-	\$	-0-	\$	2,847,818
Water Accumulated Depreciation	(1,489,521)		(73,390)		-0-		(1,562,911)
Net	\$ 1,358,297	\$	(73,390)	\$	-0-	\$	1,284,907
Sewer Plant	\$ 3,299,740	\$	-0-	\$	-0-	\$	3,299,740
Sewer Accumulated Depreciation	(1,649,127)		(69,375)		-0-		(1,718,502)
Net	\$ 1,650,613	\$	(69,375)	\$	-0-	\$	1,581,238

**TOWN OF URANIA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**GOVERNMENTAL FUND**

A summary of governmental fund depreciable assets at June 30, 2023, is as follows:

	<u>Balance</u> <u>6-30-2022</u>		<u>Additions</u>		<u>(Deletions)</u>		<u>Balance</u> <u>6-30-2023</u>
Buildings & Equipment	\$ 728,758	\$	19,239	\$	-0-	\$	747,997
Land*	67,300		-0-		-0-		67,300
Accumulated Depreciation	(587,877)		(18,088)		-0-		(605,965)
<b>Net</b>	<u>\$ 208,181</u>	\$	<u>1,151</u>	\$	<u>-0-</u>	\$	<u>209,332</u>

\*Land in the amount of \$67,300 is not being depreciated.

Depreciation expense of \$25,591 for the year ended June 30, 2023, was charged to the following governmental functions:

General Government	\$ 4,249
Police	4,888
Fire	5,140
Streets & Sanitation	9,421
Recreation	1,893
<b>Total Depreciation</b>	<u>\$ 25,591</u>

**(7) CHANGES IN LONG-TERM DEBT**

The following is a summary of bond and note transactions of the Town of Urania for the year ended June 30, 2023:

	<u>Certificate of Indebtedness</u>	
	<u>Water</u>	<u>Total</u>
<b>Notes Payable 06/30/2022</b>	\$ 287,437	\$ 287,437
Additional Principal	-0-	-0-
Principal Retirement	(25,274)	(25,274)
<b>Notes Payable 06/30/2023</b>	<u>\$ 262,163</u>	<u>\$ 262,163</u>

Notes and bonds payable at June 30, 2023, are comprised of the following individual issues:

**Certificates of Indebtedness (for Water Enterprise Fund):**

\$410,000 water certificates of indebtedness to be issued December 1, 2016, 15 year maturity. \$3,051 in monthly installments at fixed 4.119%. (No loan covenants)	\$ <u>262,163</u>
<b>Total</b>	<u>\$ 262,163</u>



**TOWN OF URANIA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

*Annual Requirements to Amortize all Debts*

The annual requirements to amortize all debt outstanding as of June 30, 2023, including interest payments are as follows:

<u>Year Ending June 30,</u>	<u>Water Note Payable</u>	<u>Total</u>
2024	\$ 36,609	\$ 36,609
2025	36,609	36,609
2026	36,609	36,609
2027	36,609	36,609
2028	36,609	36,609
2029-2031	106,827	106,827
<b>Total</b>	<u>\$ 292,872</u>	<u>\$ 292,872</u>

**(8) ELECTED OFFICIAL'S SALARIES**

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>	<u>Annualized Salary</u>
Jay Ivy PO Box 673 Urania, LA 71480	Mayor	01/01/2023-12/31/2026	\$15,600
Pat McDougald PO Box 615 Urania, LA 71480	Board Member	01/01/2023-12/31/2026	\$600
Donna Lindsey PO Box 369 Olla, LA 71465	Board Member	01/01/2023-12/31/2026	\$600
Mike Russell PO Box 566 Urania, LA 71480	Board Member	01/01/2023-12/31/2026	\$600
William "Bill" Brown PO Box 577 Urania, LA 71480	Board Member	01/01/2023-12/31/2026	\$600
Carl "Tom" Douglas PO Box 654 Urania, LA 71480	Board Member	01/01/2023-12/31/2026	\$600
Floyd Peavy Urania, LA 71480	Chief of Police	01/01/2023-12/31/2026	\$36,000

**TOWN OF URANIA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**(9) USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**(10) WATER AND SEWER RATES**

The Town of Urania has the following water and sewer rates. The deposit amounts are listed below:

Renter	\$ 250
Owner	\$ 100

<u>Water: (315 Customers)</u>	<u>Minimum Charge</u>	<u>Next</u>
Residential	\$25.00 for 1 <sup>st</sup> 2,000 gallons water used	\$5.00 per 1,000 gallons used thereafter
Commercial	\$50.00 for 1 <sup>st</sup> 2,000 gallons water used	\$5.00 per 1,000 gallons used thereafter
Industrial & Institutional Users	\$200.00 for 1 <sup>st</sup> 2,000 gallons water used	\$7.50 per 1,000 gallons used thereafter
<u>Sewer: (277 Customers)</u>		
Residential	Flat rate of \$18.50	
Commercial	Flat rate of \$50.00	
Industrial & Institutional Users	\$800.00 for 1 <sup>st</sup> 25,000 gallons water used	\$5.00 per 1,000 gallons used thereafter
School	Flat rate of \$250.00	

**(11) RETIREMENT PLANS**

The entity does not offer its employees a retirement plan. All employees are in the social security system.

**(12) ENCUMBRANCES**

The entity does not utilize encumbrance accounting.

**TOWN OF URANIA, LOUISIANA**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
(CONTINUED)**

**(13) TRANSFERS**

Transfers between funds were made for operational purposes.

**(14) SUBSEQUENT EVENTS**

Management has evaluated events and transactions subsequent to the Statement of Net Position date through, September 15, 2023, of the independent auditor's report for potential recognition or disclosure in the financial statements.

**(15) EXCESS EXPENDITURES OVER APPROPRIATIONS**

The Town over spent its budget by 215,966 or 83.1% because expenditures for ARPA grant were not budgeted in the general fund.

**REQUIRED SUPPLEMENTAL  
INFORMATION**

**TOWN OF URANIA, LOUISIANA**  
**Statement of Revenues, Expenditures, & Changes in Fund Balance**  
**Budget & Actual**  
**General Fund**  
**For the Year Ended June 30, 2023**

	BUDGET AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	BUDGET VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
<b>REVENUES</b>				
Fees & Charges	\$ 80,000	\$ 55,000	\$ 80,400	\$ 25,400
Taxes	8,000	7,500	27,196	19,696
Fines	115,000	95,000	126,173	31,173
Grants	-0-	4,000	255,492	251,492
Interest	-0-	-0-	1,424	1,424
Other	19,200	38,500	48,221	9,721
<b>TOTAL REVENUES</b>	<u>222,200</u>	<u>200,000</u>	<u>538,906</u>	<u>338,906</u>
<b>EXPENDITURES</b>				
General & Administrative	145,000	191,500	287,193	(95,693)
Police Expense	20,000	13,500	105,799	(92,299)
Recreational	9,200	2,500	5,562	(3,062)
Fire	11,000	14,000	12,205	1,795
Street & Sanitation	37,000	38,500	38,465	35
Capital Outlay	-0-	-0-	26,742	(26,742)
<b>TOTAL EXPENDITURES</b>	<u>222,200</u>	<u>260,000</u>	<u>475,966</u>	<u>(215,966)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-0-</u>	<u>(60,000)</u>	<u>62,940</u>	<u>122,940</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In (Out)	-0-	-0-	(39,174)	(39,174)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-0-</u>	<u>-0-</u>	<u>(39,174)</u>	<u>(39,174)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -0-</u>	<u>\$ (60,000)</u>	<u>23,766</u>	<u>\$ 83,766</u>
<b>FUND BALANCES—BEGINNING</b>			<u>527,483</u>	
<b>FUND BALANCES—ENDING</b>			<u>\$ 551,249</u>	

The accompanying notes are an integral part of this statement.

## **Supplemental Information**

**Town of Urania, Louisiana**  
**Schedule of Compensation Benefits and Other Payments**  
**to Agency Head or Chief Executive Officer**  
**For the Year Ended June 30, 2023**

Town of Urania  
 Mayor Terri Corley  
 July 1, 2022, to December 31, 2022

Purpose	Amount
Salary	\$ 7,800
Benefits-Insurance	-0-
Benefits-Retirement	-0-
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	1,920
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

\*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report.

**Town of Urania, Louisiana**  
**Schedule of Compensation Benefits and Other Payments**  
**to Agency Head or Chief Executive Officer**  
**For the Year Ended June 30, 2023**

Town of Urania  
 Mayor Jay Ivy  
 January 1, 2023-June 30, 2023

Purpose	Amount
Salary	\$ 9,720
Benefits-Insurance	-0-
Benefits-Retirement	-0-
Benefits (Expense Allowance)	-0-
Car Allowance	-0-
Vehicle Provided by Government	-0-
Per Diem	-0-
Reimbursements	-0-
Travel	-0-
Registration Fees	-0-
Conference Travel	-0-
Continuing Professional Education Fees	-0-
Housing	-0-
Un-vouchered Expenses*	-0-
Special Meals	\$ -0-

\*An example of an un-vouchered expense would be a travel advance.

See independent auditor's report



**Town of Urania, Louisiana**  
**Justice System Funding Schedule – Collecting/Disbursing Entity**  
**Year Ended June 30, 2023**

	<b>First Six Months Ended 12/31/2022</b>	<b>Second Six Months Ended 06/30/2023</b>
<b>Beginning Balance of Amounts Collected</b>	\$ -0-	\$ -0-
<b>Add: Collections</b>		
Criminal Court Costs/Fees	120	570
Criminal Fines – Contempt	1,000	4,750
Criminal Fines – Other	55,201	78,213
<b>Subtotal Collections</b>	56,321	83,533
<b>Less: Disbursements to Governments &amp; Nonprofits</b>		
LA Judicial College	114	142
LA Traumatic Head & Spinal Cord Injury Trust Fund	670	785
Bond Forfeitures & Fees Collected Central LA Juvenile Detention Facility	1,710	2,123
CMIS Trial Court Case Management Information System	228	283
LA Commission on Law Enforcement Transmittal of Statutory Dedicated Funds	2,157	2,580
<b>Less: Amounts Retained by Collecting Agency</b>		
Amounts Self-Disbursed Criminal Fines – Other	47,963	73,051
<b>Less: Disbursements to Individuals/3<sup>rd</sup> Party Collection or Processing Agency</b>		
nCourt Processing Agency	3,479	4,569
<b>Subtotal Disbursements/Retainage</b>	56,321	83,533
<b>Total: Ending Balance of Amounts Collected but not Disbursed/Retained</b>	-0-	-0-
<b>Ending Balance of “Partial Payments” Collected but not Disbursed</b>	-0-	-0-
<b>Other Information:</b>		
<b>Ending Balance of Total Amounts Assessed but not yet Collected</b>	-0-	-0-
<b>Total Waivers During the Fiscal Period</b>	\$ -0-	\$ -0-

See independent auditor’s report.

## **OTHER REPORTS**

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## **THE VERCHER GROUP**

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### MEMBERS

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

Honorable Jay Ivy, Mayor  
Town of Urania  
PO Box 339  
Urania, LA 71480

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the business-type activities of the Town of Urania, Louisiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated September 15, 2023.

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

In planning and performing our audit, we considered the Town of Urania's internal control over financial reporting as a basis for designing our auditing procedures 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 Urania's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Urania's internal control over financial reporting.

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

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

deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies (**2023-1 Small Size of Entity**).

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Town of Urania's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as item: **2023-2 Budget Variance**.

### **The Town of Urania's Response to Findings**

Government Auditing Standards requires the auditor to perform limited procedures on the Town of Urania's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town of Urania's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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.

This report is intended solely for the information and use of the audit committee, management, federal awarding agencies and Legislative Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

*The Vercher Group*

Jena, Louisiana

September 15, 2023

**TOWN OF URANIA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST  
For the Year Ended June 30, 2023**

We have audited the basic financial statements of the Town of Urania, Louisiana, as of and for the year ended June 30, 2023, and have issued our report thereon dated September 15, 2023. We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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**Section I - Summary of Auditor's Results**

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Our audit of the financial statements as of June 30, 2023, resulted in an unmodified opinion.

**a. Report on Internal Control and Compliance Material to the Financial Statements**

Internal Control

Material Weaknesses  Yes

Significant Deficiencies  Yes

Compliance

Compliance Material to Financial Statements  Yes

**b. Federal Awards (Not Applicable)**

Internal Control

Material Weaknesses  Yes

Other Conditions  Yes

Type of Opinion on Compliance Unmodified

Qualified

For Major Programs Disclaimer

Adverse

Are the finding required to be reported in accordance with Uniform Guidance?

Yes  No

**c. Identification of Major Programs:**

**CFDA Number (s)**

**Name of Federal Program (or Cluster)**

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Dollar threshold used to distinguish between Type A and Type B Programs: \$

Is the auditee a 'low-risk' auditee, as defined by OMB Uniform Guidance?  Yes  No

**TOWN OF URANIA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)  
For the Year Ended June 30, 2023**

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**Section II Financial Statement Findings**

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**2023-1 Small Size of Entity (Internal Control)**

**Condition:** Because of the small size of the Town and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the Town's cash.

**Criteria:** Important elements of good internal controls often require that the same employee does not handle the functions of accounting, collections, billing, receiving and check writing.

**Cause of Condition:** Small size of entity and lack of employees.

**Effect of Condition:** Significant deficiency in internal controls.

**Recommendation:** We recommend that management continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

**Client Response and Corrective Action:** Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

**Contact Person:** Jay Ivy

**Anticipated Completion Date:** N/A

**2023-2 Budget Variance (Compliance)**

**Condition:** The Town had an unfavorable expenditures variance of \$215,966 or 83.1% in its general fund for the year ended June 30, 2023.

**Criteria:** The Budget Act requires that budgets be amended when the variance exceeds 5%.

**Cause of Condition:** Underbudgeting expenditures.

**Effect of Condition:** Violation of the Budget Act.

**Recommendation:** The Town should amend the budget when there is an unfavorable variance in revenues or expenditures of more than 5%.

**TOWN OF URANIA, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COST – (CONT.)  
For the Year Ended June 30, 2023**

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**Section II Financial Statement Findings**

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**Client Response and Corrective Action:** The Town will amend the budget when there is an unfavorable variance in revenues or expenditures of more than 5%.

**Contact Person:** Jay Ivy

**Anticipated Completion Date:** June 30, 2024

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**Section III Federal Awards Findings and Questioned Costs**

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Not applicable.

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### **MANAGEMENT LETTER COMMENTS**

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During the course of our review, we observed conditions and circumstances that may be improved. Below are findings noted for improvement, our recommendation for improvement and the Town's plan for corrective action.

#### **CURRENT YEAR MANAGEMENT LETTER COMMENTS**

No items to report.



**TOWN OF URANIA, LOUISIANA**

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**MANAGEMENT'S SUMMARY  
OF PRIOR YEAR FINDINGS**

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Legislative Auditor  
State of Louisiana  
Baton Rouge, Louisiana 70804-9397

The management of the Town of Urania, Louisiana has provided the following action summaries relating to audit findings brought to their attention as a result of their financial audit for the year ended June 30, 2022.

**PRIOR YEAR FINDINGS**

**2022-1 Small Size of Entity (Internal Control)**

**Condition:** Because of the small size of the Town and the lack of separation of duties of employees, many of the important elements of good internal controls cannot always be achieved to ensure adequate protection of the Town's cash.

**Criteria:** Important elements of good internal controls often require that the same employee does not handle the functions of accounting, collections, billing, receiving and check writing.

**Cause of Condition:** Small size of entity and lack of employees.

**Effect of Condition:** Significant deficiency in internal controls.

**Recommendation:** We recommend that management continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

**Client Response and Corrective Action:** Management will continue to provide the necessary oversight in its current internal control procedures, specifically in the areas of cash receipts, collection receipt activities, recordation of those receipts, depositing of funds collected, and review of checks written.

**Contact Person:** Terri Corley

**Anticipated Completion Date:** N/A

**2022-2 Budget Variance (Compliance)**

**Condition:** The Town had an unfavorable expenditures variance of \$189,858 or 44.9% in its general fund for the year ended June 30, 2022.

**Criteria:** The Budget Act requires that budgets be amended when the variance exceeds 5%.

**Cause of Condition:** Underbudgeting expenditures.

**Effect of Condition:** Violation of the Budget Act.

**Recommendation:** The Town should amend the budget when there is an unfavorable variance in revenues or expenditures of more than 5%.

**Client Response and Corrective Action:** The Town will amend the budget when there is an unfavorable variance in revenues or expenditures of more than 5%.

**Contact Person:** Terri Corley

**Anticipated Completion Date:** June 30, 2023

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### **INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES**

Honorable Jay Ivy, Mayor  
Town of Urania  
Po Box 339  
Urania, LA 71480

We have performed the procedures enumerated below, which were agreed to by the Town of Urania and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the period June 30, 2023. The Entity's management is responsible for those C/C areas identified in the SAUPs.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

#### ***Written Policies and Procedures***

---

1. 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:
  - a) ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
  - b) ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
  - c) ***Disbursements***, including processing, reviewing, and approving.
  - d) ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside

parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

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

**Exceptions: Entity did not have a complete Information Technology Recovery/Business Continuity Policy.**

**Management's Response: Management will adopt a complete information technology recover/business continuity.**

### ***Board or Finance Committee***

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- 2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and
  - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

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

**No exceptions noted in the procedures performed.**

### ***Bank Reconciliations***

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- 3. 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:
  - a) 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);
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) 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.

**Exception: Two of the five bank statements chosen were not reconciled within 2 months of the statement closing date and two others did not have documentation of research of outstanding items over 12 months.**

**Management Response: The Town will reconcile within two months of statement closing and will research items over 12 months.**

### ***Collections (excluding electronic funds transfers)***

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- 4. 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).

**Observations: Entity only has one deposit site.**

5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

**Exceptions: Entity does not have enough personnel to properly segregate duties.**

**Management Response: Board reviews all collections and disbursements at board meetings to mitigate risk.**

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

**No exceptions noted in the procedures performed.**

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

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe 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).
- e) Trace the actual deposit per the bank statement to the general ledger.

**Exceptions: Deposits not made daily.**

**Management Response: Due to small amount of funds on hand, the Town could not justify making daily deposits.**

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

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8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.
10. For each location selected under #8 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
  - a) Observe whether the disbursement matched the related original itemized invoice and supporting documentation indicates deliverables included on the invoice were received by the entity.
  - b) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**No exceptions noted in the procedures performed.**

***Credit Cards/Debit Cards/Fuel Cards/P-Cards***

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11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.
12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and
  - a) 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. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

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

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e., each card should have 10 transactions subject to testing). For each transaction, observe 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 note whether management had a compensating control to address missing receipts, such as a “missing receipt statement” that is subject to increased scrutiny.

**Exception: Three of the ten transactions did not have a business purpose on the receipts to identify the purpose of purchase.**

**Management response: The Town will document the business purpose on each receipt.**

#### ***Travel and Travel-Related Expense Reimbursements (excluding card transactions)***

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14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management’s representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:
- a) If reimbursed using a per diem, observe 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](http://www.gsa.gov)).
  - b) If reimbursed using actual costs, observe the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
  - c) Observe each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).
  - d) Observe each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

**No exceptions noted in the procedures performed.**



## ***Contracts***

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15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
- a) 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.
  - b) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g., change order), observe the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, was approval documented).
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe the invoice and related payment agreed to the terms and conditions of the contract.

**No exceptions noted in the procedures performed.**

## ***Payroll and Personnel***

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16. 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.
17. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
- a) Observe all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe whether supervisors approved the attendance and leave of the selected employees or officials.
  - c) Observe any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
  - d) Observe the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
18. 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, 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 or officials' cumulative leave records, agree the pay rates to the employee or officials'

authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

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

**No exceptions noted in the procedures performed.**

### *Ethics*

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
  - a) Observe whether the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b) Observe whether the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
  - c) Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42.1170.

**No exceptions noted in the procedures performed.**

### *Debt Service*

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

**No exceptions noted in the procedures performed.**

### *Fraud Notice*

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

24. Observe 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.

**No exceptions noted in the procedures performed.**

***Information Technology Disaster Recovery/Business Continuity***

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

- a) Obtain and inspect the entity’s most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.
- b) Obtain and inspect the entity’s most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
- c) Obtain a listing of the entity’s computers currently in use and their related locations, and management’s representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

**No exceptions noted in the procedures performed.**

***Prevention of Sexual Harassment***

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26. Using the 5 randomly selected employees/officials from procedure #16 under “Payroll and Personnel” above, obtain sexual harassment training documentation from management, and observe the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

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

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

- a) Number and percentage of public servants in the agency who have completed the training requirements;
- b) Number of sexual harassment complaints received by the agency;
- c) Number of complaints which resulted in a finding that sexual harassment occurred;

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

**No exceptions noted in the procedures performed.**

We were not engaged to and did not conduct an examination or review, 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.

The purpose of this report is 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.

*The Vercher Group*

Jena, Louisiana  
September 15, 2023