

**TOWN OF LOGANSPORT, LOUISIANA**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**Marsha O. Millican, APAC**  
**A Professional Accounting Corporation**  
**Shreveport, Louisiana**

TOWN OF LOGANSPORT, LOUISIANA

TABLE OF CONTENTS

DECEMBER 31, 2022

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1 - 3
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	4 - 8
<b>FINANCIAL STATEMENTS</b>	
Statement of Net Position	9
Statement of Activities	10
Balance Sheet - Governmental Funds	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Net Position - Proprietary Funds	15
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	16
Statement of Cash Flows - Proprietary Funds	17
<b>NOTES TO FINANCIAL STATEMENTS</b>	18 - 25
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds - Budget (GAAP) And Actual - General Fund	26
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
Schedule of Compensation Paid to Mayor and Members of the Town Council	27
Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Agency Head	28

TOWN OF LOGANSPORT, LOUISIANA

TABLE OF CONTENTS (CONTINUED)

DECEMBER 31, 2022

Schedule of Insurance Coverage	29
Schedule of Utility Rates	30
Comparative Statement of Revenues and Expenditures - Proprietary Fund Type	31
<b>INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND 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</b>	32 - 33
<b>CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS</b>	34
<b>SCHEDULE OF FINDINGS</b>	35
<b>INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING STATEWIDE AGREED-UPON PROCEDURES</b>	36 - 47



# Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Judge Cordray, Mayor  
and Members of the Town Council  
Town of Logansport, Louisiana

### Opinion

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Logansport as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town of Logansport's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Logansport as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

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

### 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 Logansport'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

My 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 my opinion. 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 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, I:

- 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 Logansport'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Logansport's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison schedule be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

#### **Other Supplementary Information**

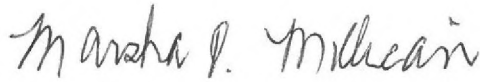
My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Town of Logansport's basic financial statements. The schedule of mayor and aldermen compensation, the schedule of compensation, benefits and other payments to agency head, the schedule of insurance coverage, the schedule of utility rates, and the comparative statement of revenue and expenditures – proprietary fund type are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, I have also issued my report dated June 24, 2023 on my consideration of Town of Logansport's internal control over financial reporting and on my tests of its compliance with certain provisions of law, regulations, contracts, and grant agreements, and other matters. The purpose of that report is to describe the scope of my 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's internal control over financial reporting and compliance.

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Louisiana Legislative Auditor, I have issued a report, dated June 24, 2023 on the results of my statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards*. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.

A handwritten signature in black ink, reading "Marsha P. Milhean". The signature is written in a cursive, flowing style.

Certified Public Accountant  
June 24, 2023

TOWN OF LOGANSPORT, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

The Management's Discussion and Analysis of the Town of Logansport's financial performance presents a narrative overview of the Town of Logansport's financial activities for the year ended December 31, 2022. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the Town's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

Governmental Activities

- 1) Town of Logansport had cash of \$1,989,995 at December 31, 2022, which represents an increase of \$304,776 from prior year end.
- 2) Town of Logansport had receivables of \$39,304 at December 31, 2022, which represents a decrease of \$9,664 from prior year end.
- 3) Town of Logansport had accounts payable and accruals of \$9,907 at December 31, 2022, which represents a decrease of \$40,242 from the prior year end.
- 4) Town of Logansport had total revenues of \$1,097,832 for the year ended December 31, 2022, which represents an increase of \$393,473 from prior year.
- 5) Town of Logansport had total expenses of \$366,406 for the year ended December 31, 2022, which represents an increase of \$29,723.
- 6) Town of Logansport had capital improvements of \$460,810 for the year ended December 31, 2022.

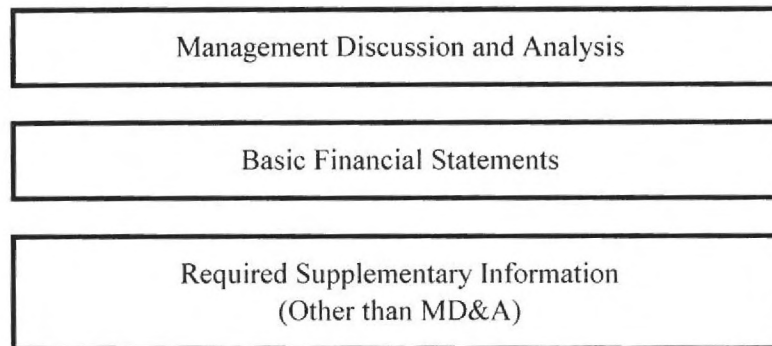
Business-Type Activities

- 1) Town of Logansport had cash of \$1,275,068 for the year ended December 31, 2022, which represents an increase of \$238,182 from prior year.
- 2) Town of Logansport had receivables of \$294,270 for the year ended December 31, 2022, which represents an increase of \$171,034 from prior year.
- 3) Town of Logansport had accounts payable and accruals of \$45,329 for the year ended December 31, 2022, which represents an increase of \$22,504 from prior year.
- 4) Town of Logansport had total revenues of \$1,563,462 for the year ended December 31, 2022, which represents an increase of \$415,106 from prior year.
- 5) Town of Logansport had total expenses of \$1,529,932 for the year ended December 31, 2022, which represents an increase of \$27,105 from prior year.
- 6) Town of Logansport had capital asset improvements of \$87,396 for the year ended December 31, 2022.

TOWN OF LOGANSFORT, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2022

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for the Town of Logansport as established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 9 and 10) provide information about the activities of the Town of Logansport as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 11. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

**Reporting the Town as a Whole**

The Statement of Net Position and the Statement of Activities

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

TOWN OF LOGANSPOUT, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2022

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

These two statements report the Town's net position and changes in them. You can think of the Town's net position, the difference between assets and liabilities, as one way to measure the Town's financial health, or financial position. Over time, increases or decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating.

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

Governmental Activities

Most of the Town's basic services are reported here including the police and general administration. Taxes, license and permits, fines, interest income and state and federal grants finance most of these activities.

Business-Type Activities

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

**Reporting the Town's Most Significant Funds**

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the Town as a whole. Some funds are required to be established by State law and by bond covenants. However, the Town Council may establish other funds to help it control the money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants and other money. The Town's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental Funds

Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Town's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's activities as well as what remains for future spending.

Proprietary Funds

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



TOWN OF LOGANSFORT, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2022

**FINANCIAL ANALYSIS OF THE ENTITY**

Statement of Net Position at Year End

	Governmental Activities 2022	Business Activities 2022	Governmental Activities 2021	Business Activities 2021
Current and other assets	\$ 2,102,409	\$ 1,591,777	\$ 1,812,131	\$ 1,185,658
Capital assets, net	2,412,398	4,535,862	2,072,192	4,734,314
Total Assets	4,514,807	6,127,639	3,884,323	5,919,972
Deferred outflows of resources	-	-	-	-
Accounts Payable and Accruals	99,017	45,329	50,149	22,825
Long term Debt	-	2,594,074	-	2,722,657
Other Liabilities	-	440,705	60,700	232,641
Total Liabilities	99,017	3,080,108	110,849	2,978,123
Deferred inflows of resources	-	-	-	-
Net Position				
Investments in capital assets,				
Net of related debt	2,412,398	1,941,788	2,072,192	2,011,657
Restricted		482,876	-	441,422
Unrestricted	2,092,502	622,867	1,701,282	488,770
Total Net Position	\$ 4,504,900	\$ 3,047,531	\$ 3,773,474	\$ 2,941,849

Net position of the Town of Logansport increased by \$731,426 and increased by \$105,682 from the previous fiscal year in Governmental Activities and Business-Type Activities, respectively. These changes are the result of operating and other expenses being less than/exceeding operating and nonoperating revenues during the fiscal year ended 2022 and 2021 (See table below).

Statement of Activities As of Year End

	Government 2022	Business 2022	Government 2021	Business 2021
General Government Expenses	\$ (366,406)	\$ (1,529,932)	\$ (336,683)	\$ (1,502,827)
Program revenues				
Charges for services	-	1,563,462	-	1,148,356
Operating and capital grants and Contributions	272,700	72,152	15,982	212,542
Subtotal	(93,706)	105,682	(320,701)	(141,929)
General revenues and transfers	825,132	-	688,377	-
Change in net position	\$ 731,426	\$ 105,682	\$ 367,676	\$ (141,929)

**CAPITAL ASSET AND DEBT ADMINISTRATION**

At the end of 2022, Town of Logansport had \$2,412,398, and \$4,535,862 net of depreciation in Governmental Activities and Business-Type Activities, respectively, invested in a broad range of capital assets (See table below). This account represents a net increase (including additions and deductions) of \$340,206 and a decrease of \$198,142 in Governmental Activities and Business-Type Activities, respectively, from the previous year.

TOWN OF LOGANSORT, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2022

Capital Assets (Net) at Year End

	Governmental Activities 2022	Business-Type Activities 2022
Land	\$ 143,270	\$ 16,873
Work in Progress	350,090	
Buildings and other improvements	1,919,038	-
Distribution system	-	4,432,991
Equipment, furniture and fixtures	-	85,998
Total	<u>\$ 2,412,398</u>	<u>\$ 4,535,862</u>

Additions for the year ended December 31, 2021 are as follows:

This years major additions included:

	Governmental Activities 2022	Business-Type Activities 2022
Distribution system	\$ -	\$ 87,396
Buildings and other improvements	460,810	-
Recreation Complex Project	-	-
Total	<u>\$ 460,810</u>	<u>\$ 87,396</u>

Debt

The Town of Logansort had \$2,594,074 in long term debt for the Business-Type Activities at year end.

	Governmental Activities	Business-Type Activities
Long-term debt	<u>\$ -</u>	<u>\$ 2,594,074</u>

**GENERAL FUNDS BUDGETARY HIGHLIGHTS**

Actual revenues were \$98,239 more than budgeted amounts.

Actual expenditures were \$40,451 less than budgeted amounts.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Town of Logansport's elected officials considered the following factors and indicators when setting next year's budget, rates and fees. These factors and indicators include:

- 1) Taxes
- 2) Intergovernmental revenues (state and local grants)
- 3) License and permits
- 4) Fines

Town of Logansport does not expect any significant changes in next year's results as compared to the current year.

**CONTACTING TOWN OF LOGANSORT'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town of Logansport's finances and to show the Town of Logansport's accountability for the money it receives. If you have questions about this report or need additional information, contact Judge Cordray, Mayor of the Town of Logansport, P O Box 400, Logansport, Louisiana 71049.

TOWN OF LOGANSPORT, LOUISIANA  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022

ASSETS	Governmental Activities	Business-Type Activities	Total
Current Assets			
Cash	\$ 1,989,995	\$ 709,292	\$ 2,699,287
Accounts, Taxes and Other Receivable	39,304	294,270	333,574
Inventory	-	22,439	22,439
Total Current Assets	2,029,299	1,026,001	3,055,300
Noncurrent Assets			
Restricted cash	-	565,776	565,776
Due from other funds	73,110	-	73,110
Capital assets, net	2,412,398	4,535,862	6,948,260
Total Noncurrent Assets	2,485,508	5,101,638	7,587,146
Total Assets	4,514,807	6,127,639	10,642,446
Deferred Outflows of Resources	-	-	-
LIABILITIES			
Current Liabilities			
Accounts payable and accruals	9,907	45,329	55,236
Unearned revenue	-	284,695	284,695
Current portion of long term debt	-	131,919	131,919
Total current liabilities	9,907	461,943	471,850
Noncurrent Liabilities			
Due to Other Funds	-	73,110	73,110
Long term debt, net of current portion	-	2,462,155	2,462,155
Customer deposits	-	82,900	82,900
Total Noncurrent liabilities	-	2,618,165	2,618,165
Total liabilities	9,907	3,080,108	3,090,015
Deferred Inflows of Resources	-	-	-
NET POSITION			
Investment in capital assets,			
Net of related debt	2,412,398	1,941,788	4,354,186
Restricted for debt service	-	482,876	482,876
Unrestricted	2,092,502	622,867	2,715,369
Total Net Position	\$ 4,504,900	\$ 3,047,531	\$ 7,552,431
See accompanying notes to financial statements.			

TOWN OF LOGANSPORT, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Primary Government							
Governmental Activities							
General Government	\$ 265,355	\$ -	\$ 2,000	\$ 270,700	\$ (7,345)	\$ -	\$ (7,345)
Depreciation	101,051	-	-	-	(101,051)	-	(101,051)
Total Governmental Activities	366,406	-	2,000	270,700	(93,706)	-	(93,706)
Business-Type Activities							
Utility Fund	1,529,932	1,563,462	-	72,152	-	105,682	105,682
Total Business-Type Activities	1,529,932	1,563,462	-	72,152	-	105,682	105,682
Total Primary Government	<u>\$ 1,896,338</u>	<u>\$ 1,563,462</u>	<u>\$ 2,000</u>	<u>\$ 342,852</u>	(93,706)	105,682	11,976
General Revenues							
Taxes					595,504	-	595,504
Intergovernmental					149,754	-	149,754
Transfers					-	-	-
Miscellaneous					79,874	-	79,874
Total General Revenues and Transfers					<u>825,132</u>	<u>-</u>	<u>825,132</u>
Change in Net Position					731,426	105,682	837,108
Net Position, Beginning of Year					<u>3,773,474</u>	<u>2,941,849</u>	<u>6,715,323</u>
Net Position, End of Year					<u>\$ 4,504,900</u>	<u>\$ 3,047,531</u>	<u>\$ 7,552,431</u>

See accompanying notes to financial statements.

TOWN OF LOGANSPORT, LOUISIANA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022

	<u>General Fund</u>
ASSETS	
Cash	\$ 1,989,995
Taxes and Grants Receivable	39,304
Due from other funds	73,110
Prepaid expenses	<u>-</u>
Total Assets	<u>\$ 2,102,409</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts payable and accruals	<u>\$ 9,907</u>
Total Liabilities	<u>9,907</u>
Fund Balances	<u>2,092,502</u>
Unassigned	<u>2,092,502</u>
Total Fund Balances	<u>\$ 2,102,409</u>
Total Liabilities and Fund Balances	

See accompanying notes to financial statements.



TOWN OF LOGANSPORT, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022

Total Fund Balance for Governmental Funds	\$ 2,092,502
---	--------------

Total Net Position for governmental activities in the  
statement of net position is different because:

Capital assets used in governmental activities  
are not financial resources and therefore are  
not reported in the funds.

2,412,398
-----------

Total Net Position of Governmental Activities
---

\$ 4,504,900
--------------

See accompanying notes to financial statements.

TOWN OF LOGANSPORT, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2022

Revenues:	
Ad Valorem Taxes	\$ 124,789
Occupational Licenses	71,756
Franchise Taxes	108,934
Intergovernmental	149,754
Fines	-
Sales Taxes	290,025
Grants	272,700
Oil Royalty	59,880
Other Income	19,994
	<hr/>
Total Revenues	1,097,832
	<hr/>
Expenditures:	
General Government	430,919
Streets	275,693
	<hr/>
Total Expenditures	706,612
	<hr/>
Net changes in fund balance before transfers	391,220
Transfers to other funds	-
	<hr/>
Net change in fund balance	391,220
Fund Balances, Beginning of Year	1,701,282
	<hr/>
Fund Balances, End of Year	\$ 2,092,502
	<hr/>

See accompanying notes to financial statements.

TOWN OF LOGANSPORT, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

Net Changes in Fund Balances - Total Governmental Funds	\$ 391,220
---	------------

The change in Net Position reported for governmental activities  
in the statement of activities is different because:

Governmental funds report capital outlays as  
expenditures. However, in the statement of  
activities the cost of those assets is allocated  
over their estimated useful lives and reported  
as depreciation expense. This is the amount  
by which capital outlay (\$441,257) exceeds  
depreciation (\$101,051)

340,206
---------

Change in Net Position of Governmental Activities
---

\$ 731,426
------------

See accompanying notes to financial statements.

TOWN OF LOGANSPORT, LOUISIANA  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
DECEMBER 31, 2022

Assets	
Current Assets	
Cash	\$ 709,292
Accounts receivable	294,270
Inventory	22,439
Total Current Assets	<u>1,026,001</u>
Noncurrent Assets	
Restricted cash	565,776
Capital Assets, Net	4,535,862
Total Noncurrent Assets	<u>5,101,638</u>
Total Assets	<u>6,127,639</u>
Deferred Outflows of Resources	
	<u>-</u>
Liabilities	
Liabilities	
Accounts payable and accruals	45,329
Unearned revenue	284,695
Current portion of long term debt	131,919
Total Current Liabilities	<u>461,943</u>
Noncurrent Liabilities	
Long term debt, net of current portion	2,462,155
Due to other funds	73,110
Customer deposits	82,900
Total Noncurrent Liabilities	<u>2,618,165</u>
Total Liabilities	<u>3,080,108</u>
Deferred Inflows of Resources	
	<u>-</u>
Net Position	
Investments in capital assets, Net of related debt	1,941,788
Reserved for debt service	482,876
Unrestricted	622,867
Total Net Position	<u>\$ 3,047,531</u>

See accompanying notes to financial statements.

TOWN OF LOGANSPOUT, LOUISIANA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**OPERATING REVENUES**

Charges for Services	\$ 1,563,462
Miscellaneous	-
Total Operating Revenues	<u>1,563,462</u>

**OPERATING EXPENSES**

Personal Services	538,296
Utilities	63,672
Repair and maintenance	162,090
Other supplies and expenses	369,513
Insurance	10,936
Depreciation	285,848
Total Operating Expenses	<u>1,430,355</u>

Change in Net Position before Other Income (Expenses)	133,107
--	---------

**OTHER INCOME (EXPENSES)**

Grant Revenue	72,152
Interest Expense	<u>(99,577)</u>

Change in Net Position	105,682
------------------------	---------

Net Position, Beginning of Year	<u>2,941,849</u>
---------------------------------	------------------

Net Position, End of Year	<u><u>\$ 3,047,531</u></u>
---------------------------	----------------------------

See accompanying notes to financial statements.



TOWN OF LOGANSPORT, LOUISIANA  
STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPE  
YEAR ENDED DECEMBER 31, 2022

Cash flows from operating activities:	
Cash received from customers	\$ 1,199,610
Cash payments to suppliers and employees	(1,065,283)
Miscellaneous	-
Net cash provided by operating activities	<u>487,230</u>
Cash flows from capital and related financing activities	
Interest paid on long term debt	(100,387)
Principal payments on long term debt	(128,583)
System improvements	(87,396)
Grant proceeds	72,152
Payments to other funds	(4,834)
Net cash used by capital and related financing activities	<u>(249,048)</u>
Net increase in cash	238,182
Cash, January 1, 2022 (including \$523,967 in restricted accounts)	<u>1,036,886</u>
Cash, December 31, 2022 (including \$565,776 in restricted accounts)	<u><u>\$ 1,275,068</u></u>
Reconciliation of changes in net position to net cash provided by operating activities:	
Changes in net position before other income:	\$ 133,107
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	285,848
Changes in assets and liabilities	
Increase in accounts receivable	(171,034)
Decrease in inventory	3,907
Increase in accounts payable	22,504
Increase in unearned revenue	212,543
Increase in customer deposits	355
Net cash provided by operating activities	<u><u>\$ 487,230</u></u>

See accompanying notes to financial statements.

TOWN OF LOGANSFORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

Town of Logansport was incorporated in 1934, under the provisions of the Lawrason Act. The Town operates under a Mayor-Town Council form of government. The Town's major operations include public safety, streets, recreation and parks, utilities, and general administrative services.

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting**

The accompanying financial statements of the Town of Logansport have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued in June, 1999.

**B. Reporting Entity**

GASB Statement 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, Town of Logansport is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that Town of Logansport may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bond debt.

**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position, page 9, and the Statement of Activities, (page10) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from the 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include a) charges to customers or applicants who purchase, use or directly benefit from goods, services privileges provided by a given function or segment, and b) grants and contributions that are restricted to meeting 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 LOGANSFORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and the 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.

Ad valorem 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 revenue in the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Sales and use tax revenues are recorded in the month collected by the tax collector. All other revenue items are considered to be measurable and available only when the cash is received by the government.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of capital assets, debt extinguishment, long-term proceeds, et cetera, are accounted for as other financing sources/(uses). These other financing sources/(uses) are recognized at the time the underlying events occur.

Town of Logansport reports the following governmental and proprietary funds:

**Governmental Funds**

Governmental funds account for all or most of Town of Logansport's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term obligations.

**General Fund** - is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. General tax revenues and other sources of revenue used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all cost of operating the government for which a separate fund has not been established.

TOWN OF LOGANSFORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

**Proprietary Funds**

Proprietary funds account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Town of Logansport applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**Enterprise Fund** - is used to account for operations a) that are financed/operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or b) where the governing body has decided the periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that these standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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 governments enterprise operations. Elimination of those charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include a) charges to customers or applicants for goods, services, or privileges provided, b) operating grants and contributions, and c) 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.

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. 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.

Formal budgetary accounting is employed as a management control. Town of Logansport prepares and adopts a budget each year for its general and utility funds in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The Town amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more. All budget appropriations lapse at year end.

TOWN OF LOGANSPORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows and consistent with GASB Statement 9, the Town defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short-term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**F. Receivables**

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

**G. Bad Debts**

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the collectability of the particular receivable. At December 31, 2022, \$4,780 and \$52,341 of Governmental and Business-Type Activities receivables, respectively, were considered to be uncollectible.

**H. Capital Assets**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased that have a useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Position. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and other improvements, and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

**I. Property and Sales Tax**

The Town collects a 7.52 mills property tax. Effective January 1, 2019, the Town passed an additional tax of 4.51 mills for the purposes of acquiring, constructing, improving, maintaining, operating and keeping in repair the public roads, highways, bridges and drainage facilities within the Town, and for acquiring, improving, maintaining recreational parks, facilities, and equipment of the Town. The Town collects a 1% sales tax dedicated to general operating expenses of the Town.



TOWN OF LOGANSFORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. Compensated Absences**

Leave cannot be accumulated or carried over from one year to the next. Therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

**K. 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 the assets and liabilities and disclosures 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.

**NOTE 2 LEVIED TAXES**

Town of Logansport levies taxes on real and business personal property located within its boundaries. The Parish Tax Assessor assesses the property values and prepares the Town's property tax roll. The Town bills and collects its own property taxes. Ad valorem taxes are levied and billed to the taxpayer in December, and are payable upon receipt of notice. Ad valorem taxes attach as an enforceable lien on property as of December 31 of each year. Taxes of 12.03 mills were levied on property with assets valuations totaling \$7,531,938 and were dedicated for general operating purposes. Total taxes levied after adjustments were \$90,790. Taxes receivable at December 31, 2022 totaled \$15,961.

**NOTE 3 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**A. Deposits with Financial Institutions**

For reporting purposes, deposits with financial institutions includes savings, demand deposits, time deposits, and certificates of deposit. Under state law the Town may deposit funds with a fiscal agent bank selected and designated by the Town Council. Further, the fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The carrying amount of the Town's deposits at December 31, 2022 including petty cash of \$500 was \$3,265,063 and the banks balance was \$3,262,658. The difference is due to outstanding checks and deposits at year end. The bank balances were secured as follows:

Secured by FDIC Insurance:	\$	406,933
Collateralized by securities pledged in the Town's name:		<u>2,855,725</u>
Total	\$	<u><u>3,262,658</u></u>

TOWN OF LOGANSFORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2022

**NOTE 4     ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at December 31, 2022:

	Governmental Activities	Business-Type Activities	Total
Advalorem Taxes	\$ 15,961	\$ -	\$ 15,961
Franchise Taxes	23,343	-	23,343
Sales Taxes	-	-	-
Charges for services	-	294,270	294,270
Total.	<u>\$ 39,304</u>	<u>\$ 294,270</u>	<u>\$ 333,574</u>

**NOTE 5     CAPITAL ASSETS**

A summary of Town of Logansport's capital assets at December 31, 2022 follows:

	Balance 1/1/2022	Additions	Retirements	Balance 12/31/2022
<b>Government Activities</b>				
Capital Assets, not being depreciated				
Work In Process	\$ 404,230	\$ 19,553	\$ (54,140)	\$ 350,090
Land	143,270	-	-	143,270
Total Capital Assets, not being depreciated	547,500	19,553	-	493,360
Capital Assets, being depreciated				
Buildings and Equipment	2,683,776	495,397	-	3,179,173
Less accumulated depreciation	(1,159,084)	(101,051)	-	(1,260,135)
Total Buildings and other improvements	1,524,692	394,346	-	1,919,038
Equipment and other assets	151,973	-	-	151,973
Less accumulated depreciation	(151,973)	-	-	(151,973)
Total Equipment , Furniture & Fixtures	-	-	-	-
Total Capital Assets, being depreciated	1,524,692	394,346	-	1,919,038
<b>Governmental Activities</b>				
Total Capital Assets, net	<u>\$ 2,072,192</u>	<u>\$ 413,899</u>	<u>\$ -</u>	<u>\$ 2,412,398</u>
<b>Business-Type Activities</b>				
Capital Assets, not being depreciated				
Land	\$ 16,873	\$ -	\$ -	\$ 16,873
Total Capital Assets, not being depreciated	16,873	-	-	16,873
Capital Assets, being depreciated				
Distribution System	10,753,190	87,396	-	10,840,586
Less accumulated depreciation	(6,132,374)	(275,221)	-	(6,407,595)
Total Distribution System	4,620,816	(187,825)	-	4,432,991
Equipment, furniture & fixtures	633,122	-	-	633,122
Less accumulated depreciation	(536,497)	(10,627)	-	(547,124)
Total Equipment , Furniture & Fixtures	96,625	(10,627)	-	85,998
Total Capital Assets, being depreciated	4,717,441	(198,452)	-	4,518,989
<b>Business-Type Activities</b>				
Total Capital Assets, net	<u>\$ 4,734,314</u>	<u>\$ (198,452)</u>	<u>\$ -</u>	<u>\$ 4,535,862</u>
<b>Primary Government</b>				
Total Capital Assets, net	<u>\$ 6,806,506</u>	<u>\$ 215,447</u>	<u>\$ -</u>	<u>\$ 6,948,260</u>

TOWN OF LOGANSFORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2022

**NOTE 6 ACCOUNTS PAYABLE AND ACCRUALS**

The following is a summary of accounts payable at December 31, 2022:

	Governmental Activities	Business-Type Activities	Total
Vendor	\$ 9,907	\$ 45,329	\$ 55,236
Payroll taxes	-	-	-
Construction	-	-	-
Total	<u>\$ 9,907</u>	<u>\$ 45,329</u>	<u>\$ 55,236</u>

**NOTE 7 LEASES**

Town of Logansport was not obligated under any operating lease commitments at December 31, 2022.

**NOTE 8 RISK MANAGEMENT**

Town of Logansport is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains commercial insurance coverage covering each of these risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town.

**NOTE 9 LONG-TERM DEBT**

The following is a summary of debt transactions of Town of Logansport, Louisiana for the year ended December 31, 2022:

	Balance 12/31/2021	Issuances	Retirements	Balance 12/31/2022
Water Revenue Bonds	\$ 2,071,656	\$ -	\$ (72,362)	\$ 1,999,294
Sewer Revenue Bonds	651,000	-	(56,220)	594,780
Balance, December 31, 2022	<u>\$ 2,722,656</u>	<u>\$ -</u>	<u>\$ (128,582)</u>	<u>\$ 2,594,074</u>

Bonds payable at December 31, 2022 are comprised of the following:

Water Revenue Bonds

\$3,000,000 water, sewer and gas serial bonds due in monthly installments of \$14,100 through May 24, 2040; interest at 4.75% \$ 1,999,294

Sewer Revenue Bonds

\$1,135,000 sewer bonds due in annual payments ranging from \$52,000 - \$62,000 June, 2013 through June, 2032 interest at 4.50% \$ 594,780

TOWN OF LOGANSPORT, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
December 31, 2022

**NOTE 9      LONG TERM DEBT (CONTINUED)**

The annual requirements to amortize all long-term debt outstanding as of December 31, 2022 including interest payments of \$941,020 are as follows:

Year Ending December 31	Revenue Bonds		Sewer Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 75,919	\$ 93,281	\$ 56,000	\$ 2,678	\$ 131,919	\$ 95,959
2024	79,605	89,595	55,000	2,421	134,605	92,016
2025	85,730	83,470	58,000	2,830	143,730	86,300
2026	87,522	81,678	59,000	1,500	146,522	83,178
2027	91,770	77,429	59,000	1,633	150,770	79,062
2028 and after	1,578,748	501,852	307,780	2,653	1,886,528	504,505
Totals	<u>\$1,999,294</u>	<u>\$ 927,305</u>	<u>\$594,780</u>	<u>\$ 13,715</u>	<u>\$2,594,074</u>	<u>\$ 941,020</u>

**NOTE 10      SUBSEQUENT EVENTS**

Management has evaluated subsequent events through June 24, 2023, the date these financial statements were available to be issued, and determined no additional disclosures are warranted.

TOWN OF LOGANSPOUT, LOUISIANA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-  
GENERAL FUND  
BUDGET (GAAP) BASIS AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Original</u>	<u>Amended</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Taxes, Licenses, and Permits	\$ 431,350	\$ 569,278	\$ 595,504	\$ 26,226
Police Fines	-	-	-	-
Intergovernmental	100,000	361,755	422,454	60,699
Miscellaneous	25,000	68,560	79,874	11,314
Total Revenues	<u>556,350</u>	<u>999,593</u>	<u>1,097,832</u>	<u>98,239</u>
Expenditures				
General Government	101,800	419,574	430,919	(11,345)
Highways and Streets	<u>236,000</u>	<u>327,489</u>	<u>275,693</u>	<u>51,796</u>
Total Expenditures	<u>337,800</u>	<u>747,063</u>	<u>706,612</u>	<u>40,451</u>
Net Changes in Fund Balances before Other Sources	218,550	252,530	391,220	138,690
Other Sources				
Transfers from Other Funds	-	-	-	-
Total Other Sources	-	-	-	-
Net Changes in Fund Balances	218,550	252,530	391,220	138,690
Fund Balances, Beginning of Year	<u>1,701,282</u>	<u>1,701,282</u>	<u>1,701,282</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 1,919,832</u>	<u>\$ 1,953,812</u>	<u>\$ 2,092,502</u>	<u>\$ 138,690</u>

TOWN OF LOGANSFORT, LOUISIANA  
SCHEDULE OF COMPENSATION PAID TO MAYOR AND  
MEMBERS OF THE TOWN COUNCIL  
YEAR ENDED DECEMBER 31, 2022

Judge Cordray, Mayor	P. O. Box 69, Logansport, LA	(318)564-5311	\$ 12,000
Zachary Bossier	2402 Old Mansfield Rd, Logansport, La	(318)697-5360	2,400
Katherine Freeman	P. O. Box 819, Logansport, LA	(318)471-1757	2,400
Anthony Wilson	2002 Thomas Street, Logansport, LA	(318)471-9030	2,400
Mark Woods	133 Frank Drive	(318) 871-6093	2,400
Pam Thomas	101 S Bogla Road, Apt. 826, Logansport, LA	(318)364-5538	<u>2,400</u>
	Total		<u>\$ 24,000</u>

TOWN OF LOGANSPOUT, LOUISIANA  
SCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS AND OTHER  
PAYMENTS TO AGENCY HEAD  
FOR THE YEAR ENDED DECEMBER 31, 2022

---

---

Agency Head: Honorable Judge Cordray, Mayor

Salary	<u>\$ 12,000</u>
Payroll Taxes	<u>\$ 918</u>
Reimbursement	<u>\$ 720</u>



TOWN OF LOGANSPOUT, LOUISIANA  
SCHEDULE OF INSURANCE COVERAGE  
DECEMBER 31, 2022

**Insurance Coverage:**

**Auto Policy:** 791-00-21-25-0000, Atlantic Specialty Insurance Company, 605 Highway 169 North, Suite 800, Plymouth, MN 55441  
Liability: \$1,000,000 CSL  
Uninsured Motorist Bodily Injury: \$500,000 limit  
Effective Dates: January 1, 2022 to January 1, 2023

**Commercial Property Package Policy (BPP, IM, Crime):** 791-00-21-25-0000, Atlantic Specialty Insurance Company, 605 Highway 169 North, Suite 800, Plymouth, MN 55441  
Business Personal Property: Total Insured Value \$25,000  
Electronic Data Processing Equipment: Total Insured Value \$50,000 (\$25,000 each loc)  
Electronic Data Processing Data & Media: Total Insured Value \$50,000 (\$25,000 each loc)  
Inland Marine-Scheduled Equipment: Total Insured Value \$176,625  
Crime-Employee Theft: \$100,000 Per Employee  
Effective Dates: January 1, 2022 to January 1, 2023

**Public Entity Liability Package Policy** 791-00-21-25-000, Atlantic Specialty Insurance Company, 605 Highway 169 North, Suite 800, Plymouth, MN 55441  
General Liability: \$2,000,000 Aggregate, \$1,000,000 Each Occurrence  
Management Liability (D&O): \$1,000,000 Aggregate, \$1,000,000 Each Wrongful Act  
Employee Benefits Liability: \$3,000,000 Aggregate, \$1,000,000 Each Employee  
Employment-Related Practices Liability: \$1,000,000 Aggregate, \$1,000,000 Each Offense  
Effective Dates: January 1, 2022 to January 1, 2023

**CYBER INSURANCE Policy:** MPL5048800.22, Sayata US Insurance Services Inc., 548 Market Street, San Francisco, CA 94104  
Limit of Liability: \$1,000,000 Aggregate, \$1,000,000 Each Occurrence  
Effective Dates: January 1, 2022 to January 1, 2023

**Workers Compensation Policy,** 135321-S, Louisiana Workers' Compensation Corporation, 2237 S Acadian Thruway, Baton Rouge, LA 70808  
Workers Compensation: Statutory Limits  
Employers Liability: Bodily Injury by Accident \$100,000 each accident, Bodily Injury by Disease \$500,000 policy limit, Bodily Injury by Disease \$100,000 each employee  
Effective dates: January 1, 2022 to January 1, 2023

**Commercial Umbrella Policy,** 791-00-21-25-0000, Atlantic Specialty Insurance Company, 605 Highway 169 North, Suite 800, Plymouth, MN 55441  
Limits: \$1,000,000 Aggregate, \$1,000,000 Each Occurrence  
Effective Dates: January 1, 2022 to January 1, 2023

TOWN OF LOGANSPORT  
SCHEDULE OF UTILITY RATES  
DECEMBER 31, 2022

WATER SERVICE

IN TOWN—RESIDENTIAL & COMMERCIAL

0-1000 gallons \$20.00 minimum

Over 1000 gallons \$4.50 per thousand gallons

OUT OF TOWN—RESIDENTIAL & COMMERCIAL

0-1000 gallons \$21.00 minimum

Over 1000 gallons \$5.00 per thousand gallons

BULK--\$15.00 per thousand with a \$15.00 minimum

INDUSTRIAL--\$5.00 PER THOUSAND GALLONS

OUT OF STATE—JOAQUIN

\$750.00 Flat Fee per month plus \$4.75 per thousand gallons

DESOTO WATERWORKS DISTRICT

\$7.50 per thousand gallons

SEWER SERVICE

IN TOWN & OUT OF TOWN

0-1000 gallons \$15.00 minimum

Over 1000 gallons .75 (cents) per thousand with a \$25.00 minimum

BULK WASTEWATER—a fee of not less than Three (3) cents per gallon and not more the Ten (10) cents per gallon shall be charged with a 1000 gallon minimum

GAS SERVICE

IN TOWN—RESIDENTIAL & COMMERCIAL

0-1000 cubic feet \$8.50 minimum

Over 1000 cu ft 3.00 per thousand cu ft

Plus fuel adjustment charge on total MCF

(3.75 + Cost of gas)

OUT OF TOWN—RESIDENTIAL & COMMERCIAL

0-1000 cubic feet \$9.50 minimum

Over 1000 cu ft 3.25 per thousand cu ft

(3.75 + Cost of gas)

PUBLIC

0-1000 cubic feet \$8.50 minimum

Over 1000 cu ft 3.00 per thousand cu ft

Plus fuel adjustment charge on total MCF

(3.75 + Cost of gas)

The system had 968 customers at 12/31/2022.

TOWN OF LOGANSPORT, LOUISIANA  
COMPARATIVE  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31,

	2022	2021
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 1,563,462	\$ 1,148,356
Miscellaneous	-	-
Total Operating Revenues	<u>1,563,462</u>	<u>1,148,356</u>
<b>OPERATING EXPENSES</b>		
Personal Services	538,296	514,036
Utilities	63,672	44,959
Repair and maintenance	162,090	238,246
Other supplies and expenses	369,513	307,132
Insurance	10,936	17,116
Depreciation	285,848	277,877
Total Operating Expenses	<u>1,430,355</u>	<u>1,399,366</u>
Change in Net Position before Other Income	133,107	(251,010)
<b>OTHER INCOME (EXPENSES)</b>		
Grant Revenue	72,152	212,542
Interest Expense	<u>(99,577)</u>	<u>(103,461)</u>
Change in Net Position	105,682	(141,929)
Net Position, Beginning of Year	<u>2,941,849</u>	<u>3,083,778</u>
Net Position, End of Year	<u><u>\$ 3,047,531</u></u>	<u><u>\$ 2,941,849</u></u>



# Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

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

To the Mayor and Members of  
the Town Council  
Town of Logansport, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of Town of Logansport as of December 31, 2022, and related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued my report thereon dated June 24, 2023.

### Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Town of Logansport's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, I do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation 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 *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.

My consideration of internal control was for the limited purpose described in the preceding paragraph 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. I did identify a deficiency in internal control, described in the accompanying schedule of findings as Finding #2022-1.

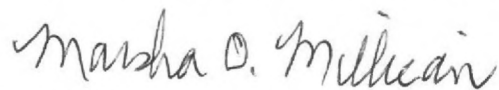
### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Logansport's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are reported on the accompanying schedule of findings as Finding #2022-2.

810 WILKINSON  
SHREVEPORT, LA 71104-3036  
(318) 221-3881  
FAX: (318) 221-4641

### Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town '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 Town 's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statutes, it is issued by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Marsha D. Mullican".

Certified Public Accountant  
June 24, 2023

TOWN OF LOGANSPORT  
CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2022

FINDING #2021-1: The segregation of duties is inadequate to provide effective internal control.

STATUS: Unresolved.

FINDING #2021-2: The Town did not file its financial statements within the time frame required by the Louisiana Legislative Auditor

STATUS: Resolved.

FINDING #32021-3: The Town is not in compliance with the Loan and Pledge Agreement of the Sewer Revenue Bonds.

STATUS: Resolved.

TOWN OF LOGANSPOUT, LOUISIANA  
SCHEDULE OF FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2022

1. The auditor's report expresses an unmodified opinion on the financial statements.
2. One deficiency, which is considered to be a material weakness in internal control over financial reporting, was disclosed during the audit.
3. One instance of noncompliance material to the financial statements was disclosed during the audit.

FINDING/NONCOMPLIANCE

FINDING 2022 - #1:

Criteria: Effective internal control requires the segregation of duties.

Condition: The segregation of duties is inadequate to provide effective internal control.

Cause: The condition is due to economic and space limitations.

Effect: Unknown.

Recommendation: Whether or not it would be cost effective to correct a deficiency is not a factor in reporting requirements under accounting standards generally accepted in the United States of America. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all deficiencies reported under accounting standards generally accepted in the United States of America. In this case, both management and the auditor do not believe that correcting the material weakness described above is cost effective or practical, and, accordingly, do not believe that any corrective action is necessary.





Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING  
STATEWIDE AGREED-UPON PROCEDURES

The Honorable Judge S. Cordray, Mayor  
and Members of the Town Council  
Town of Logansport, Louisiana

I have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2022 through December 31, 2022. Management of Town of Logansport (the Town) is responsible for those C/C areas identified in the SAUPS.

The Mayor and the Members of the Town Council of the Town have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in the LLA's SAUPs for the fiscal period January 1, 2022 through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

**1) Written Policies and Procedures**

- A. I obtained and inspected the entity's written policies and procedures and observed whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget.
  - ii. **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with Public Bid Law; and (5) documentation required to be maintained for all bids and price quotes.
  - iii. **Disbursements**, including processing, reviewing, and approving.

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

*No exceptions were noted as a result of this procedure.*

## **2) Board or Finance Committee**

---

- A. I obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
- i. I observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
  - ii. For those entities reporting on the governmental accounting model, I observed that 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 the public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*
  - iii. For governmental entities, I obtained the prior year audit report and observed the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
  - iv. I observed whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

***Procedure Results - The minutes included no monthly budget-to-actual comparisons.***

***Management's Response - We will include monthly budget-to-actual comparisons in the future.***

## **3) Bank Reconciliations**

---

- A. I obtained a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. I asked management to identify the entity's main operating account. I selected the entity's main operating account and randomly selected 4 additional accounts (or all accounts if less than 5). I randomly selected one month from the fiscal period, obtained and inspected the corresponding bank statement and reconciliation for each selected account and observed that:
- i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

- ii. Bank reconciliations include written evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
- iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

*No exceptions were noted as a result of this procedure.*

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

---

- A. I obtained 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. I selected 1 deposit site (there is only 1).
- B. For each deposit site selected, I obtained a listing of collection locations and management's representation that the listing is complete. I selected one collection location for each deposit site (i.e., 1 collection locations for 1 deposit site), obtained and inspected 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 observed that job duties are properly segregated at each collection location such that:
  - i. Employees responsible for cash collections do not share cash drawers/registers;
  - ii. Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;
  - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
  - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.
- C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.



- D. I randomly selected two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* I obtained supporting documentation for each of the 10 deposits and:
- i. Observe that receipts are sequentially pre-numbered.
  - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
  - iii. Trace the deposit slip total to the actual deposit per the bank statement.
  - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
  - v. Trace the actual deposit per the bank statement to the general ledger.

*No exceptions were noted as a result of this procedure.*

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

---

- A. I obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. I selected 1 location (there is only 1).
- B. For each location selected under procedure #5A above, I obtained a listing of those employees involved with non-payroll purchasing and payment functions. I obtained written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that:
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase;
  - ii. At least two employees are involved in processing and approving payments to vendors;
  - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;

- iv. Either the employees/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and
- v. Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.

[Note: Findings related to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality) should not be reported.]

- C. For each location selected under procedure #5 above, I obtained the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtained management's representation that the population is complete. I randomly selected 5 disbursements for each location, obtained supporting documentation for each transaction, and
  - i. Observed whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity, and
  - ii. Observed whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.
- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, I randomly selected 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observed that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. [Note: If no electronic payments were made from the main operating account during the month selected, the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.

*No exceptions were noted as a result of this procedure.*

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

- A. I obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. I obtained management's representation that the listing is complete.
- B. Using the listing prepared by management, I randomly selected 5 cards (or all cards if less than 5) that were used during the fiscal period. I randomly selected one monthly statement or combined statement for each card (for a debit card, randomly select on monthly bank statement). I obtained supporting documentation, and:

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported]; and
  - ii Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, I randomly select 10 transactions (or all transactions if less than 10) from each statement and obtained supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, I observed that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

*No exceptions were noted as a result of this procedure.*

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

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



- iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

*This procedure is not applicable. The District had no travel-related expenses for the fiscal year.*

## **8) Contracts**

---

- A. I obtained from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list.* I obtained management's representation that the listing is complete. I selected 1 contract (there is only 1) from the listing, excluding the practitioner's contract, and:
  - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
  - ii. Observe that the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter).
  - iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment was approval documented).
  - iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

*No exceptions were noted as a result of this procedure.*

## **9) Payroll and Personnel**

---

- A. I obtained a list of employees and officials employed during the fiscal period and management's representation that the listing is complete. I randomly select 5 employees or officials, obtained related salaries and personnel files, and agreed paid salaries to authorized salaries/ pay rates in the personnel files.
- B. I randomly selected one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, I obtained attendance records and leave documentation for the pay period, and
  - i. Observed that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

- ii. Observed whether supervisors approved the attendance and leave of the selected employees or officials;
  - iii. Observed that any leave accrued or taken during the pay period is reflected in the entity's accumulative leave records; and
  - iv. Observed that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.
- C. I obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employees' or officials' cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. I obtained 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 the required deadlines.

*No exceptions were noted as a result of this procedure.*

#### **10) Ethics**

---

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

*No exceptions were noted as a result of this procedure.*

## 11) Debt Service

---

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

## 12) Fraud Notice

---

- A. I obtained a listing of misappropriation 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 to the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. I observed 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 were noted as a result of this procedure.*

## 13) Information Technology Disaster Recovery/Business Continuity

---

- A. Perform the following procedures, **verbally discuss the results with management, and report, "I performed the procedure and discussed the results with management."**
  - i. I obtained and inspected the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
  - ii. I obtained and inspected the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

- iii. I obtained a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.
- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

*I performed the procedure and discussed the results with management.*

#### **14) Prevention of Sexual Harassment**

---


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

*No exceptions were noted as a result of this procedure.*

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

I am required to be independent of the Town and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my agreed-upon procedures engagement.

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

A handwritten signature in cursive script that reads "Marsha D. Milligan".

Certified Public Accountant  
June 24, 2023