

TOWN OF COLUMBIA
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended
June 30, 2025

TOWN OF COLUMBIA
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended June 30, 2025

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M. CARLEEN DUMAS
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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, 2025, 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, 2025, 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
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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.

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- 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 51; and the schedule of proportionate share of the net pension liability and schedule of contributions related to the Municipal Employees' Retirement System on pages 52 and 53 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, Reimbursements, Benefits, and Other Payments to Mayor and Town Council on page 56, the Justice System Funding Schedule - Collecting/Disbursing Entity on page 57, and the Schedule of Prior Year Findings on page 58 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Schedule of Compensation, Reimbursements, Benefits, and Other Payments to Mayor and Town Council, the Justice

MAYOR AND TOWN COUNCIL
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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 September 9, 2025, 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 August 22, 2025, 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
September 9, 2025

TOWN OF COLUMBIA
Columbia, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025

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, 2025. 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.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025

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 \$324,763 for the year ended June 30, 2025 due to increases in charges for services, capital grants, and general revenues in governmental activities. 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	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets						
Current assets	\$1,404,050	\$1,321,488	\$1,248,455	\$1,079,995	\$2,652,505	\$2,401,483
Restricted assets	9,094	14,243	154,476	150,510	163,570	164,753
Capital assets	949,336	800,890	1,970,926	2,101,752	2,920,262	2,902,642
Total assets	<u>2,362,480</u>	<u>2,136,621</u>	<u>3,373,857</u>	<u>3,332,257</u>	<u>5,736,337</u>	<u>5,468,878</u>
Deferred Outflow of Resources - pensions						
	<u>24,814</u>	<u>32,403</u>	<u>NONE</u>	<u>NONE</u>	<u>24,814</u>	<u>32,403</u>

TOWN OF COLUMBIA
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2025	2024	2025	2024	2025	2024
Liabilities						
Current liabilities	\$50,893	\$55,807	\$77,493	\$74,980	\$128,386	\$130,787
Long-term liabilities	215,073	241,411	849,051	881,599	1,064,124	1,123,010
Total liabilities	<u>265,966</u>	<u>297,218</u>	<u>926,544</u>	<u>956,579</u>	<u>1,192,510</u>	<u>1,253,797</u>
Deferred Inflow of Resources - pensions	<u>8,496</u>	<u>12,103</u>	<u>NONE</u>	<u>NONE</u>	<u>8,496</u>	<u>12,103</u>
Net Position						
Net investment in capital assets	808,336	626,890	1,094,822	1,198,855	1,903,158	1,825,745
Restricted	9,094	14,243	154,476	150,510	163,570	164,753
Unrestricted	1,295,402	1,218,570	1,198,015	1,026,313	2,493,417	2,244,883
Total net position	<u>\$2,112,832</u>	<u>\$1,859,703</u>	<u>\$2,447,313</u>	<u>\$2,375,678</u>	<u>\$4,560,145</u>	<u>\$4,235,381</u>

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2025	2024	2025	2024	2025	2024
Program revenue						
Charges for services	\$173,092	\$40,654	\$395,207	\$423,310	\$568,299	\$463,964
Operating grants and contributions	97,770	122,061			97,770	122,061
Capital grants and contributions	93,105				93,105	
General revenue						
Property taxes	73,143	66,994			73,143	66,994
Sales taxes	432,534	404,886			432,534	404,886
Other taxes	90,257	84,967			90,257	84,967
Licenses and permits	37,373	38,632			37,373	38,632
Investment earnings	6,534	6,078	424	426	6,958	6,504
Other general revenue	952	170			952	170

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For the Year Ended June 30, 2025

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2025	2024	2025	2024	2025	2024
Gain (loss) on disposal of capital assets	(\$1,624)	\$58,132			(\$1,624)	\$58,132
Total revenue	1,003,136	822,574	395,631	423,736	1,398,767	1,246,310
Transfers		50,000		(50,000)		
Total revenue and transfers	1,003,136	872,574	395,631	373,736	1,398,767	1,246,310
Program expenses						
General government	442,844	362,780			442,844	362,780
Public safety	169,698	85,557			169,698	85,557
Public works	75,671	116,215			75,671	116,215
Culture and recreation	55,706	47,407			55,706	47,407
Debt service	6,088	6,215			6,088	
Water			183,282	174,818	183,282	174,818
Sewer			80,635	75,772	80,635	75,772
Gas			60,080	65,991	60,080	65,991
Total expenses	750,007	618,174	323,997	316,581	1,074,004	934,755
Change in net position	253,129	254,400	71,634	57,155	324,763	311,555
Net position - beginning	1,859,703	1,605,303	2,375,679	2,318,523	4,235,382	3,923,826
Net position - ending	<u>\$2,112,832</u>	<u>\$1,859,703</u>	<u>\$2,447,313</u>	<u>\$2,375,678</u>	<u>\$4,560,145</u>	<u>\$4,235,381</u>

The Town's total revenue increased \$152,457 from the prior year due to an increase in state and federal grants and fines. The Town's total expenses increased \$139,249 with the largest increases for general government and public safety.

Governmental Activities

Total revenue and transfers for governmental activities increased \$130,562 due to an increase in sales taxes, fines, and federal grants. The expenses of the governmental activities increased \$131,833 due primarily to an increase in general government salaries and office expenses and public safety salaries, retirement, and state fees.

TOWN OF COLUMBIA
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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025

Business-Type Activities

The Town's charges for services for its business-type activities were \$28,103 less than in the prior year. Total expenses increased approximately \$7,416.

OVERALL FINANCIAL POSITION

The Town's net position increased \$324,763 as a result of this year's operations. The business-type activities had an increase in net position of \$71,634 and the governmental activities had an increase of \$253,129. Unrestricted net position (those assets available to finance the daily operations of the Town) is \$2,493,417 at year end. The increase in unrestricted net position was \$248,534 from the prior year amount. The net investment in capital assets is \$1,903,158 and restricted net position is \$163,570 at year end.

TOWN'S FUNDS

At the end of the year, the Town's General Fund reported a fund balance of \$1,372,910 of which \$1,125,017 is unassigned. General Fund fund balance increased \$52,002 for the year primarily due to an increase in sales taxes, fines, and federal grants. The Water Enterprise Fund reported total net position of \$1,404,405 at year end. The increase in net position is \$2,362 for the year. The Sewer Enterprise Fund reported total net position of \$647,095 at year end. The increase in net position is \$37,610 for the year. The Gas Enterprise Fund reported total net position of \$395,813 at year end. The increase in net position is \$31,662 for the year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town amended its General Fund budget one time during the year ended June 30, 2025. At year end, actual revenue and other financing sources are \$188,622 more than budgeted revenue and other financing sources and actual expenditures are \$38,422 more 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 \$2,920,262. 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

TOWN OF COLUMBIA
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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025

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, 2025, the General Fund renovated the town hall, purchased office equipment, a used police vehicle, a used fire truck, a new side-by-side vehicle, and other public safety equipment. The Town also incurred \$40,025 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. Additional information about the Town's capital assets is presented in the notes to the financial statements.

Long-Term Liabilities

At June 30, 2025, the Town reported \$6,161 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.

Principal and interest payments totaling \$9,120 were made in connection with the limited tax bonds issued in 2022 to purchase the new town hall building. The Town reported the outstanding principal of \$141,000 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, 2025, the Town reported \$257,588 in outstanding sewer revenue bonds and \$618,516 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 is \$47,488 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 \$77,073 on the statement of net position for governmental activities at June 30, 2025. Additional information about the Town's net pension liability is presented in the notes to the financial statements.

ECONOMIC FACTORS

The Town's General Fund budgeted revenue for the year ending June 30, 2026, is approximately \$82,000 less than the General Fund budgeted revenue for the year ended June 30, 2025, due to expected decreases in sales tax and state grant funds. 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

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MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2025

grant funds for the Columbia Sherman Lake Project. The timing of the funding under this agreement is not known at this time. Budgeted General Fund expenditures for the year ending June 30, 2026, are approximately \$100,528 less than the General Fund budgeted expenditures for the year ended June 30, 2025, due to expected decreases in fire department and street 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, 2026. 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, 2026 as they were for the year ended June 30, 2025.

BASIC FINANCIAL STATEMENTS

TOWN OF COLUMBIA
Columbia, Louisiana

STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$977,158	\$1,214,825	\$2,191,983
Investments	348,372	8,720	357,092
Receivables (net of allowances for uncollectibles)	79,016	24,414	103,430
Internal balances	(496)	496	
Restricted cash	9,094	154,476	163,570
Capital assets (net of accumulated depreciation)	949,336	1,970,926	2,920,262
Total assets	<u>2,362,480</u>	<u>3,373,857</u>	<u>5,736,337</u>
DEFERRED OUTFLOWS OF RESOURCES			
Resources related to pensions	<u>24,814</u>	NONE	<u>24,814</u>
LIABILITIES			
Accounts payable	29,660	5,707	35,367
Payroll liabilities payable	10,574		10,574
Accrued interest payable		3,638	3,638
Customer meter deposits		41,095	41,095
Long-term liabilities other than pensions:			
Due within one year	10,659	27,053	37,712
Due in more than one year	138,000	849,051	987,051
Net pension liability	<u>77,073</u>		<u>77,073</u>
Total liabilities	<u>265,966</u>	<u>926,544</u>	<u>1,192,510</u>
DEFERRED INFLOWS OF RESOURCES			
Resources related to pensions	<u>8,496</u>	NONE	<u>8,496</u>
NET POSITION			
Net investment in capital assets	808,336	1,094,822	1,903,158
Restricted - debt service	9,094	154,476	163,570
Unrestricted	<u>1,295,402</u>	<u>1,198,015</u>	<u>2,493,417</u>
Total net position	<u><u>\$2,112,832</u></u>	<u><u>\$2,447,313</u></u>	<u><u>\$4,560,145</u></u>

See accompanying notes and independent auditor's report.

Statement B

TOWN OF COLUMBIA
Columbia, Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

	Program Revenue.....				Net (Expense) Revenue andChanges in Net Position.....		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES:							
General government	\$442,844		\$5,555	\$93,105	(\$344,184)		(\$344,184)
Public safety	169,698	\$173,092	11,190		14,584		14,584
Public works	75,671		20,000		(55,671)		(55,671)
Culture and recreation	55,706		61,025		5,319		5,319
Debt service	6,088				(6,088)		(6,088)
Total governmental activities	750,007	173,092	97,770	93,105	(386,040)		(386,040)
BUSINESS-TYPE ACTIVITIES:							
Water service	183,282	185,570				\$2,288	2,288
Sewer service	80,635	118,110				37,475	37,475
Gas service	60,080	91,527				31,447	31,447
Total business-type activities	323,997	395,207				71,210	71,210
Total government	1,074,004	568,299	97,770	93,105	(386,040)	71,210	(314,830)
GENERAL REVENUE							
General revenue:							
Property taxes					73,143		73,143
Sales taxes					432,534		432,534
Other taxes					90,257		90,257
Licenses and permits					37,373		37,373
Investment earnings					6,534	424	6,958
Other general revenues					952		952
Loss on disposal of capital assets					(1,624)		(1,624)
Total general revenue					639,169	424	639,593
CHANGE IN NET POSITION					253,129	71,634	324,763
NET POSITION - BEGINNING					1,859,703	2,375,679	4,235,382
NET POSITION - ENDING					2,112,832	2,447,313	4,560,145

See accompanying notes and independent auditor's report.

TOWN OF COLUMBIA
Columbia, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND
June 30, 2025

	<u>General</u>
ASSETS	
Cash	\$977,158
Investments	348,372
Receivables	79,016
Restricted cash	<u>9,094</u>
TOTAL ASSETS	<u><u>\$1,413,640</u></u>
LIABILITIES	
Accounts payable	\$29,660
Payroll liabilities payable	10,574
Due to other funds	<u>496</u>
Total liabilities	<u>40,730</u>
FUND BALANCES	
Restricted:	
Debt service	9,094
Assigned:	
Vehicles	160,372
Office equipment	16,687
Street improvements	61,740
Unassigned	<u>1,125,017</u>
Total fund balance	<u>1,372,910</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$1,413,640</u></u>
Reconciliation of the Balance Sheet of Governmental Fund To the Statement of Net Position:	
Total fund balance - Governmental Fund	\$1,372,910
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.	949,336
Long-term liabilities, including bonds payable, accrued interest payable, and compensated absences, are not due and payable in the current period therefore are not reported in the fund.	(148,659)
Net pension liability does not require the use of current financial resources and therefore is not reported in the fund.	(77,073)
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.	<u>16,318</u>
Net position of governmental activities (Statement A)	<u><u>\$2,112,832</u></u>

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, 2025

	<u>General Fund</u>
REVENUE	
Taxes:	
Property	\$73,143
Sales	432,534
Franchise	14,331
Beer	1,347
Insurance premium	74,579
Licenses and permits	37,373
Intergovernmental revenue:	
Federal grant	71,092
State grants	54,270
Local grants	61,025
Fines	166,712
Fire protection fees	6,380
Investment earnings	6,534
Other revenue	952
Total revenue	<u>1,000,272</u>
EXPENDITURES	
Current:	
General government	452,298
Public safety:	
Police	132,899
Fire	12,098
Public works	67,125
Culture and recreation	55,706
Capital outlay	219,024
Debt service	9,120
Total expenditures	<u>948,270</u>
NET CHANGE IN FUND BALANCE	52,002
FUND BALANCE AT BEGINNING OF YEAR	<u>1,320,908</u>
FUND BALANCE AT END OF YEAR	<u><u>\$1,372,910</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, 2025

	<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	\$52,002
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 capital expenditures exceeded depreciation expense in the current period.	180,070
The loss on disposal of capital assets is calculated by deducting the book value of the disposed capital assets.	(1,624)
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.	14,868
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.	4,488
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>293</u>
Change in net position of governmental activities (Statement B)	<u><u>\$253,129</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, 2025

	Water Fund	Sewer Fund	Gas Fund	Total
ASSETS				
Current assets:				
Cash	\$513,734	\$401,632	\$299,459	\$1,214,825
Investments			8,720	8,720
Receivable (net of allowance for uncollectibles)	12,206	8,335	3,873	24,414
Due from General Fund	226	202	68	496
Total current assets	526,166	410,169	312,120	1,248,455
Noncurrent assets:				
Restricted cash	78,239	76,237		154,476
Capital assets (net of accumulated depreciation)	1,449,617	421,085	100,224	1,970,926
Total assets	2,054,022	907,491	412,344	3,373,857
LIABILITIES				
Current liabilities:				
Accounts payable	1,609	2,162	1,936	5,707
Accrued interest payable	2,992	646		3,638
Current portion of long-term debt	9,171	17,882		27,053
Customer deposits	26,500		14,595	41,095
Total current liabilities	40,272	20,690	16,531	77,493
Noncurrent liabilities:				
Long-term debt - revenue bonds payable	609,345	239,706	NONE	849,051
Total liabilities	649,617	260,396	16,531	926,544
NET POSITION				
Net investment in capital assets	831,101	163,497	100,224	1,094,822
Restricted for debt service	78,239	76,237		154,476
Unrestricted	495,065	407,361	295,589	1,198,015
Total net position	\$1,404,405	\$647,095	\$395,813	\$2,447,313

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, 2025

	Water Fund	Sewer Fund	Gas Fund	Total
OPERATING REVENUE				
Service fees	\$174,593	\$116,513	\$90,428	\$381,534
Penalties	2,411	1,597	709	4,717
Safe drinking water fees	3,712			3,712
Other	4,854		390	5,244
Total operating revenue	<u>185,570</u>	<u>118,110</u>	<u>91,527</u>	<u>395,207</u>
OPERATING EXPENSES				
Office supplies	354	718		1,072
Sales tax	1,457			1,457
Repairs and maintenance	46,605	15,632	6,448	68,685
Utilities	5,241	11,629	424	17,294
Safe drinking water fee	3,562			3,562
Dues and memberships	375	600	100	1,075
Miscellaneous	271	262	400	933
Chemicals		3,681		3,681
Testing fees		3,569		3,569
Training			110	110
Gas purchases			44,246	44,246
Depreciation	89,952	32,521	8,352	130,825
Total operating expenses	<u>147,817</u>	<u>68,612</u>	<u>60,080</u>	<u>276,509</u>
OPERATING INCOME	<u>37,753</u>	<u>49,498</u>	<u>31,447</u>	<u>118,698</u>
NON-OPERATING REVENUE (Expenses)				
Interest earned on deposits	74	135	215	424
Interest expense	(35,465)	(12,023)		(47,488)
Total non-operating revenues (expenses)	<u>(35,391)</u>	<u>(11,888)</u>	<u>215</u>	<u>(47,064)</u>
CHANGE IN NET POSITION	2,362	37,610	31,662	71,634
NET POSITION - BEGINNING	<u>1,402,043</u>	<u>609,485</u>	<u>364,151</u>	<u>2,375,679</u>
NET POSITION - ENDING	<u><u>\$1,404,405</u></u>	<u><u>\$647,095</u></u>	<u><u>\$395,813</u></u>	<u><u>\$2,447,313</u></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, 2025

	Water Fund	Sewer Fund	Gas Fund	Total Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$186,692	\$118,615	\$91,067	\$396,374
Customer meter deposits (net)	(2,750)		(1,680)	(4,430)
Payments to suppliers	(57,964)	(35,229)	(51,260)	(144,453)
Net cash provided by operating activities	<u>125,978</u>	<u>83,386</u>	<u>38,127</u>	<u>247,491</u>
CASH FLOWS FROM NON -CAPITAL AND RELATED FINANCING ACTIVITIES				
Transfer to General Fund	NONE	NONE	(4,892)	(4,892)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on capital debt	(9,339)	(17,453)		(26,792)
Interest paid on capital debt	(35,510)	(12,021)		(47,531)
Net cash used by capital and related financing activities	<u>(44,849)</u>	<u>(29,474)</u>	NONE	<u>(74,323)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	74	135	215	424
Increase in investments			(162)	(162)
Increase in restricted cash	(2,318)	(1,648)		(3,966)
Net cash provided (used) by investing activities	<u>(2,244)</u>	<u>(1,513)</u>	<u>53</u>	<u>(3,704)</u>
NET INCREASE IN CASH	78,885	52,399	33,288	164,572
CASH AT BEGINNING OF YEAR	434,849	349,233	266,171	1,050,253
CASH AT END OF YEAR	<u>\$513,734</u>	<u>\$401,632</u>	<u>\$299,459</u>	<u>\$1,214,825</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating Income	\$37,753	\$49,498	\$31,447	\$118,698
Adjustments:				
Depreciation	89,952	32,521	8,352	130,825
Decrease (increase) in accounts receivable	1,348	707	(392)	1,663
Decrease (increase) in Due from General Fund	(226)	(202)	(68)	(496)
Increase (decrease) in customer meter deposits	(2,750)		(1,680)	(4,430)
Increase (decrease) in accounts payable	(99)	862	468	1,231
Total adjustments	<u>88,225</u>	<u>33,888</u>	<u>6,680</u>	<u>128,793</u>
Net cash provided by operating activities	<u>\$125,978</u>	<u>\$83,386</u>	<u>\$38,127</u>	<u>\$247,491</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, 2025

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, 2025. 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 9 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) charges to customers or applicants who purchase, use, or directly benefit from goods,

TOWN OF COLUMBIA
Notes to the Financial Statements

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. 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, 2025, 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, 2025, the Town levied a 8.07 mill general alimony tax for general government purposes. The Town also levied 3.07 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 calendar year 2034. 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 Board of Commerce and Industry. The exemption may be renewed for an additional five

TOWN OF COLUMBIA
Notes to the Financial Statements

years. For the year ended June 30, 2025, 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, 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, 2025, in the amount of \$6,161 as follows:

Balance at July 1, 2024	\$6,454
Sick leave earned	4,669

TOWN OF COLUMBIA
Notes to the Financial Statements

Sick leave used as paid time off	(\$2,482)
Accrued sick leave paid at retirement	<u>(2,480)</u>
Balance at June 30, 2025	<u><u>\$6,161</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. 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 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 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, 2025.

TOWN OF COLUMBIA
Notes to the Financial Statements

3. DEPOSITS IN FINANCIAL INSTITUTIONS

At June 30, 2025, the Town has cash, restricted cash, and investments (book balances) as follows:

Checking accounts	\$1,926,049
Savings accounts	429,504
Certificates of deposit	<u>357,092</u>
Total	<u><u>\$2,712,645</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, 2025, the Town has \$2,718,377 in deposits (collected bank balances). These deposits are secured from risk by \$762,478 of federal deposit insurance and \$2,008,184 of pledged securities held by an unaffiliated bank in the name of the fiscal agent bank.

4. RECEIVABLES

The following is a summary of receivables at June 30, 2025:

	General Fund	Water Enterprise Fund	Sewer Enterprise Fund	Gas Enterprise Fund	Total
Taxes	\$45,781				\$45,781
Grants	33,170				33,170
Charges for services	65	\$13,183	\$8,764	\$4,027	26,039
Allowance for uncollectibles		(977)	(429)	(154)	(1,560)
Total	<u><u>\$79,016</u></u>	<u><u>\$12,206</u></u>	<u><u>\$8,335</u></u>	<u><u>\$3,873</u></u>	<u><u>\$103,430</u></u>

5. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2025, is as follows:

TOWN OF COLUMBIA
Notes to the Financial Statements

	Balance at July 1, 2024	Increases	Decreases	Balance at June 30, 2025
Governmental activities:				
Capital assets not being depreciated:				
Land	\$106,466			\$106,466
Construction in progress	340,766	\$40,025		380,791
Total capital assets not being depreciated	447,232	40,025	NONE	487,257
Capital assets being depreciated:				
Buildings	449,761	\$27,831		477,592
Vehicles and equipment	492,683	121,168	(\$2,866)	610,985
Total capital assets being depreciated	942,444	148,999	(2,866)	1,088,577
Less accumulated depreciation for:				
Buildings	209,346	13,489		222,835
Vehicles and equipment	379,440	25,465	(1,242)	403,663
Total accumulated depreciation	588,786	38,954	(1,242)	626,498
Total assets being depreciated, net	353,658	110,045	(1,624)	462,079
Total assets, net	<u>\$800,890</u>	<u>\$150,070</u>	<u>(\$1,624)</u>	<u>\$949,336</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$26,624	NONE	NONE	\$26,624
Capital assets being depreciated:				
Water system and improvements	3,027,160			3,027,160
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	114,782			114,782

TOWN OF COLUMBIA
Notes to the Financial Statements

	Balance at July 1, 2024	Increases	Decreases	Balance at June 30, 2025
Total capital assets being depreciated	<u>\$6,021,481</u>	<u>NONE</u>	<u>NONE</u>	<u>\$6,021,481</u>
Less accumulated depreciation for:				
Water system and improvements	1,565,275	\$77,721		1,642,996
Sewer system and improvements	1,680,382	32,521		1,712,903
Gas system and improvements	623,998	8,352		632,350
Buildings	31,575			31,575
Vehicles and equipment	<u>45,124</u>	<u>12,231</u>		<u>57,355</u>
Total accumulated depreciation	<u>3,946,354</u>	<u>130,825</u>	<u>NONE</u>	<u>4,077,179</u>
Total assets being depreciated, net	<u>2,075,127</u>	<u>(130,825)</u>	<u>NONE</u>	<u>1,944,302</u>
Total assets, net	<u><u>\$2,101,751</u></u>	<u><u>(\$130,825)</u></u>	<u><u>NONE</u></u>	<u><u>\$1,970,926</u></u>

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

Governmental Activities:	
General government	\$5,707
Public safety	24,701
Public works	<u>8,546</u>
Total depreciation expense - governmental activities	<u><u>\$38,954</u></u>
Business-Type Activities:	
Water Fund	\$89,952
Sewer Fund	32,521
Gas Fund	<u>8,352</u>
Total depreciation expense - business-type activities	<u><u>\$130,825</u></u>

TOWN OF COLUMBIA
Notes to the Financial Statements

6. DUE TO/FROM OTHER FUNDS

The following is a summary of due to/from other funds at June 30, 2025:

	Due To Other Funds	Due From Other Funds
General Fund	\$496	
Water Enterprise Fund		\$226
Sewer Enterprise Fund		202
Gas Enterprise Fund		68
Total	<u>\$496</u>	<u>\$496</u>

7. LONG-TERM LIABILITIES

The following is a summary of long-term liability activity for the year ended June 30, 2025:

	Balance at July 1, 2024	Increases	Decreases	Balance at June 30, 2025	Due within One Year
Governmental activities:					
Direct					
borrowings -					
Limited tax bonds	144,000		(3,000)	141,000	3,000
Accrued interest	1,530		(32)	1,498	1,498
Compensated					
absences	6,454	4,669	(4,962)	6,161	6,161
Contracts payable	30,000		(30,000)		
Net pension liability	100,411		(23,338)	77,073	
Total governmental activities	<u>\$282,395</u>	<u>\$4,669</u>	<u>(\$61,332)</u>	<u>\$225,732</u>	<u>\$10,659</u>
Business-type activities - direct borrowings:					
Water revenue					
bonds	\$627,856		(\$9,340)	\$618,516	\$9,171
Sewer revenue					
bonds	275,041		(17,453)	257,588	17,882

TOWN OF COLUMBIA
Notes to the Financial Statements

	Balance at July 1, 2024	Increases	Decreases	Balance at June 30, 2025	Due within One Year
Total business-type activities	<u>\$902,897</u>	<u>NONE</u>	<u>(\$26,793)</u>	<u>\$876,104</u>	<u>\$27,053</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.

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	\$638,034	\$74,301	\$2,852
Principal outstanding	\$618,516	\$248,065	\$9,523
	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.

TOWN OF COLUMBIA
Notes to the Financial Statements

Principal and interest on direct borrowings are due as follows:

Governmental activities:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
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	3,000	5,482	8,482
2031 - 2035	19,000	25,245	44,245
2036 - 2040	23,000	20,910	43,910
2041 - 2045	29,000	15,470	44,470
2046 - 2050	37,000	8,670	45,670
2051 - 2052	18,000	1,147	19,147
Total	<u>\$141,000</u>	<u>\$100,128</u>	<u>\$241,128</u>

Business-type activities:

<u>Year Ending June 30,</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2026	\$27,053	\$47,270	\$74,323
2027	28,397	45,926	74,323
2028	29,807	44,516	74,323
2029	31,290	43,033	74,323
2030	32,848	41,475	74,323
2031 - 2035	190,508	181,107	371,615
2036 - 2040	129,097	135,155	264,252
2041 - 2045	121,382	102,865	224,247
2046 - 2050	161,466	62,781	224,247
2051 - 2052	124,256	11,059	135,315
Total	<u>\$876,104</u>	<u>\$715,187</u>	<u>\$1,591,291</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

TOWN OF COLUMBIA
Notes to the Financial Statements

“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, 2025:

	Columbia Limited Tax Bonds (2022) Sinking Fund
Balance at July 1, 2024	\$5,608
Deposits	12,600
Interest earnings	6
Transfers to paying agent	(9,120)
Balance at June 30, 2025	<u>\$9,094</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.

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Notes to the Financial Statements

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.
- 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, 2025:

	Water Enterprise Fund	Sewer Enterprise Fund	Total
Balance at July 1, 2024	\$75,921	\$74,589	\$150,510
Deposits	47,094	1,572	48,666
Interest earnings	74	75	149
Withdrawals	(44,849)		(44,849)
Balance at June 30, 2025	<u>\$78,240</u>	<u>\$76,236</u>	<u>\$154,476</u>

9. MULTIPLE-EMPLOYER COST-SHARING BENEFIT PLANS

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 Membership:

For the year ended June 30, 2024 (the valuation date), there were 70 contributing municipalities in Plan B with 5,580 total participants.

Plan Eligibility and Benefits:

MERS provides retirement, disability, survivor, and deferred retirement option plan (DROP) benefits.

Retirement 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, becomes a member of MERS Plan B Tier 2 as a condition of employment.

Generally, the monthly amount of the retirement allowance for any member of Plan B consists of an amount equal to 2% 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.

Drop Benefits:

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. Interest is earned when the member has completed DROP participation. Interest

earnings are based upon the actual rate of return on the investments identified as DROP funds for the period. In addition, no cost-of-living increases are payable to participants until employment which made them eligible to become members of MERS has been terminated for at least one full year. 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.

Disability Benefits:

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 30% of his final compensation or 2% of his final compensation multiplied by his years of creditable service, whichever is greater, or an amount equal to 2% of the member's final compensation multiplied by his years of creditable service, projected to his earliest normal retirement age.

Survivor Benefits:

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 who 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.

Deferred 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.

Cost of Living Increases:

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 and 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, 2025, 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, 2025, is 14% of member's earnings. Contributions to the pension plan were \$20,485 for the year ended June 30, 2025. Employee and employer contributions for the month of June 2025, in the amount of \$2,394 are reported in General Fund accounts payable at year end and were paid in July 2025. 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 \$4,488 for the year ended June 30, 2025.

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

The net pension liability was measured as of June 30, 2024, 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, 2024 are as follows:

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Notes to the Financial Statements

Total pension liability	\$304,909,334
Less plan fiduciary net position	<u>(244,232,011)</u>
Employers' net pension liability	<u><u>\$60,677,323</u></u>
Plan fiduciary net position as a percentage of total pension liability	80.10%

Employer contributions are used to determine the proportionate relationship of each employer to all employers of MERS Plan B. These allocation percentages were 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 for the current fiscal year 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, 2024. At June 30, 2025, the Town reported a total of \$77,073 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, 2025 was .127% which was an increase of .002% from its proportion measured as of June 30, 2024.

For the year ended June 30, 2025, the Town recognized pension expense of (\$14,868) for MERS. At June 30, 2025, 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	\$733
Net difference between projected and actual earnings on pension plan investments	2,773
Changes in proportion	823
Employer contributions subsequent to the measurement date	<u>20,485</u>
Total deferred outflows of resources	<u><u>\$24,814</u></u>
Deferred Inflows of Resources:	
Differences between expected and actual experience	\$630
Changes in assumptions	2,869
Changes in proportion	<u>4,997</u>
Total deferred outflows of resources	<u><u>\$8,496</u></u>

TOWN OF COLUMBIA
Notes to the Financial Statements

The \$20,485, 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, 2026. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2026	(\$5,691)
2027	5,562
2028	(2,299)
2029	<u>(1,739)</u>
Total	<u><u>(\$4,167)</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, 2024 valuation were based on the results of an actuarial experience study for the period from July 1, 2018 through June 30, 2023.

Information of the actuarial valuation and assumptions is as follows:

Valuation date	June 30, 2024
Actuarial cost method	Entry age normal
Inflation	2.5%
	1 to 2 years of service
	- 9.5%
Salary increases, including inflation and merit increases	More than 2 years of service - 4.6%
	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 115% for males and females, each adjusted using their respective male and female MP2021 scales. Employee mortality rates were based on PubG-2010(B) Employee Table set equal to 115% for males and females, each adjusted using their respective male and female MP2021 scales. Disabled lives mortality rates were based on PubNS-2010(B) Disabled Retiree Table set equal to 115% for males and females with the full generational MP2021 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, 2024, 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, 2024. 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

TOWN OF COLUMBIA
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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%	Current	1%
	Decrease	Discount	Increase
	5.85%	6.85%	7.85%
Net pension liability	<u>\$119,677</u>	<u>\$77,073</u>	<u>\$41,066</u>

Changes in Net Pension Liability:

The following presents the changes in the Town's net pension liability for the year ended June 30, 2025:

Balance July 1, 2024	\$100,411
Employer's proportionate share of contributions	(17,935)
Proportionate share of nonemployer contributions	(4,488)
Change in proportionate share of deferred outflows	(10,139)
Change in proportionate share of deferred inflows	3,607
Proportionate share of employer expense	5,653
Other	(36)
Balance June 30, 2025	<u>\$77,073</u>

Retirement System Audit Report

MERS has issued a stand-alone audit report on its financial statements for the year ended June 30, 2024. Access to this report can be found on the MERS website, www.mersla.com or on the Louisiana Legislative Auditor's website, www.lla.la.gov.

Municipal Police Employees' Retirement System

Plan Description:

The Municipal Police Employees' Retirement System (MPERS) is the administrator of a cost-sharing multiple-employer plan. Membership in MPERS is mandatory for any full-time police officer employed by a municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, provided he or she does not have to pay social security and providing he or she meets the statutory criteria.

Member eligibility for regular retirement, early retirement, disability, and survivor benefits are based on Hazardous Duty and Non-Hazardous Duty sub plans. Under the Hazardous Duty sub plan, members who were hired after January 1, 2013, are eligible for regular retirement at any age with 25 years of creditable service or at age 55 with 12 years of creditable service. Under the Non-Hazardous Duty sub plan, a member hired after January 1, 2013, is eligible for regular retirement at any age with 30 years of creditable service or at age 55 with 25 years of creditable service or at age 60 with 10 years of creditable service. Under both sub plans, a member is eligible for early retirement at any age after he has been a member of MPERS for 20 years of creditable service with an actuarially reduced benefit from age 55.

Under the Hazardous Duty and Non-Hazardous Duty sub plans, the benefit rates are 3% (generally) and 2.5%, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) multiplied by years of creditable service not to exceed 100% of final salary.

Upon the death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statutes, the benefits range from 25% to 55% of the member's average final compensation for the surviving spouse. In addition, each child under age 18 receives 10% of average final compensation or \$200 per month, whichever is greater. If deceased member had less than 10 years of service, beneficiary will receive a refund of employee contributions only.

Cost of Living Adjustments:

The Board of Trustees is authorized to provide annual cost of living adjustments (COLA) computed on the amount of the current regular retirement, disability, beneficiary or survivor's benefit, not to exceed 3% in any given year. The Board is authorized to provide an additional 2% COLA, computed on the member's original benefit, to all regular retirees, disability, survivors, and beneficiaries who are age 65 years of age or older on the cut-off date which determines eligibility.

No regular retiree, survivor or beneficiary shall be eligible to receive a COLA until benefits have been received at least one full fiscal year and the payment of such COLA, when authorized, shall not be effective until the lapse of at least one-half of the fiscal year. Members who elect early retirement are not eligible for COLA adjustments until they reach regular retirement age.

Deferred Retirement Option Plan:

A member is eligible to elect to enter the deferred retirement option plan (DROP) when he is eligible for regular retirement based on the members' sub plan participation. At the entry date into DROP, the employee and employer contributions cease. The amount to be deposited into the DROP account is equal to the benefit computed under the retirement plan elected by the participant at date of application. The duration of participation in DROP is 36 months or less. For those employees who enter DROP after June 30, 2024, participation in DROP is 60 months or less. If employment is terminated after the DROP period, the participant may receive his benefits by lump sum payment or a true annuity. If employment is not terminated, active contributing membership into MPERS shall resume and upon later termination, he shall receive additional retirement benefit based on the additional service.

Initial Benefit Option Plan:

Initial Benefit Option is available to members who are eligible for regular retirement and have not participated in DROP. The Initial Benefit Option program provides both a one-time single sum payment of up to 36 months of regular monthly retirement benefit, plus a reduced monthly retirement benefit for life. Interest is computed on the balance based on the same criteria as DROP.

Contributions:

Contributions for all members are actuarially determined as required by state law but cannot be less than 9% of the employees earnable compensation excluding overtime but including state supplemental pay. For the year ended June 30, 2025, the Town's required contribution rate is 35.6% and the employees' contribution rate is 10% of covered payroll for both Hazardous and Non-Hazardous Duty. The Town's Police Chief became eligible to participate in MPERS on July 1, 2024. Employer contributions to the pension plan were \$15,126 for the year ended June 30, 2025.

Non-Employer Contributions:

The system also receives insurance premium tax monies which is considered support from non-employer contributing entity. This tax is allocated by the state treasurer each year based on an actuarial study. There were no non-employer contributions recognized as revenue in the government-wide governmental activities statement of activities for the year ended June 30, 2025.

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

The latest net pension liability for MPERS was measured as of June 30, 2024 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. As of that date, the Town's proportion of the net pension liability, pension expense, and deferred outflows and deferred inflows of resources related to pensions was zero as the Town had no participants in MPERS on the measurement date.

Retirement System Audit Report

MPERS issued a stand-alone audit report on its financial statements for the year ended June 30, 2024. Access to this report can be found on the MPERS website, www.lampers.org or on the Louisiana Legislative Auditor's website, www.la.gov.

10. ON-BEHALF PAYMENTS FOR SALARIES

For the year ended June 30, 2025, the Town recognized revenue and expenditures of \$7,200 in salary supplements from the State of Louisiana paid on behalf of Town's Chief of Police.

11. GRANTS

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies.

TOWN OF COLUMBIA
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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 financial statements taken as a whole.

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 purchased 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 September 9, 2025, 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, 2025

	BudgetedAmounts.....		Actual Amounts (Budgetary Basis - GAAP)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUE				
Taxes:				
Property	\$55,000	\$72,000	\$73,143	\$1,143
Sales	220,000	360,000	432,534	72,534
Franchise	14,000	10,000	14,331	4,331
Beer taxes	1,900	1,300	1,347	47
Insurance premium	50,000	45,000	74,579	29,579
Licenses and permits	33,100	33,000	37,373	4,373
Intergovernmental revenue:				
Federal grant		1,900	71,092	69,192
State grants	9,800	30,400	54,270	23,870
Local grants	50,000	55,000	61,025	6,025
Fines	30,000	145,000	166,712	21,712
Fire protection fees	6,500	5,500	6,380	880
Mowing	200			
Investment earnings	2,000	1,700	6,534	4,834
Other revenue	200	850	952	102
Total revenue	<u>472,700</u>	<u>761,650</u>	<u>1,000,272</u>	<u>238,622</u>
EXPENDITURES				
General government	401,400	490,450	452,298	38,152
Public safety:				
Fire Department	9,200	60,000	12,098	47,902
Police Department	93,400	177,548	132,899	44,649
Public works - street department	61,550	61,550	67,125	(5,575)
Culture and recreation - Main Street	50,100	60,300	55,706	4,594
Capital outlay	2,000	60,000	219,024	(159,024)
Debt service	9,120		9,120	(9,120)
Total expenditures	<u>626,770</u>	<u>909,848</u>	<u>948,270</u>	<u>(38,422)</u>
EXCESS (Deficiency) OF REVENUE OVER EXPENDITURES	(154,070)	(148,198)	52,002	200,200
OTHER FINANCING SOURCES:				
Transfers from Water, Sewer, and Gas Funds	50,000	50,000		(50,000)
NET CHANGE IN FUND BALANCE	(104,070)	(98,198)	52,002	150,200
FUND BALANCE AT BEGINNING OF YEAR	<u>1,104,271</u>	<u>1,320,908</u>	<u>1,320,908</u>	
FUND BALANCE AT END OF YEAR	<u>\$1,000,201</u>	<u>\$1,222,710</u>	<u>\$1,372,910</u>	<u>\$150,200</u>

There was one budget amendment during the year ended June 30, 2025.

TOWN OF COLUMBIA
Columbia, Louisiana

SCHEDULE OF PROPORTIONATE SHARE OF NET
PENSION LIABILITY
June 30, 2025

	Proportion of the net pension liability	Proportionate share of the net pension liability	Covered- employee payroll	Proportionate share of the net pension liability as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total pension liability
Municipal Employees Retirement System:					
For the year ended June 30:					
2025	0.13%	\$77,073	\$146,320	52.67%	80.10%
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%

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, 2025

	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:					
2025	\$20,485	\$20,485	\$0	\$146,320	14.00%
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, 2025

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

The Schedule of Compensation, Reimbursements, 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 \$650 per month and members of the Town Council receive \$100 per 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, LouisianaSCHEDULE OF COMPENSATION, REIMBURSEMENTS, BENEFITS AND
OTHER PAYMENTS TO MAYOR AND
TOWN COUNCIL

For the Year Ended June 30, 2025

Agency Head - Hannah Springer, Mayor:	
Compensation	\$7,800
Compensation:	
Penny Brown	1,200
Sonja Carroll	1,200
Bonnie Crockett	1,200
Betty Robinson	1,200
Weston Williamson	<u>1,200</u>
Total	<u><u>\$13,800</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	06/30/25	
	First Six Month Period Ended 12/31/24	Second Six Month Period Ended 06/30/25
Cash Basis Presentation		
Beginning Balance of Amounts Collected (i.e., cash on hand)	<u>\$820</u>	<u>\$3,550</u>
Add: Collections:		
Criminal Court Costs/Fees	13,986	16,760
Criminal Fines - Other	<u>62,516</u>	<u>73,025</u>
Subtotal Collections	<u>76,502</u>	<u>89,785</u>
Less: Disbursements to Governments and Nonprofits:		
Louisiana Commission on Law Enforcement - Criminal Fines - Other	541	772
Louisiana Traumatic Head and Spinal Cord Injury Trust Fund - Criminal Fines - Other	890	1,405
North Louisiana Criminalistics Laboratory Commission - Criminal Fines - Other	7,180	11,330
Treasurer, State of Louisiana - CMIS - Criminal Court Costs/Fees	257	396
37 th JDC Indigent Defender Fund - Criminal Court Costs/Fees	1,990	3,680
Louisiana Supreme Court - Criminal Court Costs/Fees	128	198
Less: Amounts Retained by Collecting Agency:		
Amounts "Self-Disbursed" to Collecting Agency:		
Criminal Court Costs/Fees	13	15
Criminal Fines - Other	62,516	73,025
Other	<u>257</u>	
Subtotal Disbursements/Retainage	<u>73,772</u>	<u>90,821</u>
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e., cash on hand)	<u><u>\$3,550</u></u>	<u><u>\$2,514</u></u>
Ending Balance of "Partial Payments" Collected but not Disbursed	<u><u>\$411</u></u>	<u><u>\$411</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, LouisianaSCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended June 30, 2025

<u>Finding Number</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Status of Finding</u>
2024-001	2015	Inadequate Segregation of Accounting Duties	Unresolved - see 2025-001 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, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued my report thereon dated September 9, 2025.

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 on the effectiveness of the Town's internal control.

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

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

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Columbia, Louisiana
Independent Auditor's Report
on Internal Control, etc.,
June 30, 2025

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. I consider the deficiency described in the accompanying Schedule of Current Year Findings and Management's Planned Corrective Action as item 2025-001 to be a material weakness.

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. I consider the deficiency described in the accompanying Schedule of Current Year Findings and Management's Planned Corrective Action as item 2025-002 to be a significant 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying Schedule of Current Year Findings and Management's Planned Corrective Action as item 2025-003.

Town's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the findings 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
September 9, 2025

TOWN OF COLUMBIA
Columbia, Louisiana

Schedule of Current Year Findings and
Management's Planned Corrective Action
For the Year Ended June 30, 2025

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? - Yes
3. Noncompliance material to financial statements noted? - Yes

Section II - Financial Statement Findings

2025-001. 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.

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.

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

2025-002. Inadequate Controls Over Payroll/Personnel

Criteria: The Louisiana Legislative Auditor's (LLA) best practices over payroll/personnel require that each employee complete and sign a time sheet, including daily hours worked, beginning and ending work times, break and lunch times, and vacation and sick leave taken. The Louisiana Attorney General has noted that time sheets or a similar form of documentation are required to document and substantiate the accrual of leave. Therefore, there should be some form of documentation and adequate supervision to ensure that salaried employees are working the scheduled hours upon which their salary and leave time is based. Further, the LLA recommends that employees establish a schedule for making tax payments and filing reports for payroll taxes to minimize the risk of missing a deadline for payment or filing.

Condition: The following deficiencies were noted in the Town's payroll/personnel processing:

1. Form 941 for the first and second quarters of 2025 were not filed by the due dates.
2. Office employees are not required to document lunch breaks and are paid while on lunch and not performing duties.
3. Maintenance employees timesheets do not document beginning and ending work times or lunch breaks. Also, it was noted that several of the maintenance employee timesheets did not document the dates covered.

Cause: Failure to file Form 941 by the due date was caused by oversight by the newly hired clerk. The Town passed an ordinance several years ago that allowed employees to be paid during their lunch break. The maintenance employees failure to properly document time worked was the result of those employees failing to follow established payroll processing procedures.

Effect: Failure to file Form 941 by the due date will result in interest and penalties being assessed for late filing. The Louisiana Attorney General has noted that payment for work that is not performed is a prohibited donation of public funds under Article 7, Section 14 of the Louisiana Constitution and may constitute public payroll fraud under Louisiana Revised Statute 14:138.

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

Recommendation: Form 941 should be filed by the due date established by the Internal Revenue Service. All employees should accurately document the hours worked using a time keeping system that records the date, the beginning and ending work times and lunch breaks when the employee is not performing tasks.

Management's Planned Corrective Action: Form 941 will be filed by the due date established by the Internal Revenue Service. The Mayor will address the issues of properly documenting time worked by all employees.

2025-003. Noncompliance with Sick/Vacation Policy

Criteria: On November 21, 2016, a sick/vacation policy was adopted that provided that upon retirement from the Town, full-time employees will be compensated for 160 hours of unused sick leave and that the Town will not pay for any unused vacation time.

Condition: On March 31, 2025, a retiring employee was paid for 708 ½ hours of unused sick leave and 80 ½ hours of unused vacation leave.

Cause: The employee was paid for all unused sick and vacation leave after consultation with legal counsel.

Effect: The employee was overpaid \$9,750 in unused sick and vacation leave.

Recommendation: Amounts paid to employees who are retiring or otherwise terminating their employment with the town should be paid in accordance with the Town's established sick/vacation policy.

Management's Planned Corrective Action: The employee was paid for all unused sick and vacation leave after consultation with legal counsel.

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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, 2024 through June 30, 2025. 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, 2024 through June 30, 2025. 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 - No Testing Required

2) Board or Finance Committee - No Testing Required

3) Bank Reconciliations

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

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- 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 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 review by the Mayor who does not handle cash, post ledgers, or issue checks.

Two of the five selected bank reconciliations contained checks that had been outstanding for more than 12 months from the statement closing date.

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

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- 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 the bank statement.
 - iv. Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).
 - v. Trace the actual deposit per the bank statement to the general ledger.

Results of procedure: There is one cash drawer that is maintained by the Assistant Clerk. The Clerk only collects cash when the Assistant Clerk is absent.

The Assistant Clerk is responsible for cash collections and also prepares the bank deposit; however, the Clerk is responsible for reconciling the collection documentation to the deposit and the Mayor reviews and approves the collection documentation.

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The Assistant Clerk who is responsible for cash collections also posts collections to the subsidiary ledgers; however, the Clerk is responsible for posting receipts to the general ledger and the Mayor reviews and approves the collection documentation.

The Clerk, who is responsible for reconciling cash collections to the general ledger and subsidiary ledgers, only collects cash in the Assistant Clerk's absence. The Mayor reviews and approves the collection documentation.

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).
- 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 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

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- 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.
- 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 Clerk is responsible for processing payments and for adding/modifying vendor files.

The Clerk is responsible for processing payments and for mailing the checks to vendors.

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

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

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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
 - i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., itemized 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 (e. g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and 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 of the selected monthly statements did not contain documentation of the Mayor's review and approval.

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

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Applying Agreed-Upon Procedures
June 30, 2025

7) Travel and Travel-Related Expense Reimbursements (excluding card transactions) - No Testing Required

8) Contracts - No Testing Required

9. Payroll and Personnel - No Testing Required

10) Ethics

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

Results of procedure: One of the five selected employees/officials did not complete one hour of ethics training during the fiscal year ended June 30, 2025.

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

11) Debt Service - No Testing Required

12) Fraud Notice - No Testing Required

13) Information Technology Disaster Recovery/Business Continuity - No Testing Required

14) Prevention of Sexual Harassment - No Testing Required

MAYOR AND TOWN COUNCIL
TOWN OF COLUMBIA and
the LOUISIANA LEGISLATIVE AUDITOR:
Independent Accountant's Report on
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June 30, 2025

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
August 22, 2025