

**TOWN OF COLUMBIA
Columbia, Louisiana**

Annual Financial Statements

**As of and for the Year Ended
June 30, 2024**

TOWN OF COLUMBIA
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended June 30, 2024

C O N T E N T S

	Statement	Page No.
Independent Auditor's Report		3
Required Supplemental Information:		
Management's Discussion and Analysis		7
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	A	15
Statement of Activities	B	16
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C	17
Statement of Revenue, Expenditures, and Changes in Fund Balances	D	18
Business-Type Activities - Enterprise Funds:		
Statement of Net Position	E	20
Statement of Revenue, Expenses, and Changes in Net Position	F	21
Statement of Cash Flows	G	22
Notes to the Financial Statements		23

TOWN OF COLUMBIA
 Columbia, Louisiana
 Annual Financial Statements
 As of and for the Year Ended June 30, 2024

C O N T E N T S (Contd.)

	Schedule	Page No.
Required Supplemental Information Schedules:		
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and And Actual - General Fund	1	48
Schedule of Proportionate Share of the Net Pension Liability - Municipal Employees' Retirement System	2	49
Schedule of Contributions - Municipal Employees' Retirement System	3	50
Other Supplemental Information Schedules:		
Schedule of Compensation, Benefits, and Other Payments to Mayor and Town Council	4	53
Justice System Funding Schedule - Collecting/Disbursing Entity	5	54
Schedule of Prior Year Findings	6	55
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		57
Schedule of Current Year Findings and Management's Planned Corrective Action		59
Independent Accountant's Report on Applying Agreed-Upon Procedures		61

M. CARLEEN DUMAS
Certified Public Accountant
369 Donaldson Road. Calhoun, Louisiana. Telephone 318/644-5726

Independent Auditor's Report

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA
Columbia, Louisiana

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Columbia (the "Town"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In 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, and each major fund of the Town, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide* issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor. 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 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 opinions.

Responsibilities of Management for the Financial Statements

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

Member of the American Institute of Certified Public Accountants
Member of the Society of Louisiana of Certified Public Accountants

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA
Columbia, Louisiana
Independent Auditor's Report
June 30, 2024

In preparing financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town'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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 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'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.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA
Columbia, Louisiana
Independent Auditor's Report
June 30, 2024

- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town'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 on pages 7 through 13; the budgetary comparison information on page 48; and the schedule of proportionate share of the net pension liability and schedule of contributions related to the Municipal Employees' Retirement System on pages 49 and 50 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 (GASB), 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.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The accompanying Schedule of Compensation, Benefits, and Other Payments to Mayor and Town Council on page 53, the Justice System Funding Schedule - Collecting/Disbursing Entity on page 54, and the Schedule of Prior Year Findings on page 55 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

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA
Columbia, Louisiana
Independent Auditor's Report
June 30, 2024

financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Schedule of Compensation, Benefits, and Other Payments to Mayor and Town Council, the Justice System Funding Schedule - Collecting/Disbursing Entity, and the Schedule of Prior Year Findings are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated November 29, 2024, on my consideration of the Town's internal control over financial reporting and on my tests of the Town's compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town'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 November 21, 2024, 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.

/s Carleen Dumas
Calhoun, Louisiana
November 29, 2024

TOWN OF COLUMBIA
Columbia, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

Our discussion and analysis of the Town of Columbia's (hereafter referred to as the "Town") financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the Town's basic financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 15 and 16 provide information about the activities of the Town as a whole. Fund financial statements that begin on page 17 provide information on how the activities of the Town are financed in the short term as well as what remains for future spending. Fund financial statements report the Town's operations in more detail than the government-wide statements.

**Reporting the Town as a Whole - The Statement of Net Position
and the Statement of Activities**

Our analysis of the Town as a whole begins with the Statement of Net Position and the Statement of Activities. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most businesses. All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's *net position* and the changes in net position. Net position - the difference between assets (what the Town owns), plus deferred outflow of resources (consumption of assets that apply to a future period) and liabilities (what the Town owes) plus deferred inflow of resources (resources that apply to a future period) is a way to measure the financial position of the Town. Over time, increases or decreases in the Town's net position is an indicator of whether the Town's financial position is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, the Town is divided into two kinds of activities:

Governmental activities - all of the Town's governmental services are reported here including public safety, public works, culture and recreation, and general administration.

Business-type activities - the activities of the Town's water, sewer, and gas systems are reported here.

TOWN OF COLUMBIA
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

Reporting the Town's Funds - Fund Financial Statements

The fund financial statements provide more detailed information about the Town's funds. The General Fund is the operating fund of the Town and accounts for all of the financial resources of the general government. The Water, Sewer, and Gas Enterprise Funds were established by the Town to help it control and manage money for the activities of the water, sewer, and gas systems. The Town's two kinds of funds - governmental and business-type funds use different accounting methods.

Governmental funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending. Governmental funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Town's operations. Governmental fund information helps to determine whether there are more or fewer financial resources that are available to be spent in the near future. The differences between governmental activities reported in the Statement of Net Position and the Statement of Activities and governmental funds are reported in a reconciliation at the bottom of the fund financial statements.

Business-type activities funds are reported in the same way that the activities are reported in the Statement of Net Position and the Statement of Activities.

**COMPARATIVE ANALYSIS OF
FINANCIAL DATA**

The Town's total net position increased by \$311,555 for the year ended June 30, 2024. The following presents an analysis of net position and the changes in net position of the Town's governmental and business-type activities:

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2024	2023	2024	2023	2024	2023
Assets						
Current assets	\$1,321,488	\$1,045,245	\$1,079,995	\$958,248	\$2,401,483	\$2,003,493
Restricted assets	14,243	12,250	150,510	146,535	164,753	158,785
Capital assets	800,890	804,660	2,101,752	2,190,866	2,902,642	2,995,526
Total assets	<u>2,136,621</u>	<u>1,862,155</u>	<u>3,332,257</u>	<u>3,295,649</u>	<u>5,468,878</u>	<u>5,157,804</u>
Deferred Outflow of Resources - pensions	<u>32,403</u>	<u>43,122</u>	<u>NONE</u>	<u>NONE</u>	<u>32,403</u>	<u>43,122</u>
Liabilities						
Current liabilities	55,807	21,926	74,980	74,224	130,787	96,150

TOWN OF COLUMBIA
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2024	2023	2024	2023	2024	2023
Long-term liabilities	\$241,411	\$272,265	\$881,599	\$902,902	\$1,123,010	\$1,175,167
Total liabilities	297,218	294,191	956,579	977,126	1,253,797	1,271,317
Deferred Inflow of Resources - pensions	12,103	5,783	NONE	NONE	12,103	5,783
Net Position						
Net investment in capital assets	626,890	657,660	1,198,855	1,263,455	1,825,745	1,921,115
Restricted	14,243	12,250	150,510	146,535	164,753	158,785
Unrestricted	1,218,570	935,393	1,026,313	908,533	2,244,883	1,843,926
Total net position	<u>\$1,859,703</u>	<u>\$1,605,303</u>	<u>\$2,375,678</u>	<u>\$2,318,523</u>	<u>\$4,235,381</u>	<u>\$3,923,826</u>

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2024	2023	2024	2023	2024	2023
Program revenue						
Charges for services	\$40,654	\$24,689	\$423,310	\$401,420	\$463,964	\$426,109
Operating grants and contributions	122,061	148,231			122,061	148,231
Capital grants and contributions				12,386		12,386
General revenue						
Property taxes	66,994	66,443			66,994	66,443
Sales taxes	404,886	260,738			404,886	260,738
Other taxes	84,967	85,375			84,967	85,375
Licenses and permits	38,632	48,661			38,632	48,661
Investment earnings	6,078	1,360	426	238	6,504	1,598
Other general revenue	170	446			170	446
Gain (loss) on disposal of capital assets	58,132	(652)			58,132	(652)
Total revenue	822,574	635,291	423,736	414,044	1,246,310	1,049,335
Transfers	50,000	50,000	(50,000)	(50,000)		
Total revenue and transfers	<u>872,574</u>	<u>685,291</u>	<u>373,736</u>	<u>364,044</u>	<u>1,246,310</u>	<u>1,049,335</u>
Program expenses						
General government	362,780	361,409			362,780	361,409
Public safety	85,557	105,193			85,557	105,193

TOWN OF COLUMBIA
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2024	2023	2024	2023	2024	2023
Public works	\$116,215	\$38,922			\$116,215	\$38,922
Culture and recreation	47,407	46,643			47,407	46,643
Debt service	6,215	4,714			6,215	
Water			\$174,818	\$178,384	174,818	178,384
Sewer			75,772	88,564	75,772	88,564
Gas			65,991	71,641	65,991	71,641
Total expenses	<u>618,174</u>	<u>556,881</u>	<u>316,581</u>	<u>338,589</u>	<u>934,755</u>	<u>895,470</u>
Change in net position	254,400	128,410	57,155	25,455	311,555	153,865
Net position - beginning	<u>1,605,303</u>	<u>1,476,893</u>	<u>2,318,523</u>	<u>2,293,068</u>	<u>3,923,826</u>	<u>3,769,961</u>
Net position - ending	<u>\$1,859,703</u>	<u>\$1,605,303</u>	<u>\$2,375,678</u>	<u>\$2,318,523</u>	<u>\$4,235,381</u>	<u>\$3,923,826</u>

The Town's total revenue increased \$196,975 from prior year due to an increase in sales taxes and the sale of the old town hall building. The Town's total expenses increased \$32,985 with the largest increase for public works due to street repairs.

Governmental Activities

Total revenue and transfers for governmental activities increased \$187,283 due to an increase in sales taxes and the sale of the old town hall building. The expenses of the governmental activities increased \$61,293 due primarily to an increase in public works expenses.

Business-Type Activities

The Town's charges for services for its business-type activities were \$21,890 more than in the prior year. Total expenses decreased approximately \$22,008 due to decreases in repairs and maintenance and the cost of natural gas for resale.

OVERALL FINANCIAL POSITION

The Town's net position increased \$311,555 as a result of this year's operations. The business-type activities had an increase in net position of \$57,155 and the governmental activities had an increase of \$254,400. Unrestricted net position (those assets available to finance the daily operations of the Town)

TOWN OF COLUMBIA
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

was \$2,244,883 at year end. The increase in unrestricted net position was \$400,957 from the prior year amount. The net investment in capital assets was \$1,825,745 and restricted net position was \$164,753 at year end.

TOWN'S FUNDS

At the end of the year, the Town's General Fund reported a fund balance of \$1,320,908 of which \$1,031,543 was unassigned. General Fund fund balance increased \$274,274 for the year primarily due to an increase in sales taxes and the proceeds from the sale of the old town hall building. The Water Enterprise Fund reported total net position of \$1,402,043 at year end. The increase in net position was \$9,371 for the year. The Sewer Enterprise Fund reported total net position of \$609,485 at year end. The increase in net position was \$34,245 for the year. The Gas Enterprise Fund reported total net position of \$364,150 at year end. The increase in net position was \$13,539 for the year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town amended its General Fund budget one time during the year ended June 30, 2024. At year end, actual revenue and other financing sources were \$221,553 more than budgeted revenue and other financing sources and actual expenditures were \$98,068 less than budgeted expenditures. The Town prepared its General Fund budget on the modified accrual basis of accounting.

CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

Capital Assets

At the end of the year, the Town had capital assets (net of accumulated depreciation) totaling \$2,902,642. Capital assets include land, construction in progress, buildings, water, sewer, and gas systems and improvements, and vehicles and equipment, costing \$1,000 or more. The Town has elected not to report major general infrastructure assets such as roads, bridges, sidewalks, etc., that were purchased or constructed prior to January 1, 2002.

During the year ended June 30, 2024, the General Fund purchased office equipment and a generator for the water system. The Town also incurred \$30,000 in engineering/surveying fees in connection with the Columbia Sherman Lake project. These fees are reported as construction in progress in the statement of net position for governmental activities. The Town also sold two vehicles and the old town hall building during the year. Additional information about the Town's capital assets is presented in the notes to the financial statements.

TOWN OF COLUMBIA
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

Long-Term Liabilities

At June 30, 2024, the Town reported \$6,454 in compensated absences payable on the statement of net position for governmental activities. This amount is the total due employees for accrued sick leave upon separation from service due to retirement. Additional information about the Town's compensated absences payable is presented in the notes to the financial statements.

The amount due at June 30, 2024, for engineering/surveying fees incurred in connection with the Columbia Sherman Lake project in the amount of \$30,000 is included in long-term liabilities on the statement of net position for governmental activities. These fees are to be paid with grant funds that are expected be received during the next fiscal year.

Principal and interest payments totaling \$9,247 were made in connection with the limited tax bonds issued in the prior year to purchase the new office building. The Town reported the outstanding principal of \$144,000 as long-term liabilities on the statement of net position for governmental activities. Additional information about the Town's debt is presented in the notes to the financial statements.

At June 30, 2024, the Town reported \$275,041 in outstanding sewer revenue bonds and \$627,856 in outstanding water revenue bonds on the statement of net position for business-type activities. Interest expense on all outstanding debt for business-type activities was \$49,733 for the year. Additional information about the Town's debt is presented in the notes to the financial statements.

In accordance with *GASB Statement No. 68, Accounting and Financial Reporting for Pensions*, the Town is reporting a net pension liability of \$100,411 on the statement of net position for governmental activities at June 30, 2024. Additional information about the Town's net pension liability is presented in the notes to the financial statements.

ECONOMIC FACTORS

The Town expects its General Fund revenue for the year ending June 30, 2025, to be approximately \$97,500 less than the General Fund revenue for the year ended June 30, 2024, due to decreases in state grant funds and proceeds from capital asset sales. However, the Town has entered into a cooperative endeavor agreement with the State of Louisiana, Office of Community Development, that provides for \$5,830,500 in federal grant funds for the Columbia Sherman Lake Project. The timing of the funding under this agreement is not known at this time. General Fund expenditures for the year ending June 30, 2025, are expected to be approximately \$23,000 more than the General Fund expenditures for the year

TOWN OF COLUMBIA
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2024

ended June 30, 2024, due to an expected increase in police department expenditures. The General Fund expects to receive approximately \$50,000 in transfers from the Water, Sewer, and Gas funds during the year ending June 30, 2025. The Town expects the revenue and expenses of the Water, Sewer, and Gas funds to be approximately the same for the year ending June 30, 2025 as they were for the year ended June 30, 2024.

BASIC FINANCIAL STATEMENTS

TOWN OF COLUMBIA
Columbia, Louisiana

STATEMENT OF NET POSITION
June 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$926,718	\$1,050,253	\$1,976,971
Investments	342,069	8,558	350,627
Receivables (net of allowances for uncollectibles)	47,809	26,076	73,885
Internal balances	4,892	(4,892)	
Restricted cash	14,243	150,510	164,753
Capital assets (net of accumulated depreciation)	800,890	2,101,752	2,902,642
Total assets	<u>2,136,621</u>	<u>3,332,257</u>	<u>5,468,878</u>
DEFERRED OUTFLOWS OF RESOURCES			
Resources related to pensions	<u>32,403</u>	NONE	<u>32,403</u>
LIABILITIES			
Accounts payable	7,569	4,476	12,045
Payroll liabilities payable	7,254		7,254
Accrued interest payable		3,681	3,681
Customer meter deposits		45,525	45,525
Long-term liabilities other than pensions:			
Due within one year	40,984	21,298	62,282
Due in more than one year	141,000	881,599	1,022,599
Net pension liability	<u>100,411</u>		<u>100,411</u>
Total liabilities	<u>297,218</u>	<u>956,579</u>	<u>1,253,797</u>
DEFERRED INFLOWS OF RESOURCES			
Resources related to pensions	<u>12,103</u>	NONE	<u>12,103</u>
NET POSITION			
Net investment in capital assets	626,890	1,198,855	1,825,745
Restricted:			
Grantor	8,635		8,635
Debt service	5,608	150,510	156,118
Unrestricted	<u>1,218,570</u>	<u>1,026,313</u>	<u>2,244,883</u>
Total net position	<u>\$1,859,703</u>	<u>\$2,375,678</u>	<u>\$4,235,381</u>

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
Columbia, Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2024

	...Program Revenue...			Net (Expense) Revenue andChanges in Net Position.....		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:						
General government	\$362,780		\$7,773	(\$355,007)		(\$355,007)
Public safety	85,557	\$40,654	10,499	(34,404)		(34,404)
Public works	116,215		50,000	(66,215)		(66,215)
Culture and recreation	47,407		53,789	6,382		6,382
Debt service	6,215			(6,215)		(6,215)
Total governmental activities	<u>618,174</u>	<u>40,654</u>	<u>122,061</u>	<u>(455,459)</u>		<u>(455,459)</u>
BUSINESS-TYPE ACTIVITIES:						
Water service	174,818	200,605			\$25,787	25,787
Sewer service	75,772	126,390			50,618	50,618
Gas service	65,991	96,315			30,324	30,324
Total business-type activities	<u>316,581</u>	<u>423,310</u>			<u>106,729</u>	<u>106,729</u>
Total government	<u>\$934,755</u>	<u>\$463,964</u>	<u>\$122,061</u>	<u>(455,459)</u>	<u>106,729</u>	<u>(348,730)</u>
GENERAL REVENUE AND TRANSFERS						
General revenue:						
Property taxes				66,994		66,994
Sales taxes				404,886		404,886
Other taxes				84,967		84,967
Licenses and permits				38,632		38,632
Investment earnings				6,078	426	6,504
Other general revenues				170		170
Gain on disposal of capital assets				58,132		58,132
Transfers (net)				50,000	(50,000)	
Total general revenue and transfers				<u>709,859</u>	<u>(49,574)</u>	<u>660,285</u>
CHANGE IN NET POSITION				254,400	57,155	311,555
NET POSITION - BEGINNING				1,605,303	2,318,523	3,923,826
NET POSITION - ENDING				<u>\$1,859,703</u>	<u>\$2,375,678</u>	<u>\$4,235,381</u>

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
Columbia, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND
June 30, 2024

	General
ASSETS	
Cash	\$926,718
Investments	342,069
Due from Gas Fund	4,892
Receivables	47,809
Restricted cash	14,243
TOTAL ASSETS	\$1,335,731
LIABILITIES	
Accounts payable	\$7,569
Payroll liabilities payable	7,254
Total liabilities	14,823
FUND BALANCES	
Restricted:	
Debt service	5,608
Public safety - fire department	8,635
Assigned:	
Vehicles	189,925
Office equipment	16,671
Street improvements	61,721
Employee benefits	6,805
Unassigned	1,031,543
Total fund balance	1,320,908
TOTAL LIABILITIES AND FUND BALANCES	\$1,335,731
Reconciliation of the Balance Sheet of Governmental Fund To the Statement of Net Position:	
Total fund balance - Governmental Fund	\$1,320,908
Amount reported for net position of governmental activities in the Statement of Net Position (Statement A) is different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund.	800,890
Long-term liabilities, including bonds payable, accrued interest payable, contracts payable related to capital assets, and compensated absences, are not due and payable in the current period and therefore are not reported in the fund.	(181,984)
Net pension liability does not require the use of current financial resources and therefore is not reported in the fund.	(100,411)
The net effect of deferred outflows of resources and deferred inflows of resources related to pensions do not require the use of current financial resources and therefore are not reported in the fund.	20,300
Net position of governmental activities (Statement A)	\$1,859,703

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
Columbia, Louisiana

STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
For the Year Ended June 30, 2024

	<u>General Fund</u>
REVENUE	
Taxes:	
Property	\$66,994
Sales	404,886
Franchise	16,727
Beer	1,534
Insurance premium	66,706
Licenses and permits	38,632
Intergovernmental revenue:	
Federal grant	3,784
State grants	60,499
Local grants	53,789
Fines	34,276
Fire protection fees	6,378
Investment earnings	6,078
Other revenue	170
Total revenue	<u>760,453</u>
EXPENDITURES	
Current:	
General government	364,472
Public safety	72,559
Public works	107,298
Culture and recreation	47,407
Capital outlay	2,696
Debt service	9,247
Total expenditures	<u>603,679</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>156,774</u>
OTHER FINANCING SOURCES	
Transfer from Water Fund	16,500
Transfer from Sewer Fund	16,500
Transfer from Gas Fund	17,000
Proceeds of sale of capital assets	67,500
Total other financing sources	<u>117,500</u>
NET CHANGE IN FUND BALANCE	274,274
FUND BALANCE AT BEGINNING OF YEAR	<u>1,046,634</u>
FUND BALANCE AT END OF YEAR	<u><u>\$1,320,908</u></u>

(Continued)

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
 Columbia, Louisiana
 STATEMENT OF REVENUE, EXPENDITURES AND
 CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
 For the Year Ended June 30, 2024

	<u>General Fund</u>
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities:	
Net change in fund balance - Governmental Fund	\$274,274
Amount reported for governmental activities in the Statement of Activities (Statement B) 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 as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay expenditures in the current period.	(24,402)
The proceeds from the sale of capital assets are reported as other financing sources in the governmental funds but the gain on disposal of capital assets is calculated by deducting the book value of the capital assets sold from the proceeds from the sale of those assets.	(9,368)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position.	3,000
Interest on long-term liabilities is recognized when due in the governmental funds; therefore accrued interest does not require the use of current financial resources.	32
Governmental funds report current year pension contributions as expenditures. However, in the statement of activities, these contributions are reported as deferred inflows of resources and the Town's proportionate share of the plans pension expense is reported as pension expense.	6,826
The Town's proportionate share of non-employer contributions to the pension plans do not provide current financial resources and, therefore, are not reported as revenue in the governmental funds.	3,989
The decrease in compensated absences payable does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.	<u>49</u>
Change in net position of governmental activities (Statement B)	<u><u>\$254,400</u></u>

(Concluded)

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
Columbia, Louisiana

STATEMENT OF NET POSITION - BUSINESS-TYPE ACTIVITIES -
ENTERPRISE FUNDS

June 30, 2024

	Water Fund	Sewer Fund	Gas Fund	Total
ASSETS				
Current assets:				
Cash	\$434,849	\$349,233	\$266,171	\$1,050,253
Investments			8,558	8,558
Receivable (net of allowance for uncollectibles)	13,554	9,042	3,480	26,076
Total current assets	448,403	358,275	278,209	1,084,887
Noncurrent assets:				
Restricted cash	75,921	74,589		150,510
Capital assets (net of accumulated depreciation)	1,539,570	453,606	108,576	2,101,752
Total assets	2,063,894	886,470	386,785	3,337,149
LIABILITIES				
Current liabilities:				
Due to the General Fund			4,892	4,892
Accounts payable	1,708	1,300	1,468	4,476
Accrued interest payable	3,037	644		3,681
Current portion of long-term debt	4,201	17,097		21,298
Customer deposits	29,250		16,275	45,525
Total current liabilities	38,196	19,041	22,635	79,872
Noncurrent liabilities:				
Long-term debt - revenue bonds payable	623,655	257,944	NONE	881,599
Total liabilities	661,851	276,985	22,635	961,471
NET POSITION				
Net investment in capital assets	911,714	178,565	108,576	1,198,855
Restricted for debt service	75,921	74,589		150,510
Unrestricted	414,408	356,331	255,574	1,026,313
Total net position	\$1,402,043	\$609,485	\$364,150	\$2,375,678

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
Columbia, Louisiana

STATEMENT OF REVENUE, EXPENSES, AND
CHANGES IN NET POSITION - BUSINESS-TYPE ACTIVITIES -
ENTERPRISE FUNDS

For the Year Ended June 30, 2024

	Water Fund	Sewer Fund	Gas Fund	Total
OPERATING REVENUE				
Service fees	\$188,006	\$124,608	\$94,465	\$407,079
Penalties	2,603	1,782	893	5,278
Safe drinking water fees	3,683			3,683
Other	6,313		957	7,270
Total operating revenue	<u>200,605</u>	<u>126,390</u>	<u>96,315</u>	<u>423,310</u>
OPERATING EXPENSES				
Office supplies	364	50	99	513
Sales tax	1,898			1,898
Repairs and maintenance	37,335	11,298	8,252	56,885
Utilities	5,365	11,097	415	16,877
Safe drinking water fee	3,558			3,558
Dues and memberships	375	1,254	445	2,074
Miscellaneous	28		576	604
Chemicals		4,194		4,194
Testing fees		2,609	96	2,705
Supplies			4,832	4,832
Travel, meals, and lodging	517			517
Gas purchases			42,924	42,924
Bad debts	428			428
Depreciation	87,966	32,521	8,352	128,839
Total operating expenses	<u>137,834</u>	<u>63,023</u>	<u>65,991</u>	<u>266,848</u>
OPERATING INCOME	<u>62,771</u>	<u>63,367</u>	<u>30,324</u>	<u>156,462</u>
NON-OPERATING REVENUE (Expenses)				
Interest earned on deposits	84	127	215	426
Interest expense	(36,984)	(12,749)		(49,733)
Total non-operating revenues (expenses)	<u>(36,900)</u>	<u>(12,622)</u>	215	<u>(49,307)</u>
TRANSFERS TO GENERAL FUND	<u>(16,500)</u>	<u>(16,500)</u>	<u>(17,000)</u>	<u>(50,000)</u>
CHANGE IN NET POSITION	9,371	34,245	13,539	57,155
NET POSITION - BEGINNING	<u>1,392,672</u>	<u>575,240</u>	<u>350,611</u>	<u>2,318,523</u>
NET POSITION - ENDING	<u>\$1,402,043</u>	<u>\$609,485</u>	<u>\$364,150</u>	<u>\$2,375,678</u>

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
Columbia, Louisiana

STATEMENT OF CASH FLOWS - BUSINESS-TYPE ACTIVITIES -
ENTERPRISE FUNDS

For the Year Ended June 30, 2024

	Water Fund	Sewer Fund	Gas Fund	Total Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$201,738	\$126,983	\$96,875	\$425,596
Customer meter deposits (net)	2,760		1,575	4,335
Payments to suppliers	(49,149)	(31,059)	(57,663)	(137,871)
Net cash provided by operating activities	<u>155,349</u>	<u>95,924</u>	<u>40,787</u>	<u>292,060</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
Transfer to General Fund	(16,500)	(16,500)	(17,000)	(50,000)
General Fund receipts deposited in error			4,892	4,892
Net cash used by noncapital and related financing activities	<u>(16,500)</u>	<u>(16,500)</u>	<u>(12,108)</u>	<u>(45,108)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on capital debt	(7,828)	(16,686)		(24,514)
Interest paid on capital debt	(37,022)	(12,787)		(49,809)
Purchase of capital assets	(39,726)			(39,726)
Net cash used by capital and related financing activities	<u>(84,576)</u>	<u>(29,473)</u>	NONE	<u>(114,049)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	84	127	215	426
Increase in restricted cash	(2,329)	(1,646)		(3,975)
Net cash provided (used) by investing activities	<u>(2,245)</u>	<u>(1,519)</u>	<u>215</u>	<u>(3,549)</u>
NET INCREASE IN CASH	52,028	48,432	28,894	129,354
CASH AT BEGINNING OF YEAR	<u>382,821</u>	<u>300,801</u>	<u>237,277</u>	<u>920,899</u>
CASH AT END OF YEAR	<u>\$434,849</u>	<u>\$349,233</u>	<u>\$266,171</u>	<u>\$1,050,253</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating Income	\$62,771	\$63,367	\$30,324	\$156,462
Adjustments:				
Depreciation	87,966	32,521	8,352	128,839
Bad debt expense	428			428
Decrease (increase) in accounts receivable	1,133	593	559	2,285
Increase (decrease) in customer meter deposits	2,760		1,575	4,335
Increase (decrease) in accounts payable	291	(557)	(23)	(289)
Total adjustments	<u>92,578</u>	<u>32,557</u>	<u>10,463</u>	<u>135,598</u>
Net cash provided by operating activities	<u>\$155,349</u>	<u>\$95,924</u>	<u>\$40,787</u>	<u>\$292,060</u>

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
Columbia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended June 30, 2024

INTRODUCTION

The Town of Columbia (the “Town”) was incorporated in 1827 and is governed under the provisions of the Lawrason Act which was enacted in 1898. The Town is governed by the mayor-town council form of government. The mayor and five council members serve four-year terms which expired on June 30, 2024. The Town provides general government, public safety, public works, culture and recreation, and water, sewer, and gas services to its residents. The Town has a full-time clerk, an elected Chief of Police and 6 other full-time or part-time employees.

GASB Statement No. 14, *The Reporting Entity*, and No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14* established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under the provisions of these statements, the Town 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 and local governments. As used in GASB Statement No. 14 and 39, fiscally independent means that the municipality 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 bonded debt. The Town has no component units.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Town of Columbia. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents information on all of the Town’s assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the Town’s net position is an indicator of whether the Town’s financial position is improving or deteriorating.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 1)

TOWN OF COLUMBIA
Notes to the Financial Statements

charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Separate financial statements are provided for governmental funds and business-type activities funds. All individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the business-type fund financial statements. Revenue is 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 revenue 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. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenue is considered to be available if it is 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 construction of capital assets are recorded only when payment is due.

Property taxes are considered measurable at the time of levy whereas such items as sales and insurance premium taxes are considered measurable when in the hands of the collecting agency and are recognized as revenue at that time. Substantially all other non-intergovernmental revenue is susceptible to accrual and is recognized when earned or the underlying transaction occurs.

The Town reports the following governmental funds:

General Fund

The General Fund is the general operating fund of the Town and accounts for all financial resources of the general government, including the police department, the fire department, the street department, and the activities of the Main Street program.

The Town reports the following business-type activity funds:

Water Enterprise Fund

The Water Enterprise fund accounts for the operations of the Town's water system.

Sewer Enterprise Fund

The Sewer Enterprise fund accounts for the operations of the Town's sewer system.

Gas Enterprise Fund

The Gas Enterprise fund accounts for the operations of the Town's gas system.

The Town applies all applicable GASB pronouncements in accounting and reporting for its government-wide and business-type activities and its enterprise funds as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board opinions, and Accounting Research Bulletins.

As a general rule, the effect of interfund activity is eliminated from the government-wide financial statements.

Amounts reported as program revenue include charges to customers for goods, services, or privileges provided and operating and capital grants and contributions. General revenue includes all taxes, licenses and permits, interest earnings and other miscellaneous revenue.

TOWN OF COLUMBIA
Notes to the Financial Statements

Business-type activities funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with the fund's ongoing operations. The Water, Sewer, and Gas Enterprise Funds' operating revenue consists of charges for water, sewer, and gas sales and penalties. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting these definitions are reported as nonoperating revenue and expenses.

C. Deposits and Investments

The Town's cash is amounts in demand deposits and cash on hand at year-end. State law limits the Town's credit risk by restricting its investments to collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At June 30, 2024, the Town's investments consist of nonnegotiable certificates of deposits with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost. The Town's interest rate risk is limited by all investments maturing within 12 months of year end.

D. Receivables

Receivables for governmental activities, such as taxes, intergovernmental revenue, fines, and charges for services are generally shown net of an allowance for uncollectible amounts. These financial statements contain no provision for uncollectible accounts for these types of receivables. The Town is of the opinion that such an allowance for these receivables would be immaterial in relation to the financial statements taken as a whole.

Property taxes are levied on a calendar year basis and become due on January 1 of each year. For the year ended June 30, 2024, the Town levied a 8.70 mill general alimony tax for general government purposes. The Town also levied 3.31 mills on all taxable property in the Town for the purposes of constructing, maintaining, and improving public streets within the Town. The Town is authorized to levy this street tax for a period of ten years ending with the year 2024. The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's

TOWN OF COLUMBIA
Notes to the Financial Statements

Board of Commerce and Industry. The exemption may be renewed for an additional five years. For the year ended June 30, 2024, there were no such exemptions in effect that reduced the Town's ad valorem tax revenue.

The Town adopted an ordinance on December 7, 1981, authorizing the levy of a 1% sales tax that may be used for any lawful purpose of the Town. In May 1992, the Town entered into an agreement with the Concordia Parish School Board to collect the sales tax in compliance with the terms and provisions of the sales tax ordinance. Under the terms of the agreement, the Town pays the Concordia Parish School Board 2½ % of the monthly collections as fees for this service. In December 2013, the Town entered into a collection agreement with the Concordia Parish School Board to collect the Town's insurance premium tax as well. Under the terms of this agreement, the Town pays the Concordia Parish School Board 5% of the monthly collections as fees for this service.

Receivables for water, sewer, and gas service are shown net of an allowance for uncollectible amounts. The allowance for uncollectibles is based on the amount of receivables that are not collected within the month following the month billed.

E. Restricted Assets

Certain resources set aside to meet the requirements of long-term debt agreements as well as assets that are restricted by constraints placed by grantors are classified as restricted assets on the statement of net position because their use is limited.

F. Capital Assets

Capital assets, which include land, construction in progress, buildings, water, sewer, and gas systems and improvements, and vehicles and equipment are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated capital assets are recorded at fair market value on the date of donation. The Town maintains a threshold level of \$1,000 or more for capitalizing assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. The Town has elected not to report general infrastructure assets, such as roads, bridges, sidewalks, etc., constructed prior to January 1, 2002. However, the construction or major improvement of infrastructure assets after that date are included in capital assets.

Capital assets are not reported in the governmental fund financial statements.

TOWN OF COLUMBIA
Notes to the Financial Statements

All capital assets, other than land and construction in progress, are depreciated using the straight-line method over the following estimated useful lives. Estimated useful life is management’s estimate of how long the asset is expected to meet service demands.

	<u>Estimated Lives</u>
Infrastructure - water sewer, and gas systems and improvements	12- 50 years
Buildings	10 - 40 years
Vehicles and equipment	5-10 years

G. Compensated Absences

The Town has the following policy relating to vacation and sick leave:

Full-time employees receive 80 hours of vacation leave on January 1 of each year. Unused vacation leave can not be carried over to the next calendar year. Employees are not paid for unused vacation leave when they resign, retire, or are dismissed from employment.

Full time employees receive 80 hours of sick leave on January 1 each year. Unused sick leave can be carried over to the next calendar year up to a maximum accumulation of 240 hours per employee. Employees who had more than 240 hours on November 21, 2016, were allowed to keep all sick hours accumulated up to a maximum of 720 hours. Upon retirement only, full-time employees will be paid for 160 hours of accumulated sick leave.

The Town recognizes a liability for compensated absences resulting from unused sick leave at the end of the fiscal year in the accompanying financial statements in accordance with GASB Statement No. 101, *Compensated Absences*, which requires that a liability for compensated absences be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. The liability for leave that has not been used is measured using the employee’s pay rate as of the date of the financial statements. The Town has reported a liability for compensated absences at June 30, 2024, in the amount of \$6,454 as follows:

TOWN OF COLUMBIA
Notes to the Financial Statements

Balance at July 1, 2023	\$6,503
Net decrease in liability - used for time off	<u>(49)</u>
Balance at June 30, 2024	<u><u>\$6,454</u></u>

H. Long-Term Liabilities

In the government-wide financial statements and business-type activities enterprise fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or business-type activities enterprise funds statement of net position.

I. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System (MERS) of Louisiana and additions to/deductions from MERS fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expenditure until then. In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Town's deferred outflows and deferred inflows are resources related to pensions.

K. Net Position/Fund Balance

For the government-wide statement of net position, net position is reported as restricted when constraints are placed on net position by either of the following ways:

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

TOWN OF COLUMBIA
Notes to the Financial Statements

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which funds can be spent. Fund balance should be reported as restricted when constraints on the use of the funds meet the same criteria as restricted net position in the government-wide statement of net position as noted in the previous paragraph. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the town council are reported as committed fund balance. Assigned fund balance are amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The town council is authorized to assign amounts to a specific purpose. Unassigned fund balance is the residual classification and represents fund balance that has not been restricted, committed, or assigned to a specific purpose. Unassigned amounts are generally considered to have been spent first when an expenditure is incurred for purposes for which any unassigned fund balance could be used.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use externally restricted resources first, then committed, assigned, and unassigned in order as needed.

L. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosures, and revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. STEWARDSHIP, COMPLIANCE, AND
ACCOUNTABILITY**

Budget Information

The Town uses the following budget practices:

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is normally presented to the town council in May each year. The town council proposes an ordinance to adopt the budget and a public hearing is held on the proposed budget ordinance in June of each year. The notice of the availability of the proposed budget is published in the official journal. The budget is legally adopted by ordinance in June of each year after the public hearing is held. Budget amendments are presented to the town council in the same manner as the proposed budget and amended during the year

TOWN OF COLUMBIA
Notes to the Financial Statements

as necessary. Budgets are established at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. There was one budget amendment during the year ended June 30, 2024.

3. DEPOSITS IN FINANCIAL INSTITUTIONS

At June 30, 2024, the Town has cash, restricted cash, and investments (book balances) as follows:

Petty cash	\$150
Checking accounts	1,697,270
Savings accounts	444,304
Certificates of deposit	<u>350,627</u>
Total	<u><u>\$2,492,351</u></u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. At June 30, 2024, the Town has \$2,494,398 in deposits (collected bank balances). These deposits are secured from risk by \$756,005 of federal deposit insurance and \$1,733,431 of pledged securities held by an unaffiliated bank in the name of the fiscal agent bank. Deposits in one financial institution were undersecured by \$23,727 at June 30, 2024.

4. RECEIVABLES

The following is a summary of receivables at June 30, 2024:

	General Fund	Water Enterprise Fund	Sewer Enterprise Fund	Gas Enterprise Fund	Total
Taxes	\$39,981				\$39,981
Grants	7,778				7,778
Charges for services	50	\$14,531	\$9,471	\$3,635	27,687
Allowance for uncollectibles		<u>(977)</u>	<u>(429)</u>	<u>(155)</u>	<u>(1,561)</u>
Total	<u><u>\$47,809</u></u>	<u><u>\$13,554</u></u>	<u><u>\$9,042</u></u>	<u><u>\$3,480</u></u>	<u><u>\$73,885</u></u>

TOWN OF COLUMBIA
Notes to the Financial Statements

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2024, is as follows:

	Balance at July 1, 2023	Increases	Decreases	Balance at June 30, 2024
Governmental activities:				
Capital assets not being depreciated:				
Land	\$107,966		(\$1,500)	\$106,466
Construction in progress	310,766	\$30,000		340,766
Total capital assets not being depreciated	<u>418,732</u>	<u>30,000</u>	<u>(1,500)</u>	<u>447,232</u>
Capital assets being depreciated:				
Buildings	527,484		(77,723)	449,761
Vehicles and equipment	526,701	2,696	(36,714)	492,683
Total capital assets being depreciated	<u>1,054,185</u>	<u>2,696</u>	<u>(114,437)</u>	<u>942,444</u>
Less accumulated depreciation for:				
Buildings	274,044	13,025	(77,723)	209,346
Vehicles and equipment	394,213	14,073	(28,846)	379,440
Total accumulated depreciation	<u>668,257</u>	<u>27,098</u>	<u>(106,569)</u>	<u>588,786</u>
Total assets being depreciated, net	<u>385,928</u>	<u>(24,402)</u>	<u>(7,868)</u>	<u>353,658</u>
Total assets, net	<u><u>\$804,660</u></u>	<u><u>\$5,598</u></u>	<u><u>(\$9,368)</u></u>	<u><u>\$800,890</u></u>
Business-type activities:				
Capital assets not being depreciated:				
Land	<u>\$26,624</u>	<u>NONE</u>	<u>NONE</u>	<u>\$26,624</u>
Capital assets being depreciated:				
Water system and improvements	3,027,160			3,027,160

TOWN OF COLUMBIA
Notes to the Financial Statements

	Balance at July 1, 2023	Increases	Decreases	Balance at June 30, 2024
Sewer system and improvements	\$2,115,989			\$2,115,989
Gas system and improvements	731,975			731,975
Buildings	31,575			31,575
Vehicles and equipment	84,041	\$39,725	(\$8,984)	114,782
Total capital assets being depreciated	<u>5,990,740</u>	<u>39,725</u>	<u>(8,984)</u>	<u>6,021,481</u>
Less accumulated depreciation for:				
Water system and improvements	1,487,553	77,721		1,565,274
Sewer system and improvements	1,647,861	32,521		1,680,382
Gas system and improvements	615,646	8,352		623,998
Buildings	31,575			31,575
Vehicles and equipment	43,863	10,245	(8,984)	45,124
Total accumulated depreciation	<u>3,826,498</u>	<u>128,839</u>	<u>(8,984)</u>	<u>3,946,353</u>
Total assets being depreciated, net	<u>2,164,242</u>	<u>(89,114)</u>	<u>NONE</u>	<u>2,075,128</u>
Total assets, net	<u><u>\$2,190,866</u></u>	<u><u>(\$89,114)</u></u>	<u><u>NONE</u></u>	<u><u>\$2,101,752</u></u>

Depreciation expense was charged to the functions of governmental and business-type activities as follows:

Governmental Activities:	
General government	\$5,183
Public safety	12,998
Public works	<u>8,917</u>
Total depreciation expense - governmental activities	<u><u>\$27,098</u></u>

Business-Type Activities:	
Water Fund	\$87,966

TOWN OF COLUMBIA
Notes to the Financial Statements

Sewer Fund	\$32,521
Gas Fund	<u>8,352</u>
Total depreciation expense - business-type activities	<u><u>\$128,839</u></u>

6. INTERFUND TRANSFERS

The following is a summary of interfund transfers during the year ended June 30, 2024:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$50,000	
Water Enterprise Fund		\$16,500
Sewer Enterprise Fund		16,500
Gas Enterprise Fund		<u>17,000</u>
Total	<u><u>\$50,000</u></u>	<u><u>\$50,000</u></u>

The transfers from the Water, Sewer, and Gas enterprise funds to the General Fund were made to pay a portion of administrative expenses that are paid by the General Fund. At June 30, 2024, the General Fund reported a Due From Gas Fund and the Gas Enterprise Fund reported a Due to General Fund in the fund financial statements in the amount of \$4,892 that resulted from General Fund revenue being deposited in the Gas Enterprise Fund in error.

7. LONG-TERM LIABILITIES

The following is a summary of long-term liability activity for the year ended June 30, 2024:

	<u>Balance at July 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at June 30, 2024</u>	<u>Due within One Year</u>
Governmental activities:					
Direct borrowings -					
Limited tax bonds	\$147,000		(\$3,000)	\$144,000	\$3,000
Accrued interest	1,562		(32)	1,530	1,530
Compensated absences	6,503		(49)	6,454	6,454
Contracts payable		\$30,000		30,000	30,000

TOWN OF COLUMBIA
Notes to the Financial Statements

	Balance at July 1, 2023	Increases	Decreases	Balance at June 30, 2024	Due within One Year
Net pension liability	\$128,265		(\$27,854)	\$100,411	
Total governmental activities	<u>\$283,330</u>	<u>\$30,000</u>	<u>(\$30,935)</u>	<u>\$282,395</u>	<u>\$40,984</u>
Business-type activities - direct borrowings:					
Water revenue bonds	\$635,684		(\$7,828)	\$627,856	\$4,201
Sewer revenue bonds	<u>291,727</u>		<u>(16,686)</u>	<u>275,041</u>	<u>17,097</u>
Total business-type activities	<u>\$927,411</u>	<u>NONE</u>	<u>(\$24,514)</u>	<u>\$902,897</u>	<u>\$21,298</u>

Governmental activities:

On October 3, 2022, the Town issued \$150,000 of Limited Tax Bonds, Series 2022, for the purpose of acquiring a building to serve as the new town hall. The bonds are secured by and payable from the irrevocable pledge and dedication of the proceeds of the Town's 8.70 mill ad valorem tax that is authorized to be levied and collected annually pursuant to Section 27(A) of Article VI of the Louisiana Constitution of 1974. Bond principal and interest are due in annual payments of \$8,355 to \$9,765 through April 1, 2052. The bonds bear interest at 4.25%. The annual loan payments are made from the General Fund.

During the year ended June 30, 2024, the Town entered into a cooperative endeavor agreement with the State of Louisiana, Office of Community Development, to provide Community Development Block Grant (CDBG) funding to the Town up to a maximum of \$5,830,500 for the Columbia Sherman Lake project. During the year ended June 30, 2024, the Town incurred engineering/surveying fees in the amount of \$30,000 in connection with the Columbia Sherman Lake project that is expected to be paid from the (CDBG) grant funds that will be received at an undetermined future time. These fees are reported in the government-wide statement of financial position as construction in progress and contracts payable. The fees are not reported in the General Fund fund financial statements because they will not be paid from current financial resources.

TOWN OF COLUMBIA
Notes to the Financial Statements

Business-type activities:

	2021	1996	1996
	\$643,242	\$521,000	\$20,000
	Water	Sewer	Sewer
	Revenue	Revenue	Revenue
	<u>Bonds</u>	<u>Bonds</u>	<u>Bonds</u>
Original issue date	06/01/22	10/22/96	10/22/96
Interest rate	5.71%	4.50%	4.50%
Final payment due	06/01/52	10/22/36	10/22/36
Interest to maturity	\$676,892	\$86,459	\$3,319
Principal outstanding	\$627,856	\$264,873	\$10,168
	Water	Sewer	Sewer
Funding source	revenue	revenue	revenue

The Town's outstanding revenue bonds from direct borrowings related to business-type activities, contain provisions that in an event of default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained in the instruments incident to making or insuring the loan, the entire principal amount outstanding and accrued interest may be declared immediately due and payable or the lender may exercise any of the various remedies contained in the loan agreements. The bonds are secured by the pledge of revenue generated by business-type activities. Additionally, the United States Department of Agriculture issued a loan note guarantee to Live Oak Bank covering the 2021 Water Revenue Bonds.

Principal and interest on direct borrowings are due as follows:

Governmental activities:

Year Ending June 30,	Principal Payments	Interest Payments	Total
2025	\$3,000	\$6,120	\$9,120
2026	3,000	5,992	8,992
2027	3,000	5,865	8,865
2028	3,000	5,737	8,737
2029	3,000	5,610	8,610
2030 - 2034	18,000	26,010	44,010
2035 - 2039	22,000	21,845	43,845
2040 - 2044	28,000	16,660	44,660
2045 - 2049	35,000	10,157	45,157
2050 - 2052	<u>26,000</u>	<u>2,252</u>	<u>28,252</u>

TOWN OF COLUMBIA
Notes to the Financial Statements

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
Total	<u>\$144,000</u>	<u>\$106,248</u>	<u>\$250,248</u>

Business-type activities:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2025	\$25,719	\$48,604	\$74,323
2026	26,995	47,328	74,323
2027	28,335	45,988	74,323
2028	29,743	44,580	74,323
2029	31,222	43,101	74,323
2030 - 2034	181,051	190,565	371,616
2035 - 2039	150,743	143,587	294,330
2040 - 2044	114,122	110,125	224,247
2045 - 2049	151,809	72,438	224,247
2050 - 2052	<u>163,158</u>	<u>20,354</u>	<u>183,512</u>
Total	<u>\$902,897</u>	<u>\$766,670</u>	<u>\$1,669,567</u>

8. BOND COVENANT REQUIREMENTS

Governmental activities:

The ordinance providing for the incurring of debt and the issuance of \$150,000 Limited Tax Bonds, Series 2022, discussed in Note 7 above, requires the Town to establish and maintain a fund known as the “Columbia Limited Tax Bonds (2022) Sinking Fund”. The Town must deposit in the Sinking Fund the first revenues from the 8.70 mill ad valorem tax that is authorized to be levied and collected annually pursuant to Section 27(A) of Article VI of the Louisiana Constitution of 1974, an amount equal to the principal and/or interest falling due on the bonds in that calendar year, together with such additional proportionate sum as may be required to pay said principal and interest as the same become due and any amount required to pay the charges of the paying agent. Funds must be transferred from the Sinking Fund to the paying agent at least one day in advance of each interest payment date, that are fully sufficient to pay promptly the principal and interest falling due on such date. The Town entered into a paying agent agreement with Caldwell Bank & Trust Company in October 2022.

The following is a summary of transactions in the Sinking Fund for the year ended June 30, 2024:

TOWN OF COLUMBIA
Notes to the Financial Statements

	Columbia Limited Tax Bonds (2022) <u>Sinking Fund</u>
Balance at July 1, 2023	\$2,250
Deposits	12,600
Interest earnings	6
Transfers to paying agent	<u>(9,248)</u>
Balance at June 30, 2024	<u><u>\$5,608</u></u>

Business-type activities:

The bond covenants with the United States Department of Agriculture (USDA) for the sewer revenue bonds discussed in Note 7 above, require the Town to establish the following reserve accounts:

1996 Sewer Revenue Bonds

- A. A "Reserve Fund". The Town must transfer \$123 into this fund each month until \$29,474 has been accumulated therein. Such amounts may be used only for the payment of maturing bonds and interest for which would otherwise be in default.
- B. A "Contingency Fund". The Town must transfer \$131 into this fund each month. The deposits in this fund may be used to care for depreciation, extensions, additions, improvements, and replacements to the system. Money in this fund may also be used to pay principal and interest on bonds falling due at any time there is not sufficient funds in the other reserve fund.

The loan agreement with Live Oak Bank for the water revenue bonds discussed in Note 7 above, require the Town to establish the following reserve accounts:

2021 Water Revenue Bonds

- A. A "Monthly Sinking Fund". The Town must transfer \$3,737 into this fund each month to accumulate the amount needed to make semi-annual interest payments and annual principal payments on the maturing bonds.

TOWN OF COLUMBIA
Notes to the Financial Statements

- A. A "Waterworks Revenue Bond Reserve Fund". The Town must transfer \$374 into this fund each month until \$44,849 has been accumulated therein.
- B. A "Waterworks System Contingency and Depreciation Fund". The Town must transfer \$187 into this fund each month to provide for the maintenance, repairs, and replacements of short lived assets of the water system.

The following is a summary of transactions in the bond reserve accounts for the year ended June 30, 2024:

	Water Enterprise Fund	Sewer Enterprise Fund	Total
Balance at July 1, 2023	\$73,592	\$72,943	\$146,535
Deposits	47,094	1,572	48,666
Interest earnings	84	74	158
Withdrawals	(44,849)		(44,849)
Balance at June 30, 2024	<u>\$75,921</u>	<u>\$74,589</u>	<u>\$150,510</u>

9. MULTIPLE-EMPLOYER COST-SHARING BENEFIT PLAN

Municipal Employees' Retirement System

Plan Description:

Eligible employees of the Town are provided with pensions through Plan B of the Municipal Employees' Retirement System (MERS), a cost-sharing multiple-employer defined benefit pension plan administered by the Municipal Employees' Retirement System of Louisiana.

Plan Eligibility and Benefits:

Membership is mandatory as a condition of employment beginning on the date employed if the employee is on a permanent basis working at least thirty-five hours per week. Any person eligible for membership whose first employment making him eligible for membership in MERS occurred on or after January 1, 2013 shall become a member of MERS Plan B Tier 2 as a condition of employment.

MERS provides retirement, disability, survivor, and deferred retirement option plan (DROP) benefits. Generally, the monthly amount of the retirement allowance for any member

TOWN OF COLUMBIA
Notes to the Financial Statements

of Plan B consists of an amount equal to two percent of the member's final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. Any member of Plan B who commenced participation in MERS prior to January 1, 2013 can retire at any age with 30 years of creditable service or at age 60 with 10 or more years of creditable service. Any member of Plan B Tier 2 can retire at age 67 with 7 or more years of creditable service; at age 62 with 10 or more years of creditable service; at age 55 with 30 or more years of creditable service; or at any age with 25 years of creditable service, exclusive of military service and unused annual and sick leave, with an actuarially reduced early benefit.

In lieu of terminating employment and accepting a service retirement allowance, any member of Plan B who is eligible to retire may elect to participate in DROP for up to three years and defer the receipt of benefits. During participation in DROP, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a retirement allowance, are paid into the DROP fund. Upon termination of employment prior to or at the end of the specified period of participation, a participant in DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the Board of Trustees. If a participant dies during participation in DROP, a lump sum equal to the balance in his account shall be paid to his named beneficiary or, if none to his estate. If employment is not terminated at the end of the three years, payments into the DROP fund cease and the person resumes active contributing membership in MERS.

Under Plan B, a member shall be eligible to retire and receive a disability benefit if he has at least 10 years of creditable service, is not eligible for normal retirement, and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan B shall be paid a disability benefit equal to the lesser of (1) an amount equal to two percent of his final compensation multiplied by his years of creditable service but not less than thirty percent of his final compensation, or (2) an amount equal to the what the member's normal retirement benefit would be based on the member's current final compensation, but assuming the member remained in continuous service until his earliest normal retirement age and using those retirement benefit computation factors which would be applicable to the member's normal retirement.

Upon on the death of any member of Plan B with 5 or more years of creditable service, not eligible for normal retirement, the plan provides for benefits for the surviving spouse as outlined in the statutes. Any member of Plan B who is eligible for normal retirement at time of death and leaves a surviving spouse will be deemed to have retired and selected Option 2 benefits

on behalf of the surviving spouse on the date of death. Such benefits will begin only upon proper application and are paid in lieu of any other survivor benefits.

Plan B provides for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable based on statutes in effect at the time of withdrawal.

MERS is authorized under state law to grant a cost of living increase to members who have been retired for at least one year. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements. State law allows MERS to grant additional cost of living increases to all retirees and beneficiaries who are age 65 or above equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after that date.

Contributions:

Contributions for all members are established by statute. For the year ended June 30, 2024, member contributions are 5% of earnable compensation for Plan B. The contributions are deducted from the member's salary and remitted by the participating municipality.

According to state statute, contributions for all employers are actuarially determined each year. The Town's required employer contribution rate for the year ended June 30, 2024, was 15.5% of member's earnings. Contributions to the pension plan were \$17,925 for the year ended June 30, 2024. MERS also receives one-fourth of 1% of ad valorem taxes collected within the respective parishes except for Orleans. Tax monies are apportioned between Plan A and Plan B in proportion to salaries of plan participants. MERS also receives state revenue sharing funds each year as appropriated by the Legislature. These additional sources of income are used as additional employer contributions and considered support from non-employer contributing entities. The amount of non-employer contributions recognized as revenue in the government-wide governmental activities statement of activities is \$3,989 for the year ended June 30, 2024.

**Pension Liabilities, Pension Expense, and Deferred Outflows
and Deferred Inflows of Resources Related to Pensions**

The net pension liability was measured as of June 30, 2023, as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. The components of the net pension liability of all MERS Plan B employers as of June 30, 2023 are as follows:

TOWN OF COLUMBIA
Notes to the Financial Statements

Total pension liability	\$299,800,931
Less plan fiduciary net position	<u>(219,614,861)</u>
Employers' net pension liability	<u><u>\$80,186,070</u></u>
 Plan fiduciary net position as a percentage of total pension liability	 73.25%

Employer contributions are used to determine the proportionate relationship of each employer to all employers of MERS Plan B. These allocation percentages are used in calculating each employer's proportionate share of pension amounts. The allocation method used in determining each employer's proportion is based on the employer's contribution effort to the plan as compared to the total of all employers' contribution effort to the plan based on actual employer contributions made to MERS for the fiscal year ended June 30, 2023. At June 30, 2024, the Town reported a total of \$100,411 for its proportionate share of the net pension liability of MERS Plan B. The Town's proportionate share of the net pension liability of MERS Plan B for the year ended June 30, 2023 was .125% which was a decrease of .021 from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Town recognized pension expense of (\$6,826) for MERS. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows of Resources:

Differences between expected and actual experience	\$1,444
Net difference between projected and actual earnings on pension plan investments	13,024
Employer contributions subsequent to the measurement date	<u>17,935</u>
Total deferred outflows of resources	<u><u>\$32,403</u></u>

Deferred Inflows of Resources:

Differences between expected and actual experience	\$34
Changes in proportion	<u>12,069</u>
Total deferred outflows of resources	<u><u>\$12,103</u></u>

The \$17,935 reported as deferred outflows of resources related to pensions resulting from the Town's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended June 30, 2025. Other amounts reported as deferred

TOWN OF COLUMBIA
Notes to the Financial Statements

outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2025	(\$2,954)
2026	(2,647)
2027	8,517
2028	(552)
Total	<u><u>\$2,364</u></u>

Actuarial Assumptions:

Actuarial valuations involve estimates of the value of the reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment mortality and future salary increases. Actuarially determined amounts regarding the net pension liability are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period from July 1, 2013 through June 30, 2018.

Information of the actuarial valuation and assumptions is as follows:

Valuation date	June 30, 2023
Actuarial cost method	Entry age normal
Inflation	2.5%
	1 to 4 years of service
	- 7.4%
	More than 4 years of
	service - 4.9%
Salary increases, including inflation and merit increases	6.85%, net of pension
	plan investment
	expense, including
	inflation
Investment rate of return	
Expected remaining service lives	3 years

The annuitant and beneficiary mortality rates were based on PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales. Employee mortality rates were based on PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female

TOWN OF COLUMBIA
Notes to the Financial Statements

MP2018 scales. Disabled lives mortality rates were based on PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.

Discount Rate:

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimated ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic real rates of return for each major asset class included in MERS' target asset allocation as of June 30, 2023, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Portfolio Real Rate of Return
Public fixed income	29%	1.26%
Public equity	56%	2.44%
Alternatives	15%	0.65%
Totals	100%	4.35%
Inflation		2.50%
Expected Arithmetic Nominal Return		6.85%

The discount rate used to measure the total pension liability was 6.85% for June 30, 2023. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers will be made at the actuarially determined rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the MERS' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity to Changes in Discount Rate:

The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 6.85 %, as well as what the Town’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower, or one percentage point higher than the current discount rate (assuming all other assumptions remain unchanged):

	Changes in Discount Rate		
	Plan B:		
	1 % Decrease	Current Discount Rate	1 % Increase
	5.85 %	6.85 %	7.85 %
Net pension liability	\$141,881	\$100,411	\$65,333

Retirement System Audit Report

MERS has issued a stand-alone audit report on its financial statements for the year ended June 30, 2023. Access to this report can be found on the MERS website, www.mersla.com or on the Louisiana Legislative Auditor’s website, www.la.gov.

10. ON-BEHALF PAYMENTS FOR SALARIES

For the year ended June 30, 2024, the Town recognized revenue and expenditures of \$7,200 in salary supplements from the State of Louisiana paid directly to an employee of the police department.

11. GRANTS

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the Town. In the opinion of management, any such adjustments would not be material to the Town’s operating results or fund balances.

12. RISK MANAGEMENT

The Town 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 purchases commercial insurance to reduce the various risks of loss. There have been no significant reductions in insurance coverage from coverage in the prior year. Settlements have not exceeded insurance coverage in any of the past three fiscal years.

13. SUBSEQUENT EVENTS

The Town has evaluated subsequent events through November 29, 2024, the date which the financial statements were available to be issued. Based on this evaluation, it was determined that no subsequent events occurred that require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

TOWN OF COLUMBIA
Columbia, Louisiana

SCHEDULE OF REVENUE, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
For the Year Ended June 30, 2024

	BudgetedAmounts.....		Actual Amounts (Budgetary Basis - GAAP)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Property	\$55,000	\$65,000	\$66,994	\$1,994
Sales	220,000	220,000	404,886	184,886
Franchise	14,000	17,000	16,727	(273)
Beer taxes	1,900	1,700	1,534	(166)
Insurance premium	50,000	50,000	66,706	16,706
Licenses and permits	32,500	33,100	38,632	5,532
Intergovernmental revenue:				
Federal grant		1,200	3,784	2,584
State grants	8,600	60,200	60,499	299
Local grants	50,000	50,000	53,789	3,789
Fines	30,000	30,000	34,276	4,276
Fire protection fees	6,500	5,500	6,378	878
Mowing	200	200		(200)
Investment earnings	2,000	5,000	6,078	1,078
Other revenue	200	20,000	170	(19,830)
Total revenue	<u>470,900</u>	<u>558,900</u>	<u>760,453</u>	<u>201,553</u>
EXPENDITURES				
General government	396,450	450,347	364,472	85,875
Public safety:				
Fire Department	16,100	17,800	13,371	4,429
Police Department	77,800	67,950	59,188	8,762
Public works - street department	111,550	116,050	107,298	8,752
Culture and recreation - Main Street	45,900	49,600	47,407	2,193
Capital outlay			2,696	(2,696)
Debt service			9,247	(9,247)
Total expenditures	<u>647,800</u>	<u>701,747</u>	<u>603,679</u>	<u>98,068</u>
EXCESS (Deficiency) OF REVENUE OVER EXPENDITURES				
	<u>(176,900)</u>	<u>(142,847)</u>	<u>156,774</u>	<u>299,621</u>
OTHER FINANCING SOURCES:				
Transfers from Water, Sewer, and Gas Funds	50,000	50,000	50,000	
Proceeds from sale of capital assets		47,500	67,500	20,000
Total other financing sources	<u>50,000</u>	<u>97,500</u>	<u>117,500</u>	<u>20,000</u>
NET CHANGE IN FUND BALANCE	(126,900)	(45,347)	274,274	319,621
FUND BALANCE AT BEGINNING OF YEAR	<u>974,184</u>	<u>1,046,634</u>	<u>1,046,634</u>	
FUND BALANCE AT END OF YEAR	<u>\$847,284</u>	<u>\$1,001,287</u>	<u>\$1,320,908</u>	<u>\$319,621</u>

There was one budget amendment during the year ended June 30, 2024.

TOWN OF COLUMBIA
Columbia, Louisiana

SCHEDULE OF PROPORTIONATE SHARE OF NET
PENSION LIABILITY
June 30, 2024

	<u>Proportion of the net pension liability</u>	<u>Proportionate share of the net pension liability</u>	<u>Covered- employee payroll</u>	<u>Proportionate share of the net pension liability as a percentage of its covered- employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
Municipal Employees Retirement System:					
For the year ended June 30:					
2024	0.13 %	\$100,411	\$115,709	86.78 %	73.25 %
2023	0.15 %	128,265	107,477	119.00 %	69.56 %
2022	0.15 %	89,532	117,454	76.00 %	79.14 %
2021	0.15 %	134,920	118,771	114.00 %	66.26 %
2020	0.14 %	122,069	115,376	105.00 %	66.14 %
2019	0.14 %	120,716	106,669	113.00 %	65.60 %
2018	0.08 %	70,715	105,770	66.86 %	63.49 %
2017	0.12 %	103,036	60,668	169.84 %	62.11 %
2016	0.13 %	86,444	91,308	94.67 %	68.71 %
2015	0.12 %	58,576	88,257	66.37 %	76.94 %

The amounts presented for each fiscal year were determined as of the end of the prior fiscal year except for covered employee payroll.

TOWN OF COLUMBIA
Columbia, Louisiana

SCHEDULE OF CONTRIBUTIONS
June 30, 2024

	Contractually required contribution	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered- employee payroll	Contributions as a percentage of covered- employee payroll
Municipal Employees Retirement System:					
For the year ended June 30:					
2024	\$17,935	\$17,935	\$0	\$115,709	15.50%
2023	16,659	16,659	0	107,477	15.50%
2022	18,205	18,205	0	117,454	15.50%
2021	18,409	18,409	0	118,771	15.50%
2020	16,156	16,156	0	115,376	14.00%
2019	14,934	14,934	0	106,669	14.00%
2018	14,014	14,014	0	105,770	13.25%
2017	6,673	6,673	0	60,668	11.00%
2016	8,674	8,674	0	91,308	9.50%
2015	8,380	8,380	0	88,257	9.50%

OTHER SUPPLEMENTAL INFORMATION SCHEDULES

TOWN OF COLUMBIA
Columbia, Louisiana

OTHER SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended June 30, 2024

**COMPENSATION, BENEFITS, AND
OTHER PAYMENTS TO MAYOR AND
TOWN COUNCIL**

The Schedule of Compensation, Benefits, and Other Payments to Mayor and Town Council is presented in compliance with Louisiana Revised Statute 24:513 A (3) and House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the mayor and town council is included in the general government expenditures of the General Fund. The mayor receives \$250 for the first meeting of the month, \$125 for the second meeting, and \$62 for the third meeting of the month. The town council receives \$100 for the first meeting of the month, \$50 for the second meeting, and \$25 for the third meeting of the month.

**JUSTICE SYSTEM FUNDING SCHEDULE -
COLLECTING/DISBURSING ENTITY**

The Justice System Funding Schedule - Collecting/Disbursing Entity is presented in compliance with Act 87 of the 2020 Regular Session of the Louisiana Legislature. The purpose of the Act was to require the Louisiana Legislative Auditor and the Louisiana Supreme Court to develop a uniform reporting format for local and state entities that assess, collect or receive revenue from pre- or post-adjudication costs, fines and fees. The Act 87 schedules are prepared on the cash basis of accounting.

SCHEDULE OF PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in Schedule 6.

TOWN OF COLUMBIA
Columbia, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO MAYOR AND
TOWN COUNCIL
For the Year Ended June 30, 2024

Agency Head - Hannah Springer, Mayor:	
Compensation	\$3,125
Compensation:	
Penny Brown	1,250
Sonja Carroll	1,250
Bonnie Crockett	1,250
James Stuart	1,250
Weston Williamson	<u>1,200</u>
Total	<u><u>\$9,325</u></u>

Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Legislative Session

Entity Name	Town of Columbia	
LLA Entity ID #	2234	
Date that reporting period ended	06/30/24	
	First Six Month Period Ended <u>12/31/23</u>	Second Six Month Period Ended <u>06/30/24</u>
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e., cash on hand)	<u>\$765</u>	<u>\$2,254</u>
Add: Collections:		
Criminal Court Costs/Fees	6,286	10,886
Criminal Fines - Contempt	300	510
Criminal Fines - Other	7,354	8,497
Other	<u>684</u>	<u>62</u>
Subtotal Collections	<u>14,624</u>	<u>19,955</u>
Less: Disbursements to Governments and Nonprofits:		
Louisiana Commission on Law Enforcement - Criminal Fines - Other	464	918
Louisiana Traumatic Head and Spinal Cord Injury Trust Fund - Criminal Fines - Other	190	405
North Louisiana Criminalistics Laboratory Commission - Criminal Fines - Other	1,240	2,570
Treasurer, State of Louisiana - CMIS - Criminal Court Costs/Fees	46	96
37 th JDC Indigent Defender Fund - Criminal Court Costs/Fees	460	960
Louisiana Supreme Court - Criminal Court Costs/Fees	23	56
Less: Amounts Retained by Collecting Agency:		
Amounts "Self-Disbursed" to Collecting Agency:		
Criminal Court Costs/Fees	5,281	10,879
Criminal Fines - Contempt	390	510
Criminal Fines - Other	5,041	4,995
Other		
Subtotal Disbursements/Retainage	<u>13,135</u>	<u>21,389</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e., cash on hand)	<u><u>\$2,254</u></u>	<u><u>\$820</u></u>
Ending Balance of "Partial Payments" Collected but not Disbursed	<u><u>\$641</u></u>	<u><u>\$668</u></u>
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	None	None
Total Waivers During the Fiscal Period	None	None

TOWN OF COLUMBIA
Columbia, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2024

Finding Number	Fiscal Year Finding Initially Occurred	Description of Finding	Status of Finding
2023-001	2015	Inadequate Segregation of Accounting Duties	Unresolved - see 2024-001 in current year findings.

Independent Auditor's Report
Required by *Government Auditing Standards*

The following independent auditor's report on internal control over financial reporting and on compliance and other matters is presented in compliance with the requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

M. CARLEEN DUMAS
Certified Public Accountant
369 Donaldson Road. Calhoun, Louisiana. Telephone 318/644-5726

**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***

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA
Columbia, Louisiana

I have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Columbia (the "Town") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued my report thereon dated November 29, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions 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 of the effectiveness of the Town's internal control.

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

Member of the American Institute of Certified Public Accountants
Member of the Society of Louisiana of Certified Public Accountants

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA
Columbia, Louisiana
Independent Auditor's Report
on Internal Control, etc.,
June 30, 2024

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. I identified a certain deficiency in internal control, described in the accompanying Schedule of Current Year Findings and Management's Planned Corrective Action as item 2024-001 that I consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from 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 financial statements. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the finding identified in my audit and described in the accompanying Schedule of Current Year Findings and Management's Planned Corrective Action. The Town's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on the response.

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 of 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.

/s Carleen Dumas
Calhoun, Louisiana
November 29, 2024

TOWN OF COLUMBIA
Columbia, Louisiana

Schedule of Current Year Findings and
Management's Planned Corrective Action
For the Year Ended June 30, 2024

Section I - Summary of Auditor's Reports

Financial Statements

1. Type of auditor's report issued - Unmodified.
2. Internal control over financial reporting:

Material weakness(es) identified? - Yes
Significant deficiency(ies) identified? -
3. Noncompliance material to financial statements noted? - No

Section II - Financial Statement Findings

2024-001. Inadequate Segregation of Accounting Duties

Criteria: Proper internal controls require that accounting duties be performed by separate individuals so that one individual could not perpetrate and conceal errors or irregularities without them being detected by another individual who was performing his or her assigned duties.

Condition: The accounting duties of billing, collecting, depositing and posting customer payments to customers accounts for the Water, Sewer, and Gas funds are performed by one employee. The collecting, depositing, and recording of payments for property taxes and occupational licenses are also performed by one employee.

Cause: Limited number of employees due to small size of the Town.

Effect: Errors or irregularities may not be detected within a timely period.

Recommendation: None.

TOWN OF COLUMBIA
Columbia, Louisiana
Schedule of Current Year Findings and
Management's Planned Corrective Action

**Management's Planned
Corrective Action:**

It is not economically feasible to correct this deficiency based on the size of the Town and its limited revenues.

M. CARLEEN DUMAS
Certified Public Accountant
369 Donaldson Road. Calhoun, Louisiana. Telephone 318/644-5726

Independent Accountant's Report
On Applying Agreed-Upon Procedures

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:

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 July 1, 2023 through June 30, 2024. The Town of Columbia's (the "Town") management is responsible for those C/C areas identified in the SAUPs.

The Town has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2023 through June 30, 2024. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

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

Member of the American Institute of Certified Public Accountants
Member of the Society of Louisiana of Certified Public Accountants

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- iii. **Disbursements**, including processing, reviewing, and approving.
- iv. **Receipts/Collections**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).
- v. **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.
- vi. **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- vii. **Travel and Expense Reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- viii. **Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ix. **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- x. **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Results of procedure: No exceptions were found as a result of this procedure.

2) Board or Finance Committee

- A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget-to-actual, at a minimum, on all special revenue funds.
 - iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.
 - iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

Results of procedure: No exceptions were found as a result of this procedure.

3) Bank Reconciliations

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

Results of procedure: The selected bank reconciliations contained no evidence of the date of the review by the Mayor who does not handle cash, post ledgers, or issue checks.

No other exceptions were found as a result of this procedure.

4) Collections (excluding electronic funds transfers)

- A. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
- B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- i. Employees responsible for cash collections do not share cash drawers/registers;
 - ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit;
 - iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and
 - iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial 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. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Obtain supporting documentation for each of the 10 deposits and
- i. Observe that receipts are sequentially pre-numbered.
 - ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
 - iii. Trace the deposit slip total to the actual bank deposit per bank statement.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- 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.

Results of procedure: The two employees who are responsible for cash collections share the same cash drawer.

The employee who is primarily responsible for cash collections also prepares the bank deposit; however, another employee is responsible for reconciling the collection documentation to the deposit. The Mayor reviews and approves the collection documentation.

The employee who is primarily responsible for cash collections can post collections to the subsidiary ledgers; however, another employee is responsible for posting to the general ledger. The Mayor reviews and approves the collection documentation.

The employee responsible for reconciling cash collections to the general ledger and subsidiary ledgers may also collect cash without another employee verifying the reconciliation. The Mayor reviews and approves the collection documentation.

Four of the selected deposits were not made within one business day of the posting date of the receipt.

No other exceptions were found as a result of this procedure.

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

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

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that
- i. At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;
 - ii. At least two employees are involved in processing and approving payments to vendors;
 - iii. The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;
 - iv. Either the employee/official responsible for signing checks mails the payments 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.
- C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and
- i. Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and
 - ii. Observe whether the disbursement documentation included evidence (e.g. initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g. sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy.

Results of procedure: Purchases that are less than \$3,000 can be initiated by an employee without prior approval.

The employee responsible for processing payments is also responsible for adding/modifying vendor files.

The employee responsible for processing payments is also responsible for mailing the checks to vendors.

Two of the five disbursements selected did not contain documentation that deliverables were received by the Town.

One of the five electronic disbursements selected did not have documentation of the Mayor's approval.

No other exceptions were found as a result of this procedure.

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

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

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials such as the mayor of a Lawrason Act municipality, should not be reported); and
 - ii. Observe that finance charges and late fees were not assessed on the selected statements.
- C. Using the monthly statements or combined statements selected under #6B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Results of procedure: One out of the six transactions selected was not supported by an itemized receipt.

No other exceptions were found as a result of this procedure.

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

- A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected
 - i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- 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 the reimbursement.

Results of procedure: No exceptions were found as a result of this procedure.

8) Contracts

- A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract and
 - i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;
 - ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter);
 - iii. If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g. if approval is required for any amendment, the documented approval);
 - 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;

Results of procedure: No exceptions were found as a result of this procedure.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

9. Payroll and Personnel

- A. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and
- i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);
 - ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;
 - iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records;
 - iv. Observe that the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.
- C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.
- D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

Results of procedure: No exceptions were found 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 each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and
 - ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
- B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Results of procedure: Four out of the five selected employees/officials did not complete one hour of ethics training during the year.

No other exceptions were found as a result of this procedure.

11) Debt Service

- A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.
- B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by the debt covenants (including contingency funds, short-lived asset funds, or other funds required by debt covenants).

Results of procedure: No exceptions were found as a result of this procedure.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

12) Fraud Notice

- A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation (s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.
- B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1. concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

Results of procedure: No exceptions were found 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 "We performed the procedure and discussed the results with management."**
 - i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.
 - ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.
 - iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.
- C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R. S. 42:1267: The requirements are as follows:
- Hired before June 9, 2020 - completed the training; and
 - Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment.

Results of procedure: 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, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
- B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
- C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:
- i. Number and percentage of public servants in the agency who have completed the training requirements;
 - ii. Number of sexual harassment complaints received by the agency;

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
Applying Agreed-Upon Procedures
June 30, 2024

- 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.

Results of procedure: No exceptions were found as a result of this procedure.

Management's Response We will consider the results of the statewide agreed-upon procedures report and take action as deemed necessary and feasible.

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.

/s Carleen Dumas
Calhoun, Louisiana
November 21, 2024