FINANCIAL REPORT
OF THE
VILLAGE OF PINE PRAIRIE, LOUISIANA
FOR THE YEAR ENDED DECEMBER 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Aldermen
Village of Pine Prairie, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Village of Pine Prairie, Louisiana as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village of Pine Prairie, Louisiana's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village of Pine Prairie, Louisiana's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, schedule of employer's share of net pension liability, and schedule of employer pension contributions on pages 50 - 54 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Village of Pine Prairie, Louisiana has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Pine Prairie, Louisiana's basic financial statements. The accompanying combining fund financial statements, the schedule of compensation, benefits, and other payments to agency head, the judicial system funding schedule, and other schedules, as listed in the table of contents, 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 our opinion, the combining fund financial statements, the schedule of compensation, benefits, and other payments to agency head, the judicial system funding schedule, and other schedules, as listed in the table of contents, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2023, on our consideration of the Village of Pine Prairie, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village of Pine Prairie, Louisiana'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 Village of Pine Prairie, Louisiana's internal control over financial reporting and compliance.

The prior year comparative information has been derived from the Village of Pine Prairie, Louisiana's 2021 financial statements and, in our report dated May 23, 2022 we expressed unmodified opinions on the respective financial statements of the governmental and business-type activities.

Vige, Tujague & Noel

Vige, Tujague & Noel
Eunice, Louisiana

May 16, 2023

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF PINE PRAIRIE

Statement of Net Position

December 31, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Current Assets:			
Cash and Interest-Bearing Deposits	$ 1,630,995	$ 70,513	$ 1,701,508
Receivables, net of $43,344 allowance	181,996	9,877	191,873
Total Current Assets	1,812,991	80,390	1,893,381
Noncurrent Assets:			
Restricted Assets:			
Cash and Interest-Bearing Deposits	15,731	84,038	99,769
Capital Assets, Net	1,546,577	1,098,451	2,645,028
Total Noncurrent Assets	1,562,308	1,182,489	2,744,797
Total Assets	3,375,299	1,262,879	4,638,178
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Outflows Related to Pensions	116,586	-	116,586
LIABILITIES:			
Current Liabilities:			
Accounts Payable	14,496	46,293	60,789
Payroll Taxes Payable	12,893	-	12,893
Accrued Interest Payable	-	541	541
Notes Payable	3,768	8,357	12,125
Total Current Liabilities	31,157	55,191	86,348
Noncurrent Liabilities:			
Customers' Deposits	-	34,800	34,800
Notes Payable	170,328	349,132	519,460
Net Pension Liability	421,224	-	421,224
Total Noncurrent Liabilities	591,552	383,932	975,484
Total Liabilities	622,709	439,123	1,061,832
DEFERRED INFLOWS OF RESOURCES:			
Deferred Inflows Related to Pensions	100,887	-	100,887
NET POSITION:			
Invested in Capital Assets, Net of Related Debt	1,372,481	740,962	2,113,443
Restricted For:			
Debt Service	15,731	45,711	61,442
Street Projects	990,264	-	990,264
Unrestricted	389,813	37,083	426,896
Total Net Position	$ 2,768,289	$ 823,756	$ 3,592,045

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Statement of Activities

For the Year Ended December 31, 2022

		Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
Activities	Expenses	Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	$ 422,217	$ 135,684	$ 273,321	$ -	$ (286,533)	$ -	$ (286,533)
Public safety (Police)	507,010	476,747	-	-	(30,263)	-	(30,263)
Streets	297,992	-	-	23,671	(274,321)	-	(274,321)
Interest on long-term debt	7,257	-	-	-	(7,257)	-	(7,257)
Total governmental activities	1,234,476	612,431	273,321	23,671	(325,053)	-	(325,053)
Business-type activities:							
Sewer	140,879	95,788	-	-	-	(45,091)	(45,091)
Total business-type activities	140,879	95,788	-	-	-	(45,091)	(45,091)
Total primary government	$ 1,375,355	$ 708,219	$ 273,321	$ 23,671	(325,053)	(45,091)	(370,144)
General Revenues:							
Taxes							
Ad Valorem Taxes					134,272	-	134,272
Sales Taxes					256,506	-	256,506
Franchise Taxes					69,412	-	69,412
Investment Earnings					989	43	1,032
Nonemployer pension contributions					6,704	-	6,704
Miscellaneous					39,727	-	39,727
Transfers					(1,360)	1,360	-
Total general revenues and transfers					506,250	1,403	507,653
Change in net position					181,197	(43,688)	137,509
Net position-beginning					2,587,092	867,444	3,454,536
Net position-ending					$ 2,768,289	$ 823,756	$ 3,592,045

The accompanying notes are an integral part of the basic financial statements.

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

VILLAGE OF PINE PRAIRIE

Governmental Funds

Balance sheet

December 31, 2022

With Comparative Totals for December 31, 2021

	General	Special Revenue	Total Governmental Funds	2021 Totals
ASSETS				
Current Assets:				
Cash and Interest-Bearing Deposits	$ 640,731	$ 990,264	$ 1,630,995	$ 1,706,766
Ad Valorem Taxes Receivable	56,556	57,942	114,498	45,739
Franchise Tax Receivable	15,970	-	15,970	13,666
Sales Tax Receivable	-	44,028	44,028	42,511
Other Receivables	7,500	-	7,500	7,500
Due from Other Funds	-	-	-	1,361
Total Current Assets	720,757	1,092,234	1,812,991	1,817,543
Restricted Assets:				
Community Center Reserve Fund	11,452	-	11,452	11,451
Community Center Sinking Fund	3,086	-	3,086	3,086
Community Center Contingency Fund	1,193	-	1,193	1,192
Total Restricted Assets	15,731	-	15,731	15,729
Total Assets	$ 736,488	$1,092,234	$ 1,828,722	$ 1,833,272
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 11,464	$ 3,032	$ 14,496	$ 16,523
Payroll Liabilities	12,893	-	12,893	11,630
Due to Other Funds	-	-	-	1,361
Total Liabilities	24,357	3,032	27,389	29,514
Fund Balances:				
Fund Balances:				
Restricted for:				
Debt Service	-	180,541	180,541	180,523
Street Projects	-	908,661	908,661	968,047
Unassigned	712,131	-	712,131	655,188
Total Fund Balances	712,131	1,089,202	1,801,333	1,803,758
TOTAL LIABILITIES AND FUND BALANCES	$ 736,488	$1,092,234	$ 1,828,722	$ 1,833,272

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2022

Governmental funds fund balances at December 31, 2022	$ 1,801,333
Total net position reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	1,546,577
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(174,096)
Amounts related to pension recognition are not due and payable in the current period and, therefore, are not reported in the funds	(405,525)
Net position of governmental activities	$ 2,768,289

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Governmental Funds

Combined Statement Of Revenues, Expenditures, And Changes

In Fund Balances

For the Year Ended December 31, 2022

With Comparative Totals For the Year Ended December 31, 2021

	General Fund	Special Revenue	Total (Governmental Funds)	2021 Totals
Revenues:				
Taxes: Ad Valorem	$ 64,881	$ 69,391	$ 134,272	$ 132,857
Franchise	69,412	-	69,412	56,218
Sales	-	256,506	256,506	248,198
Licenses	45,684	-	45,684	44,512
Fines and Forfeits	476,747	-	476,747	504,281
Prison Fees	90,000	-	90,000	90,000
Miscellaneous & Grants	312,767	23,952	336,719	301,892
Total Revenues	1,059,491	349,849	1,409,340	1,377,958
Expenditures:				
Current:				
General Government	367,038	-	367,038	338,496
Public Safety	490,452	-	490,452	463,087
Street Department	-	227,863	227,863	195,757
Capital Outlay	180,448	134,721	315,169	105,314
Debt Service	10,872	-	10,872	10,872
Total Expenditures:	1,048,810	362,584	1,411,394	1,113,526
Other Financing Sources / (Uses)				
Interest Income	393	596	989	2,473
Operating Transfers In	165,892	179,530	345,422	279,020
Operating Transfers Out	(120,023)	(226,759)	(346,782)	(319,257)
Total Other Financing Sources/(Uses)	46,262	(46,633)	(371)	(37,764)
Net Change in Fund Balances	56,943	(59,368)	(2,425)	226,668
Fund Balance, Beginning Of Year	655,188	1,148,570	1,803,758	1,577,090
Fund Balance, End Of Year	$ 712,131	$ 1,089,202	$ 1,801,333	$ 1,803,758

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances-
Governmental Funds
For the Year Ended December 31, 2022

Net change in fund balances-total governmental funds	$ (2,425)
The change in net position reported for governmental activities in the statement of activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays ($105,314) exceeded depreciation ($137,520) in the current year.	161,424
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	3,615
Net effect of pension liability recognition	18,583
Change in net position of governmental activities	$ 181,197

The accompanying notes are an integral part of the basic financial statements.

PROPRIETARY FUND

VILLAGE OF PINE PRAIRIE

Proprietary Fund

Statement of Net Position

December 31, 2022

With Comparative Totals for December 31, 2021

ASSETS:

	2022	2021
Current Assets:		
Cash and Interest-Bearing Deposits	$ 70,513	$ 51,244
Accounts Receivable, Net of Allowance for Uncollectible (2022 - $42,106; 2021 - $43,344)	9,877	11,408
Total Current Assets	80,390	62,652
Restricted Assets:		
Cash on Deposit for:		
Note Sinking Fund	6,193	6,192
Note Reserve Fund	19,537	18,359
Note Contingency Fund	19,981	18,803
CDBG Fund	12	12
Customers' Deposits	38,315	36,475
Total Restricted Assets	84,038	79,841
Long-Term Assets:		
Fixed Assets, Net of Accumulated Depreciation (2022 - $1,277,641; 2021 - $1,219,753)	1,098,451	1,127,837
Total Long-Term Assets	1,098,451	1,127,837
TOTAL ASSETS	$ 1,262,879	$ 1,270,330

(Continued)

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Proprietary Fund

Statement of Net Position (Continued)

December 31, 2022

With Comparative Totals for December 31, 2021

LIABILITIES:

		2022		2021
Current Liabilities:				
Accounts Payable	$	46,293	$	3,383
Accrued Interest Payable		541		553
Notes Payable		8,357		8,010
Total Current Liabilities		55,191		11,946
Noncurrent Liabilities:				
Customers' Deposits		34,800		33,450
Notes Payable		349,132		357,490
Total Noncurrent Liabilities		383,932		390,940
Total Liabilities		439,123		402,886
NET POSITION:				
Invested in capital assets, net of related debt		740,962		762,337
Restricted for:				
Debt Service		45,711		43,354
Unrestricted		37,083		61,753
Total Net Position	$	823,756	$	867,444

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Statement of Revenues,
Expenses, And Changes In Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2022
With Comparative Totals For the Year Ended December 31, 2021

	2022	2021
Operating Revenues:		
Charges for Services—Sewer Fees	$ 95,141	$ 102,014
Miscellaneous	647	25
Total Operating Revenues	95,788	102,039
Operating expenses:		
Bad Debt Expense	-	2,020
Dues & Fees	12,535	14,355
Depreciation Expense	57,890	60,013
Office Expense	2,104	2,169
Repairs and Maintenance	12,996	79,668
Miscellaneous	23,216	13,157
Utilities	16,772	12,915
Total operating expenses	125,513	184,297
Operating income (loss)	(29,725)	(82,258)
Non-operating revenues/(expenses):		
Interest Revenue	43	105
Interest Expense	(15,366)	(15,699)
Insurance Proceeds	-	25,207
Total non-operating revenues/(expenses)	(15,323)	9,613
Transfers in (out):		
Operating Transfers In	1,360	40,237
Total transfers in (out)	1,360	40,237
Change in net position	(43,688)	(32,408)
Net Position, BEGINNING OF YEAR	867,444	899,852
Net Position, END OF YEAR	$ 823,756	$ 867,444

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Proprietary Fund

Statement Of Cash Flows

For the Year Ended December 31, 2022

Cash flows from operating activities:		
Receipts from customers	$	97,319
Payments to suppliers		(24,713)
Net cash provided (used) by operating activities		72,606
Cash flows from noncapital financing activities:		
Cash received from other funds		1,360
Net cash provided by noncapital financing activities		1,360
Cash flows from capital and related financing activities:		
Note principal payments		(8,011)
Payments for plant and equipment		(28,504)
Increase/(Decrease) in customers' deposits payable		1,350
Net cash used for capital and related financing activities		(35,165)
Cash flows from investing activities:		
Interest received		43
Interest paid		(15,378)
Net cash used for investing activities		(15,335)
Net increase (decrease) in cash and cash equivalents		23,466
Cash and cash equivalent, beginning of year		131,085
Cash and cash equivalent, end of year	$	154,551

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Proprietary Fund

Statement Of Cash Flows (continued)

For the Year Ended December 31, 2022

Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss	$	(29,725)
Adjustments to reconcile operating loss to net cash provided by/(used for) operating activities:		
Depreciation		57,890
Changes in current assets and liabilities:		
(Increase)/Decrease in accounts receivable		1,531
Increase/(Decrease) in accounts payable		42,910
Net cash provided (used) by operating activities	$	72,606

Reconciliation of cash and cash equivalents per statement of cash flows to the balance sheet:		
Cash and cash equivalents, beginning of year		
Cash –unrestricted	$	51,244
Cash—restricted		79,841
Total cash and cash equivalents, beginning of year		131,085
Cash and cash equivalents, end of year		
Cash—unrestricted		70,513
Cash—restricted		84,038
Total cash and cash equivalents, end of year		154,551
Net Increase (Decrease)	$	23,466

The accompanying notes are an integral part of the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Pine Prairie was incorporated in 1959 under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Aldermen form of government.

The accounting and reporting practices of the Village of Pine Prairie conform to generally accepted accounting principles of the United States of America as applicable to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units, published by the American Institute of Certified Public Accountants.

The following is a summary of certain significant accounting policies:

A. Financial reporting Entity

This report includes all funds which are controlled by or dependent on the Village executive and legislative branches (the Mayor and Board of Alderman). Control by or dependence on the Village was determined on the basis of financial accountability, budget adoption, taxing authority, authority to issue debt, election or appointment of governing body, and other general oversight responsibility. The Village has no component units or fiduciary funds.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the Village of Pine Prairie, the primary government, as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the Village and for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The accounts of the Village of Pine Prairie are organized on the basis of funds each of which is considered a separate accounting entity. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses as appropriate.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which spending activities are controlled. The various funds are grouped in the financial statements in this report, into four generic fund types and two broad fund categories. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The major funds of the Village are described below:

Governmental Funds –

General Fund

The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Additionally, the Village reports the following fund types:

Proprietary Fund

Enterprise Fund

The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis to be financed or recovered primarily through user charges; or (b) where the governing body has decided the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Village of Pine Prairie's enterprise fund is the utility fund. It accounts for the provision of sewer services to residents of the Village.

Proprietary distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. Measurement Focus/Basis of Accounting

Measurement focus is term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Sales taxes are considered "measurable" when collected by the collection agency and are recognized as revenue at that time. Ad valorem taxes are recognized as revenue in the year in which they are billed. Fees and non tax revenues are recognized when received. Grants from other governments are recognized when qualifying expenditures are incurred. Available means collectible within the current period or soon enough thereafter to pay current liabilities, usually 60 days.

Those revenues susceptible to accrual are property taxes, grant revenues and interest revenue.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except that accumulated unpaid vacation and sick pay are not accrued and principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

The proprietary fund is accounted for using the accrual basis of accounting, whereby revenues are recognized when they are earned and expenses are recognized when incurred.

Bad debts are written off when accounts became worthless.

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These transactions are recorded when the transfers occur.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Village's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Village's general revenues.

Allocation of indirect expenses

The Village reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

D. Assets, Liabilities, and Equity

Cash and Cash Equivalents

Cash includes amounts in demand deposit, interest bearing demand, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less when purchased. Under state law, the municipality may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law, or any other state of the United States, or under the laws of the United States.

Receivables:

In the government-wide statements, receivables consist of all revenue earned at year-end and not yet received. In the fund financial statements, receivables include accruals for revenues which are measurable and available. Major receivable balances for the Villages' governmental activities reported in both the government-wide and the fund financial statements include sales taxes and ad valorem taxes. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Sewer utility accounts receivable compose the majority of proprietary fund receivables.

Interfund Receivables and Payables:

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note G for details of interfund transactions, including receivables and payables at year-end.

Fixed Assets:

The accounting treatment of property, plant, and equipment (fixed assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets, which are recorded at their estimated fair value at the date of donation. Estimated historical cost of $390,957 was used to value the majority of the assets acquired prior to January 1, 1988. The Village maintains a threshold level of $500 or more for capitalizing capital assets.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Equipment	5-10 years
Improvements	20 years
Buildings	40 years
Sewerage Disposal Plant	40 years

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Restricted Assets:

Restricted assets include cash and interest-bearing deposits of the debt service and proprietary fund. The primary restricted assets are related to bonds/note repayment, sewer utility meter deposits, and sewer plant remediation monies.

Long-Term Debt:

The accounting treatment of long-term debt depends on whether the liabilities are reported in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. The accounting for proprietary funds is the same in the fund financial statements as it is in the government-wide statements.

Equity Classifications:

In the government-wide statements, equity is classified as net position and displayed in three components:

a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – Consist of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspenable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the village council – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the village council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the village's "intent" to be used for specific purposes but are neither restricted nor committed. The village council and village manager have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Village considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Village considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Village has provided otherwise in its commitment or assignment actions.

Proprietary fund equity is classified the same as in the government-wide statements.

E. Revenues, Expenditures, and Expenses

Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of March 16 of each year. Taxes are levied by the Village in September or October and are actually billed to the taxpayers in November. Billed taxes become delinquent on March 16 of the following year. Revenues from ad valorem taxes are recorded in the year billed.

The Village bills and collects its own property taxes using the assessed values determined by the tax assessor of Evangeline Parish.

Sales Taxes

Proceeds of the two percent (2%) sales and use tax are dedicated to the following purposes:

> 50% for funding operations and capital improvements of the Village and 50% shall be dedicated and used exclusively for the purpose of construction, maintenance and repair of public streets and roadways within the Village and authority to fund the proceeds of the Tax into bonds for the purposes stated herein and related capital improvements within the Village in the manner provided by law.

The two percent (2%) sales tax is effective April 1, 2019, for a period of ten years.

Operating (Non-operating) Revenues and Expenses

Operating (Nonoperating) Revenues and Expenses

> Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Expenditures/Expenses

> In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds – By Character:
Proprietary Fund – By Operating and Nonoperating

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

F. Budget and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in these financial statements:

1. The Village Clerk prepares a proposed budget and submits same to Mayor and Board of Aldermen no later than fifteen days prior to the beginning of each fiscal year.

2. A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.

3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.

4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of a resolution prior to the commencement of the fiscal year for which the budget is being adopted.

5. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Board of Aldermen.

6. All budgetary appropriations lapse at the end of each fiscal year.

7. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles of the United States of America. Budgeted amounts are as originally adopted or as amended from time to time by the Board of Aldermen. The budget was amended prior to the fiscal year end December 31, 2022.

G. Use of Estimates

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

H. Deferred Outflows of Resources and Deferred Inflows of Resources

In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues until a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

NOTE B– STATEMENT OF CASH FLOWS

The statement of cash flows included in the financial statements presents cash and cash equivalents at the beginning and end of the period. Cash equivalents are defined as short-term, highly liquid investments that are both:

a. Readily convertible to known amounts of cash.

b. So near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

The statement of cash flows focuses on cash receipts and cash payments resulting from operating, non capital financing, capital and related financing, or investing activities.

Operating activities generally result from providing services and producing and delivering goods, and include all transactions and other events that are not defined as investing activities. Cash flows from operating activities generally are the cash effects of transactions and other events that enter into the determination of operating income.
Non capital financing activities include borrowing money for purposes other than to acquire, construct, or improve capital assets and repaying those amounts borrowed, including interest.

This category includes proceeds from all borrowings (such as revenue anticipation notes) not clearly attributable to acquisition, construction or improvement of capital assets, regardless of the form of the borrowing. Also, included are certain other interfund and intergovernmental receipts and payments.

Capital and related financing activities include (a) acquiring and disposing of capital assets used in providing services or producing goods, (b) borrowing money for acquiring, constructing, or improving capital assets and repaying the amounts borrowed, including interest, and (c) paying for capital assets obtained from vendors on credit.

Investing activities include making and collecting loans and acquiring and disposing of debt or equity instruments.

NOTE C-AD VALOREM TAXES

For the twelve months ended December 31, 2022, the 2022 tax roll taxes of 23.22 mills were levied on property with assessed valuations totaling $5,782,510 and were dedicated as follows:

General Corporate Purposes	6.22	Mills
Street Maintenance	7.00	Mills
Street Construction	5.00	Mills
Police Protection	2.00	Mills
Recreation	3.00	Mills
Total	23.22	

Total taxes levied were $134,270.

NOTE D- ACCOUNTING PRONOUNCEMENTS

The Government Accounting Standards Board (GASB) has issued the following Statements which will become effective in futures years as shown below:

Statement No. 96, Subscription-Based Information Technology Arrangements – This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government and users (governments). This Statement (1) defines SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

Statement No. 101, Compensated Absences – This Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

NOTE E – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022, is as follows:

	Balance 12/31/2021	Additions	Retirements	Balance 12/31/2022
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 83,732	$ -	$ -	$ 83,732
Capital assets being depreciated:				
Machinery and Equipment	888,013	168,101	-	1,056,114
Improvements	2,718,260	144,068	-	2,862,328
Buildings	1,087,323	3,000	-	1,090,323
Total capital assets:	4,777,328	315,169	-	5,092,497
Less accumulated depreciation:				
Machinery and Equipment	(686,563)	(48,633)	-	(735,196)
Improvements	(2,235,101)	(79,584)	-	(2,314,685)
Buildings	(470,511)	(25,528)	-	(496,039)
Total accumulated depreciation	(3,392,175)	(153,745)	-	(3,545,920)
Governmental activities capital assets, net	$ 1,385,153	$ 161,424	$ -	$ 1,546,577
Business type activities:				
Capital assets not being depreciated:				
Land	$ 121,125	$ -	$ -	$ 121,125
Capital assets being depreciated :				
Machinery and Equipment	2,226,463	28,504	-	2,254,967
Total capital assets	2,347,588	28,504	-	2,376,092
Less accumulated depreciation:				
Machinery and Equipment	(1,219,751)	(57,890)	-	(1,277,641)
Total accumulated depreciation	(1,219,751)	(57,890)	-	(1,277,641)
Business type activities capital assets, net	$ 1,127,837	$ (29,386)	$ -	$ 1,098,451

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	$ 32,763
Public safety (Police)	28,437
Recreation	22,416
Streets	70,129
Total governmental activities	153,745
Business-type activities:	
Sewer utility	57,890
Total business-type activities	57,890
Total depreciation expense	$ 211,635

NOTE F –LONG-TERM LIABILITIES

Long-Term Liability Activity:

Long-term liability activity for the year ended December 31, 2022, was as follows:

	Balance 12/31/2021	Additions	Retirements	Balance 12/31/2022	Due in One Year
Governmental Activities:					
Bonds Payable:					
General Fund	$ 177,711	$ -	$ 3,615	$ 174,096	$ 3,768
Total Governmental Activities:	177,711	-	3,615	174,096	3,768
Business-Type Activities:					
Notes Payable	365,500	-	8,011	357,489	8,357
Total Business-Type Activities:	365,500	-	8,011	357,489	8,357
Total Government	$ 543,211	$ -	$ 11,626	$ 531,585	$ 12,125

Description of Debt:

Governmental Activities:

Debt Service Fund –

The Village started drawing on a $210,000, 40 year, 4.125% interest note for the purpose of constructing a hurricane evacuation/community center in 2009. The first payment on the note will be interest only on June 28, 2010, with the remainder being $906.00 per month including principal and interest starting on July 28, 2010, and maturing on June 28, 2049. There shall be set aside into a Reserve Fund, an amount of $45 per month until there shall have been accumulated in the Reserve Account an amount equal to $10,872. The Reserve Fund is fully funded as of December 31, 2022.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Debt service requirements to maturity are estimated to be as follows:

Year Ended	Principal Amounts	Interest Amounts
2023	3,768	7,104
2024	3,926	6,946
2025	4,091	6,781
2026	4,263	6,609
2027	4,442	6,430
2028-2032	25,175	29,185
2033-2037	30,930	23,430
2038-2042	38,001	16,359
2043-2047	46,689	7,671
2048-2049	12,811	180
	$ 174,096	$ 110,695

Enterprise Fund - The Village borrowed $445,000 on a USDA Rural Development note for the construction of a new sewer plant. The note is a 40 year, four and one-quarter percent note with the first payment being interest only on the first anniversary of the note, and then monthly payments with interest beginning the following month. There shall be set aside into a Reserve Fund, an amount of $97 per month until there shall have been accumulated in the Reserve Account an amount equal to the maximum principal and interest requirements in any one maturity year, or $23,389. Such amounts may be used only for the payments of maturing loans and interest for which sufficient funds are not on deposit in the Sinking Fund and as to which there would otherwise be default.

Funds will also be set aside into a Depreciation and Contingency Fund at the rate of $143 per month. Money in this fund may be used for the making of extensions, additions, improvements, renewals, and replacements to the system which are necessary to keep the system in operating condition and for which money is not available as a maintenance and operating expense. Money in this fund may also be used to pay principal or interest on the bonds falling due at any time there is not sufficient money for payment in the other related funds.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Estimated debt service requirements to maturity are as follows:

Year Ending	Principal Amounts	Interest Amounts
2023	8,357	15,032
2024	8,719	14,670
2025	9,097	14,292
2026	9,491	13,898
2027	9,903	13,486
2028-2032	56,336	60,609
2033-2037	69.618	47,297
2038-2042	86,104	30,841
2043-2047	99,834	10,528
Total	$ 357,489	$ 220,653

NOTE G – CASH AND CASH EQUIVALENTS

The cash and cash equivalents of the Village of Pine Prairie are subject to the following risk:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Village will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal or exceed the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Village that the fiscal agent bank has failed to pay deposited funds upon demand. Further Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Village's name.

The Village's cash was adequately collateralized at December 31, 2022.

	Interest Bearing	Non-interest Bearing
December 31, 2022		
Investar Bank	$ 1,689,203	$ 121,641
Less Amount Insured by FDIC	(250,000)	(250,000)
	1,439,203	(128,359)
Less Amount Collateralized with Securities Pledged in the Village's Name	(1,488,506)	-
(Over)/Under Collateralized Bank Balances December 31, 2022	$ (49,303)	$ (128,359)

NOTE H – INTERFUND RECEIVABLES, PAYABLES

There are no interfund receivables and payables at December 31, 2022.

NOTE I – COMPENSATION OF MAYOR AND BOARD OF ALDERMEN

A schedule of compensation paid to the Mayor and Board of Aldermen is as follows:

	Salary	Expenses
Quint West (Mayor)	$ 26,400	$ 8,400
Gilbert Bordelon	5,400	4,200
Tammy Hammond	5,400	4,200
Debbie Ogé	5,400	4,200
Total	$ 42,600	$ 21,000

NOTE J— PENSION PLANS

Plan Descriptions

In addition to the federal social security system, substantially all employees of the Village of Pine Prairie are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, or Municipal Police Employees Retirement System of Louisiana. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Article 10, Section 29 of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions to the state legislature. The systems issue annual, publicly-available financial reports that include financial statements and required supplementary information for the systems. The reports for MERS and MPERS may be obtained at www.mersla.com and www.lampers.org, respectively.

Plan Description- MERS

MERS was originally established by Act 356 of the 1954 regular session of the Legislature of the State of Louisiana and is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees (6) of the Village of Pine Prairie are members of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in MERS.

The System is administered by a Board of Trustees composed of eleven members, three of whom shall be active and contributing members of the System with at least six years creditable service and who are elected to office in accordance with the Louisiana Election Code, two of whom shall be active and contributing members of the System with at least six years creditable service and who are not elected officials; one of whom shall be a retired member of the System; one of whom shall be president of the Louisiana Municipal Association who shall serve as an ex-officio member during his tenure; one of whom shall be the Chairman of the Senate Retirement Committee; and one of whom shall be a member of the House Retirement Committee appointed by the Speaker of the House; the Commissioner of Administration; and the State Treasurer.

The System is the administrator of a cost-sharing multiple-employer defined benefit pension plan. The System was established and provided for by R.S. 11:1731 of the Louisiana Revised Statutes (LRS).

Effective October 1, 1978, under Act #788, the "regular plan" and the "supplemental plan" were replaced, and are now known as Plan "A" and Plan "B." Plan A combines the original plan and the supplemental plan for those municipalities participating in both plans, while Plan B participates in only the original plan.

Plan Description- MPERS

The Municipal Police Employees' Retirement System is the administrator of a cost-sharing multiple-employer plan. Membership in the System is mandatory for any full-time police officer (3) 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. The System provides retirement benefits for municipal police officers. The projections of benefit payments I the calculation of the total pension liability includes all benefits to be provided to current active and inactive employees through the System in accordance with benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date.

Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. The following is a brief description of the plan and it benefits and is provided for general information purposes only. Participant should refer to the appropriate statutes for more complete information.

Benefits Provided

Retirement Benefits- MERS

Any member of Plan B who commenced participation in the System prior to January 1, 2013 can retire providing he meets one of the following criteria:

1. Any age with thirty (30) years of creditable service.
2. Age 60 with a minimum of ten (10) or more years of creditable service.

Generally, the monthly amount of the retirement allowance for any member of Plan B shall consist of an amount equal to two percent of the member's final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Any member of Plan B Tier 2 shall be eligible for retirement if he meets one of the following criteria:

1. Age 67 with seven (7) years of creditable service.
2. Age 62 with ten (10) years of creditable service.
3. Age 55 with thirty (30) years of creditable service.
4. Any age with twenty-five (25) years of creditable service, exclusive of military service and unused annual sick leave, with an actuarially reduced early benefit.

The monthly amount of the retirement allowance for any member of Plan B Tier 2 shall consist of an amount equal to two percent of the member's final compensation multiplied by his years of creditable service. Final compensation is the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. However, under certain conditions as outlined in the statutes, the benefits are limited to specified amounts.

Retirement Benefits- MPERS

Members of MPERS with membership beginning prior to January 1, 2013 are eligible for regular retirement after he or she has been a member of MPERS and has 25 years of creditable service at any age or has 20 years of creditable service and is age 50 or has 12 years of creditable service and is age 55. A member is eligible for early retirement after he or she has been a member of MPERS for 20 years of creditable service at any age with an actuarially reduced benefit. Members are entitled to a retirement benefit, payable monthly for life, equal to three and one-third percent (3.33%) of the member's final compensation (employee's average salary over the 36 consecutive or joined months that produce the highest average) multiplied by the member's years of creditable service.

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 40% to 60% of the member's average final compensation for the surviving spouse. In addition, each child under age 18 receives benefits equal to 10%, of the member's average final compensation or $200 per month, whichever is greater.

Members of MPERS with membership beginning on or after January 1, 2013 are eligible for regular retirement, early retirement, disability and survivor benefits based on Hazardous Duty and Non- Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he or she has been a member of MPERS and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non-Hazardous Duty sub plan, a member is eligible for regular retirement after he or she has been a member of MPERS and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he or she has been a member of MPERS for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under the Hazardous and Non-Hazardous Duty sub plans, the benefit rates are three percent and two and a half percent, respectively, of average final compensation (average monthly earnings during the highest 60 consecutive months or joined months if service was interrupted) per number of years of creditable service not to exceed 100% of final salary.

Upon death of an active contributing member, or disability retiree, the plan provides for surviving spouses and minor children. Under certain conditions outlined in the statues, 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 a deceased member had less than 10 years of service, beneficiary will receive a refund of employee contributions only.

In 1999, the State Legislature authorized MPERS to establish an Initial Benefit Option program. This is available to MPERS members who are eligible for regular retirement but have not participated in DROP. This program provides both a one-time single sum payment of up to 46 months of the regular monthly retirement benefit, plus a reduced monthly retirement benefit for life.

Deferred Retirement Options

In lieu of terminating employment and accepting a service retirement allowance, any member of MERS who is eligible to retire may elect to participate in the deferred retirement option plan (DROP) for up to three years and defer the receipt of benefits. A MERS member may participate in DROP only once. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment, are credited to the MERS member's individual DROP account. Interest is earned when the member has completed DROP participation. Upon termination of employment prior to or at the end of the participation period, the member may receive a lump sum from the account or a true annuity based on the account balance. If employment is not terminated at the end of the three year DROP participation period, payments into the DROP account cease and the person resumes active contributing membership in MERS.

A member of MPERS is eligible to enter DROP when he or she is eligible for regular retirement based on the members' sub plan participation. At the entry date into DROP, employee and employer contributions cease. The amount deposited into the DROP account for MPERS members is equal to the benefit computed under the retirement plan elected by participant date of application. Interest is earned when the MPERS member has completed DROP participation. Upon termination of employment prior to or at the end of the participation period, the MPERS member may receive a lump sum from the account or a true annuity based on the account balance.

Disability Benefits

A member of MERS Plan B is eligible to retire and receive a disability benefit if he or she 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. The monthly maximum retirement benefit under Plan B of MERS is the lesser of an amount equal to two percent of member's final compensation multiplied by years of service (not less than 30% of member's final compensation) or an amount equal to what the member's normal retirement benefit would be based on final compensation at time of disability, but assuming continuous service until member's earliest normal retirement age.

A member of MPERS is eligible to retire and receive a disability benefit if he or she has been certified as disabled by the State Medical Disability Board. If the disability incurred is job-related, there is no minimum creditable service requirement. If the disability is non-job-related, a minimum of 10 years of creditable service is required if the member was employed on or after July 1, 2008. Members of MPERS employed prior to July 1, 2008 must have a minimum of 5 years of creditable service to be eligible to retire with disability benefits if the disability incurred is non-job-related. The disability benefit received by a MPERS member is equal to three percent of his or her final average compensation multiplied by years of creditable service (not less than 40%, nor more than 60% of final average compensation). At the time the disabled MPERS member reaches normal retirement age, he or she will have the option to continue to receive the disability retirement benefit or to receive his or her vested retirement benefit.

Survivor's Benefit

Upon the death of any member of Plan B with five (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.

Survivor benefits for MPERS members are payable to the surviving spouse or surviving minor child/children of a deceased active contributing member or a deceased disability retiree. Survivor benefits are not payable to survivors of retirees receiving benefits under the provisions of early or normal service retirement. The maximum benefit for a surviving spouse of a MPERS member is equal to the regular retirement formula, regardless of age, but not less than 40% or more than 60% of the deceased member's final average compensation. There is no requirement for minimum years of creditable service. If the MPERS member is killed in the line of duty, the surviving spouse shall receive a benefit equal to 100% of the deceased member's final average compensation, less any survivor benefits payable to a child or children. Each surviving minor child of the MPERS member will receive a benefit equal to 10% of deceased member's final average compensation or $200 per month, whichever is greater. Benefits for a surviving child cease upon the child's attainment of age 18 or upon marriage, whichever occurs first. The benefit may continue after age 18 if the child meets certain educational or disability requirements. The surviving minor child may receive an increased benefit if there is no surviving spouse of the MPERS member.

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 the System to grant additional cost of living increases to all retirees and beneficiaries who are age sixty-five and above to equal to 2% of the benefit being received on October 1, 1977, or the original benefit, if retirement commenced after this date.

The Board of Trustees of MPERS is authorized to provide annual cost-of-living adjustments 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 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 cost-of-living adjustment 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 a cost-of-living adjustment until they reach regular retirement age.

A COLA may only be granted if funds are available from interest earnings in excess of normal requirements, as determined by the actuary.

Deferred Benefits

Both plans provide for deferred benefits for members who terminate before being eligible for retirement. Once the member reaches the appropriate age for retirement, benefits become payable. Benefits are based on statutes in effect at time of withdrawal.

Contributions

The MERS and MPERS employer contribution rates are established annually under La R.S 11:101-11:104 by the Public Retirement Systems' Actuarial Committee (PRSAC), taking into consideration the recommendation of the system's actuary. Each plan pays a separate actuarially-determined employer contribution rate. For the year ending December 31, 2022 the employer contribution rate for MERS Plan B was 15.50%, and MPERS was 29.75% from January through June and 31.25% from July through December.

VILLAGE OF PINE PRAIRIE
NOTES TO FINANCIAL STATEMENTS, CONT'D.

Employer contributions to MERS and MPERS were $26,890 and $26,573, respectively, for the year ended December 31, 2022. Employees participating in MERS are required to contribute 5.00% and employees participating in MPERS are required to contribute 10.00% for hazardous and 8% for non-hazardous pay.

Contributions received by a pension plan from non-employer contributing entities that are not in a special funding situation are recorded as revenue by the respective pension plan. MERS receives ad valorem taxes and state revenue sharing funds. MPERS receives insurance premium tax monies appropriated by the legislature each year based on an actuarial study. The Village of Pine Prairie recognizes revenue in an amount equal to its proportionate share of the total contributions to the pension plan from these non-employer contributing entities. During the year ended December 31, 2022, the Village of Pine Prairie recognized revenue as a result of support received from non-employer contributing entities of $6,704 for its participation in MERS and $4,759 for its participation in MPERS.

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

At December, 2022, the Village of Pine Prairie reported a liability for MERS and MPERS of $202,560 and $218,664, respectively, for its proportionate share of the net pension liability. The net pension liabilities were measured as of June 30, 2022, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuations as of that date. The Village of Pine Prairie's proportion of the net pension liability for each retirement system was based on a projection of the Village of Pine Prairie's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the Village of Pine Prairie's proportion for MERS and MPERS was 0.230711% and 0.021392%, respectively. This reflects an increase for MERS and a decrease for MPERS of 0.000239% and 0.005066%, respectively, from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Village of Pine Prairie recognized pension expense and net pension liability, for which there were no forfeitures, as follows:

	Pension Expense	Net Pension Liability
MERS	$ 30,804	$ 202,560
MPERS	15,539	218,664
	$ 46,343	$ 421,224

At December 31, 2022, the Village of Pine Prairie reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources			Deferred Inflows of Resources		
	MERS	MPERS	Total	MERS	MPERS	Total
Differences between expected and actual experience	$ -	$ 1,078	$ 1,078	$ (2,578)	$ (1,782)	$ (4,360)
Changes in assumptions	2,165	7,543	9,708	-	(1,626)	(1,626)
Net difference between projected and actual earnings on pension plan investments	37,253	39,038	76,291	-	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	117	-	117	(9,973)	(84,928)	(94,901)
Employer contributions subsequent to measurement date	12,684	16,708	29,392	-	-	-
Total	$ 52,219	$ 64,367	$ 116,586	$ (12,551)	$ (88,336)	$ (100,887)

During the year ended December 31, 2021, employer contributions totaling $12,684 and $16,708 were made subsequent to the measurement date for MERS and MPERS, respectively. These contributions are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	MERS	MPERS
2023	$ 1,135	$ (28,076)
2024	7,334	(24,651)
2025	4,016	(7,063)
2026	16,708	20,477
Total	$ 29,193	$ (39,313)

Actuarial Assumptions

The net pension liability was measured 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 MERS and MPERS employers as of June 30, 2022 are as follows:

	MERS Plan B	MPERS
Total Pension Liability	$ 665,345	$ 748,826
Plan Fiduciary Net Position	(462,785)	(530,162)
Total Net Pension Liability	$ 202,560	$ 218,664
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	69.56%	70.80%

The Village of Pine Prairie's allocation is 0.230711% of the Total Net Pension Liability for MERS and 0.021392% of the Total Net Pension Liability for MPERS.

The total pension liabilities for MERS and MPERS in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

	MERS	MPERS
Actuarial cost method	Entry Age Normal	Entry Age Normal Cost
Expected remaining service lives	3 years for Plan B	4 years
Investment rate of return	6.85%, net of investment expense	6.75%, net of investment expense
Inflation rate	2.500%	2.500%
Projected salary increases 1 - 4 years of service >4 years of service	 7.40% 4.90%	Years of Service — Salary Growth Rate 1 — 12.30% 2 — 12.30% Over 3 — 4.70%
Cost of living adjustments	None	None
Mortality	RP-2000 Employee Table for active members; RP-2000 Healthy annuitants; RP-2000 Disabled Lives Mortality Tables for disabled annuitants	Based on experience study performed by actuary on plan data for period of July 1, 2009 - June 30, 2014 combined with a standard table

The MERS and MPERS actuarial assumptions used were based on the results of an experience study for the period July 1, 2014 through June 30, 2019.

The forecasted long-term expected rate of return on pension plan investments was determined using a building-block method in which best- estimates 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 rates of return by the target asset allocation percentage and by adding expected inflation and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return for MERS is 6.95% and MPERS is 8.06% for the year ended June 30, 2022.

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation for MERS and MPERS as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocations		Long-Term Expected Real Rate of Return	
	MERS	MPERS	MERS	MPERS
Equity	53%	55.5%	2.31%	3.60%
Fixed Income	38%	30.5%	1.65%	0.85%
Alternatives	9%	14.0%	0.39%	0.95%
Other	0%	0%	0.00%	0.00%
Total	100%	100%	4.35%	5.40%
Inflation			2.60%	2.66%
Expected Nominal Return			6.95%	8.06%

Discount Rates

The discount rate used to measure the total pension liability for MERS was 6.85% and MPERS was 6.75%. 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 approved by PERSAC taking into consideration the recommendation of the actuary. Based on those assumptions, the net position of MERS and MPERS was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rates

The following table presents the Village of Pine Prairie's proportionate share of the net pension liability using the discount rate of 6.85% for MERS and 6.75% for MPERS, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower than the current rate:

	1% Decrease	Current Discount	1% Increase
MERS	$ 276,128	$ 202,560	$ 140,339
MPERS	306,088	218,664	145,636
Total	$ 582,216	$ 421,224	$ 285,975

Payables to the Pension Plans

At June 30, 2022, payables to MERS and MPERS were $3,170 and $4,475 respectively.

NOTE K – ON BEHALF PAYMENTS

Certain employees of the Village working in the police department receive supplemental pay from the state of Louisiana. In accordance with GASB Statement No. 24, the Village has recorded revenues and expenditures for these payments in the General Fund. Revenues under this arrangement totaled $22,500 and the related expenditure is recorded in police payroll expense.

NOTE L – SUBSEQUENT EVENTS

The Village has evaluated subsequent events through May 16, 2023, the date which the financial statements were available to be issued.

NOTE M – MUNICIPALITY CLASSIFICATION

An investigative audit conducted by the Louisiana Legislative Auditor found that the Village appears to be improperly classified as a village under the provisions of the Lawrason Act. The Village management is researching the population reported by the Census to determine if prison inmates were included in error. If the population is correct as reported by the Census, the Village will adopt a resolution to request the governor to change its classification to a town.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF PINE PRAIRIE

General Fund

Budgetary Comparison Schedule

For the Year Ended December 31, 2022

	Budget Original	Budget Final	Actual	Budget Variance Positive/ (Negative)
Revenues:				
Taxes: Ad valorem	$ 62,000	$ 62,000	$ 64,881	$ 2,881
Franchise	56,000	59,000	69,412	10,412
Licenses	48,000	48,000	45,684	(2,316)
Fines and Forfeits	515,000	490,000	476,747	(13,253)
Prison Fees	90,000	90,000	90,000	-
Miscellaneous & Grants	11,325	306,292	312,767	6,475
Total Revenues	782,325	1,055,292	1,059,491	4,199
Expenditures:				
Current:				
General Government	375,150	411,750	367,038	44,712
Public Safety	482,000	503,000	490,452	12,548
Capital Outlay	110,000	194,356	180,448	13,908
Debt Service	11,000	11,000	10,872	128
Total Expenditures:	978,150	1,120,106	1,048,810	71,296
Other Financing Sources / (Uses)				
Interest Income	1,000	1,000	393	(607)
Operating Transfers In	128,000	220,000	165,892	(54,108)
Operating Transfers Out	(175,000)	(138,000)	(120,023)	17,977
Total Other Financing Sources/(Uses)	(46,000)	83,000	46,262	(36,738)
Net change in fund balances	$ (241,825)	$ 18,186	56,943	$ 38,757
Fund Balance, Beginning Of Year			655,188	
Fund Balance, End Of Year			$ 712,131	

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2022

	Budget Original	Budget Final	Actual	Budget Variance Positive/ (Negative)
Revenues:				
Taxes: Ad Valorem	$ 63,000	$ 63,000	$ 69,391	$ 6,391
Sales	250,000	250,000	256,506	6,506
Miscellaneous	1,000	3,000	23,952	20,952
Total Revenues	314,000	316,000	349,849	33,849
Expenditures:				
Current:				
Street Department	240,125	243,125	227,863	15,262
Capital Outlay	110,000	82,039	134,721	(52,682)
Total Expenditures:	350,125	325,164	362,584	(37,420)
Other Financing Sources / (Uses)				
Interest Income	2,000	1,000	596	(404)
Operating Transfers In	165,000	170,836	179,530	8,694
Operating Transfers Out	(125,000)	(275,000)	(226,759)	48,241
Total Other Financing Sources/(Uses)	42,000	(103,164)	(46,633)	56,531
Net Change in Fund Balances	$ 5,875	$ (112,328)	(59,368)	$ 52,960
Fund Balance, Beginning Of Year			1,148,570	
Fund Balance, End Of Year			$ 1,089,202	

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE, LOUISIANA

Schedule of Employer's Proportionate Share of Net Pension Liability
Year Ended December 31, 2022

	Fiscal Year	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of It's Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
MERS	2022	0.230711	$ 202,560	$ 173,483	116.76%	69.56%
MERS	2021	0.230472	$ 133,514	$ 171,611	77.80%	79.14%
MERS	2020	0.259770	$ 235,410	$ 196,241	119.96%	66.26%
MERS	2019	0.236533	$ 206,922	$ 195,404	105.89%	66.14%
MERS	2018	0.253512	$ 214,429	$ 180,422	118.85%	65.60%
MERS	2017	0.326890	$ 282,836	$ 214,579	131.81%	63.49%
MERS	2016	0.270269	$ 224,028	$ 232,588	96.32%	63.38%
MERS	2015	0.252165	$ 171,383	$ 183,548	93.37%	68.71%
MERS	2014	0.206102	$ 96,764	$ 154,326	62.00%	76.94%
MPERS	2022	0.021392	$ 218,664	$ 86,625	252.43%	70.80%
MPERS	2021	0.000000	$ 141,036	$ 70,249	200.76%	84.09%
MPERS	2020	0.038576	$ 356,532	$ 96,343	370.06%	70.94%
MPERS	2019	0.040205	$ 365,129	$ 130,320	280.17%	71.01%
MPERS	2018	0.029721	$ 251,263	$ 110,627	227.13%	71.89%
MPERS	2017	0.014600	$ 127,464	$ 58,476	217.98%	70.08%
MPERS	2016	0.024026	$ 225,191	$ 52,660	427.63%	66.04%
MPERS	2015	0.031773	$ 248,908	$ 81,110	306.87%	70.73%
MPERS	2014	0.019809	$ 123,297	$ 74,416	165.69%	75.10%

The amounts presented have a measurement date of the previous fiscal year end.

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

VILLAGE OF PINE PRAIRIE, LOUISIANA
Schedule of Employer's Pension Contribution
Year Ended December 31, 2022

	Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a Percent of Covered Employee Payroll
MERS	2022	$ 26,890	$ 26,890	$ -	$ 173,483	15.50%
MERS	2021	$ 26,600	$ 26,600	$ -	$ 171,611	15.50%
MERS	2020	$ 28,964	$ 28,964	$ -	$ 196,241	14.76%
MERS	2019	$ 27,357	$ 27,357	$ -	$ 195,404	14.00%
MERS	2018	$ 24,579	$ 24,579	$ -	$ 180,422	13.62%
MERS	2017	$ 25,793	$ 25,793	$ -	$ 214,579	12.02%
MERS	2016	$ 23,975	$ 23,975	$ -	$ 232,588	10.31%
MERS	2015	$ 17,437	$ 17,437	$ -	$ 183,548	9.50%
MERS	2014	$ 14,124	$ 14,124	$ -	$ 154,326	9.15%
MPERS	2022	$ 26,573	$ 26,573	$ -	$ 86,625	30.68%
MPERS	2021	$ 22,394	$ 22,394	$ -	$ 70,249	31.87%
MPERS	2020	$ 32,178	$ 32,178	$ -	$ 96,343	33.40%
MPERS	2019	$ 42,191	$ 42,191	$ -	$ 130,320	32.37%
MPERS	2018	$ 34,924	$ 34,924	$ -	$ 110,627	31.60%
MPERS	2017	$ 18,486	$ 18,486	$ -	$ 58,476	31.61%
MPERS	2016	$ 16,071	$ 16,071	$ -	$ 52,660	30.52%
MPERS	2015	$ 25,549	$ 25,549	$ -	$ 81,110	31.50%
MPERS	2014	$ 14,190	$ 23,268	$ -	$ 74,416	31.27%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(1) Basis of Accounting

The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

(2) Budgetary Practices

The Village prepares and adopts a budget in accordance with LSA-RS 39:1301 et seq. The annual budget for the General Fund is prepared in accordance with the basis of accounting utilized by that fund.

Neither encumbrance accounting nor formal integration of the budget into the accounting records is employed as a management control device. However, periodic comparisons of budget and actual amounts are performed.

(3) Pension Plans

Changes of Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plans. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plans.

(4) Stewardship, Compliance and Accountability

Excess of Expenditures over Appropriations. The following individual fund had actual expenditures in excess of appropriations for the year ended December 31, 2022.

Special Revenue Fund	Original	Final	Actual	Excess
	$ 350,125	$ 325,164	$ 362,584	$ (37,420)

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUNDS

Street Maintenance Fund:	To account for the receipt and use of proceeds of the Village's 6.60 mill tax on all property subject to state taxation in the Village. The expenditures are for the purpose of maintaining streets in the Village.
Street Construction Fund:	To account for the receipt and use of proceeds of the Village's 4.71 mill tax on all property subject to state taxation in the Village. The expenditures are for the purpose of constructing streets in the Village.
Sales Tax Fund:	To account for the receipt and use of the Village's 2% sales and use tax. These taxes are dedicated for, after paying the necessary cost of collection and administration, the hard surfacing and resealing and maintaining of roads in the Village, and for the payment of bonds or other funded indebtedness of said Village incurred for said purposes.

VILLAGE OF PINE PRAIRIE

Special Revenue Funds

Combining Balance Sheet

December 31, 2022

	Street Maintenance Tax Fund	Street Construction Tax Fund	Sales Tax Fund	Totals
ASSETS:				
Cash and Interest-Bearing Deposits	$ 10,417	$ 157,176	$ 822,671	$ 990,264
Ad Valorem Taxes Receivable	33,131	24,811	-	57,942
Sales Tax Receivable	-	-	44,028	44,028
Total Assets	$ 43,548	$ 181,987	$ 866,699	$ 1,092,234
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	$ 3,032	$ -	$ -	$ 3,032
Total Liabilities	3,032	-	-	3,032
Fund Balances:				
Restricted for:				
Debt Service	-	-	180,541	180,541
Street Projects	40,516	181,987	686,158	908,661
Total Fund Balances	40,516	181,987	866,699	1,089,202
Total Liabilities and Fund Balances	$ 43,548	$ 181,987	$ 866,699	$ 1,092,234

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE

Special Revenue Funds

Combining Statement Of Revenues, Expenditures,

And Changes In Fund Balances

For the Year Ended December 31, 2022

	Street Maintenance Tax Fund	Street Construction Tax Fund	Sales Tax Fund	Totals
Revenue:				
Tax: Sales	$ -	$ -	$ 256,506	$ 256,506
Ad valorem	40,478	28,913	-	69,391
Miscellaneous	23,952	-	-	23,952
Total Revenues	64,430	28,913	256,506	349,849
Expenditures:				
Current:				
Street Department	148,884	-	78,979	227,863
Capital Outlay	78,733	55,988	-	134,721
Total Expenditures	227,617	55,988	78,979	362,584
Other Financing Sources/(Uses)				
Interest Income	-	17	579	596
Operating Transfer In	161,276	-	18,254	179,530
Operating Transfer Out	-	-	(226,759)	(226,759)
Total Other Financing Sources/(Uses)	161,276	17	(207,926)	(46,633)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES/(USES)	(1,911)	(27,058)	(30,399)	(59,368)
FUND BALANCE, BEGINNING OF YEAR	42,427	209,045	897,098	1,148,570
FUND BALANCE, END OF YEAR	$ 40,516	$ 181,987	$ 866,699	$ 1,089,202

The accompanying notes are an integral part of the basic financial statements.

VILLAGE OF PINE PRAIRIE
SCHEDULE OF INSURANCE
December 31, 2022

TYPE	AMOUNT	EXPIRATION DATE
Automobile Liability	$ 500,000	5/1/2023
Commercial General Liability	500,000	5/1/2023
Law Enforcement Officer's Comprehensive Liability	500,000	5/1/2023
Public Officials' Errors and Omissions Liability	500,000	5/1/2023
Worker's Compensation	500,000	1/1/2023
Commercial Property		
Building & Contents	3,151,400	8/28/2023
Equipment	1,930,000	8/28/2023
Fidelity Bond – Public Employees	100,000	5/16/2023
Honesty Bond	2,500	10/28/2023
Vehicle Physical Damage	265,978	6/15/2023

VILLAGE OF PINE PRAIRIE
SCHEDULE OF METERS AND RATES AND ACCOUNTS RECEIVABLE
December 31, 2022

Accounts Receivables were aged as follows:

0 – 30 days	$ 7,945
31 – 60 days	1,932
Over 60 days	42,106
	$ 51,983

The Village's monthly sewer rates at December 31, 2022 were as follows:

Residential users:	$12.00 for the first 2000 gallons of water used and $2.40 for every 1000 gallons used thereafter.
Commercial users:	$108.00 for the first 100,000 gallons of water used and $.61 for each 1000 gallons used thereafter.
Schools:	$47.25 for the first 100,000 gallons of water used and $.61 for each 1000 gallons used thereafter.

As of December 31, 2022, the Village had 360 residential customers and 3 commercial customers and 3 school customers on its sewer system.

VILLAGE OF PINE PRAIRIE
SCHEDULE OF MAYOR AND ALDERMEN
December 31, 2022

Current officials of the Village are as follows:

Name	Address/Telephone	Term
Quint West, Mayor	P.O. Box 424 Pine Prairie, LA 70576 337-599-2898	1/1/21 – 12/31/24
Tammy Hammond, Council Member	P.O. Box 185 Pine Prairie, LA 70576 337-599-2014	1/1/21 – 12/31/24
Debbie Oge, Council Member	P.O. Box 231 Pine Prairie, LA 70576 337-599-2690	1/1/21 – 12/31/24
Gilbert Bordelon, Council Member	P.O. Box 246 Pine Prairie, LA 70576 337-523-1036	1/1/21 – 12/31/24

VILLAGE OF PINE PRAIRIE
Schedule of Compensation, Benefits and Other Payments
to Agency Head or Chief Executive Officer
December 31, 2022

Agency Head Name: James Q. West, Mayor
Service Period: 12 Months

Purpose	Amount
Salary	$26,400
Expense allowance	8,200
Telephone allowance	600
Benefits - retirement	4,092
	$39,292

VILLAGE OF PINE PRAIRIE
Justice System Funding Schedule - Collecting/Disbursing Entity
As Required by Act 87 of the 2020 Regular Session
Cash Basis Presentation
For the Year Ended December 31, 2022

	First Six Month Period Ended 06/30/2022	Second Six Month Period Ended 12/31/2022
Beginning Balance of Amounts Collected (i.e. cash on hand)	$ 5,125	$ 5,904
Add: Collections		
Bond Fees	9,225	8,600
Criminal Fines - Other	227,991	230,931
Subtotal Collections	237,216	239,531
Less: Disbursements To Governments & Nonprofits:		
LA Comm on Law Enforcement - Criminal Fines Other	1,807	1,925
LA Supreme Court - Criminal Fines Other	461	491
Treasurer, State of LA CMS - Criminal Fines Other	922	982
DHH-TH/SCI T.F. - Criminal Fines Other	4,610	4,910
Acadiana Crime Lab - Criminal Fines Other	27,720	29,640
Less: Amounts Retained by Collecting Agency		
Criminal Fines Other	200,917	201,765
Less: Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Subtotal Disbursements/Retainage	236,437	239,713
Total: Ending Balance of Amounts Collected but not Disbursed/Retained (i.e. cash on hand)	$ 5,904	$ 5,722

OTHER REPORTS

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

To the Board of Aldermen
Village of Pine Prairie, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of Village of Pine Prairie, Louisiana, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Village of Pine Prairie, Louisiana's basic financial statements and have issued our report thereon dated May 16, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Village of Pine Prairie, Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Village of Pine Prairie, Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of Village of Pine Prairie, Louisiana's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, as items #2022-001 and #2022-002, that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Village of Pine Prairie, Louisiana's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items #2022-001 and #2022-002.

Village of Pine Prairie, Louisiana's Response to Findings

Village of Pine Prairie, Louisiana's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. Village of Pine Prairie, Louisiana's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vige, Tujague & Noel

Vige, Tujague & Noel
Eunice, Louisiana

May 16, 2023

VILLAGE OF PINE PRAIRIE
SCHEDULE OF FINDINGS AND RESPONSES
For the Year Ended December 31, 2022

We have audited the basic financial statements of the Village of Pine Prairie, Louisiana as of and for the year ended December 31, 2022, and have issued our report thereon dated May 16, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2022, resulted in an unmodified opinion.

Section I. Summary of Auditor's Reports

a. Report on Internal Control over Financial Reporting and on Compliance and other matters material to the Financial Statements

Internal Control		
Material Weaknesses	___ Yes	_X_ No
Significant Deficiencies	_X_ Yes	__ No
Noncompliance Material to the Financial Statements	___Yes	_X_ No

Section II. Financial Statement Findings.

2022-001. Inadequate Segregation of Duties

Condition: The Village of Pine Prairie has separate individuals having dual responsibilities for custody and record keeping for revenue transactions.

Criteria: Segregation of duties is critical to effective internal control because it reduces the risk of mistakes and inappropriate actions. It helps fight fraud by reducing collusion. There are four general categories of duties: authorization, custody, recordkeeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities. The more negotiable an asset is, the greater the need for proper segregation of duties. This is especially the case when dealing with cash, a highly liquid asset. Any department that accepts funds, has access to accounting records, or has control over any type of asset, should be concerned with segregation of duties.

Effect: The Village does not have an adequate segregation of duties, to serve as a check and balance system, to assist in the prevention of erroneously recording transactions or other mistakes or inappropriate actions.

Cause: Segregation of duties is inadequate because of the lack of manpower, i.e., a limited number of personnel.

Recommendation: Within the constraints of a limited number of staff, we recommend a detailed supervisory review of related activities as a compensating control activity. Management needs to take a more active role in achieving segregation of duties, by reviewing the work done by other employees. Sometimes, the knowledge that records will be reviewed by others is enough to prevent misappropriation of assets.

Response: The Village agrees with the finding and the auditor's recommendations have been adopted.

2022-002. Budget Variance

Condition: There was a violation of the Louisiana Government Budget Act. Expenditures of the Special Revenue Funds exceeded budgeted appropriations by an amount greater than 5%.

Criteria: When total actual expenditures exceed total budgeted expenditures by 5% or more and/or when total revenues fail to meet total budgeted revenues by 5% or more or there has been a change in operation upon which the original adopted budget was developed, the Village shall adopt a budget amendment in an open meeting to reflect such a change.

Cause: The Village did not properly amend the budget for expenditures paid out of the Special Revenue Fund.

Effect: Failure to properly amend the budget results in variances beyond the 5% of budgeted expenditures incurred.

Recommendation: We recommend that the Village make the necessary amendments to the budget prior to year end for changes in revenues and expenditures incurred.

Response: The Village accepts and agrees with the recommendation as presented.

Section III. Management Letter

None Issued.

VILLAGE OF PINE PRAIRIE
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2022

SECTION I. INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2021-001. Inadequate Segregation of Duties

Condition: The Village of Pine Prairie has separate individuals having dual responsibilities for custody and record keeping for revenue transactions.

Criteria: Segregation of duties is critical to effective internal control because it reduces the risk of mistakes and inappropriate actions. It helps fight fraud by reducing collusion. There are four general categories of duties: authorization, custody, recordkeeping and reconciliation. In an ideal system, different employees perform each of these four major functions. In other words, no one person has control of two or more of these responsibilities. The more negotiable an asset is, the greater the need for proper segregation of duties. This is especially the case when dealing with cash. a highly liquid asset. Any department that accepts funds, has access to accounting records, or has control over any type of asset, should be concerned with segregation of duties.

Effect: The Village does not have an adequate segregation of duties, to serve as a check and balance system, to assist in the prevention of erroneously recording transactions or other mistakes or inappropriate actions.

Cause: Segregation of duties is inadequate because of the lack of manpower, i.e., a limited number of personnel.

Recommendation: Within the constraints of a limited number of staff, we recommend a detailed supervisory review of related activities as a compensating control activity. Management needs to take a more active role in achieving segregation of duties, by reviewing the work done by other employees. Sometimes, the knowledge that records will be reviewed by others is enough to prevent misappropriation of assets.

Response: The Village agrees with the finding and the auditor's recommendations have been adopted.

Status: This finding is repeated as #2022-001.

VIGE, TUJAGUE & NOEL, CPA'S
P. O. BOX 1005
EUNICE, LA 70535

RE: Management Response

The following are our responses to your recommendations we received in the Village's Audited Financial Statement as of December 31, 2022.

2022-001 Segregation of Duties

We are aware of and have evaluated this inadequacy and concluded that the related costs vs benefits to be achieved does not justify the additional personnel it would require to establish an adequate segregation of duties. However, we will try to segregate duties as much as possible with the existing staff.

2022-002 Budget Variance

Management is aware of this finding and agrees with the recommendation. The Village will make the necessary amendments to the budget prior to year end for changes in revenues and expenditures incurred.

Quint West, Mayor

VILLAGE OF PINE PRAIRIE, LOUISIANA

STATEWIDE AGREED-UPON PROCEDURES REPORT

YEAR ENDED DECEMBER 31, 2022

VIGE, TUJAGUE & NOEL
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INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Management and Board of Commissioners of the Village of Pine Prairie, Louisiana and the Louisiana Legislative Auditor:

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

Village of Pine Prairie, Louisiana 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 January 1, 2022 through December 31, 2022. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations:

i. ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.

Written policies and procedures were obtained and do address the functions noted above.

ii. ***Purchasing***, including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.

Written policies and procedures were obtained and do address the functions noted above.

iii. ***Disbursements***, including processing, reviewing, and approving.

Written policies and procedures were obtained and do address the functions noted above.

iv. ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).

Written policies and procedures were obtained and do address the functions noted above.

v. ***Payroll/Personnel***, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.

Written policies and procedures were obtained and do address the functions noted above.

vi. ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.

Written policies and procedures were obtained and do address the functions noted above.

vii. ***Travel and Expense Reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.

Written policies and procedures were obtained and do address the functions noted above.

viii. ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).

Written policies and procedures were obtained and do address the functions noted above.

ix. ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

Written policies and procedures were obtained and do address the functions noted above.

x. ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

Written policies and procedures were obtained and do address the functions noted above.

xi. ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and do address the functions noted above.

xii. ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Written policies and procedures were obtained and do address the functions noted above.

2) Board or Finance Committee

A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and

i. Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the board met monthly.

ii. For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds, and semi-annual budget- to-actual, at a minimum, on all special revenue funds.

Obtained and reviewed minutes of the managing board for the fiscal period noting that the minutes do include monthly budget-to-actual comparisons.

iii. For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

Obtained the prior year audit report and observed that the unassigned fund balance was a positive balance.

iv. Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

There were no audit findings requiring status updates in the prior year.

3) Bank Reconciliations

A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

i. Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Bank reconciliations include evidence that they were prepared within two months of the related statement closing date.

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

Bank reconciliations include evidence that a member of management who does not handle cash, post ledgers, or issue checks has reviewed each reconciliation.

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.

Bank reconciliations do not include evidence that management has researched items that were outstanding for more than 12 months from the statement closing date.

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).

Obtained a listing of deposit sites from management and representation that the listing is complete.

B. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that

i. Employees responsible for cash collections do not share cash drawers/registers;

Employees responsible for cash collections do share a cash drawer; however, collections are reconciled at the end of the day by an employee who did not collect the cash.

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;

The employees responsible for collecting cash are responsible for preparing/making bank deposits; however, each employee's collections are reconciled by another employee daily. The fee accountant reconciles collection documentation to the deposit.

iii. Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and

Employees responsible for collecting cash are not responsible for posting collection entries to the general ledger or subsidiary ledger.

iv. The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.

Employees responsible for collecting cash are not responsible for reconciling cash collections to the general ledger.

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.

Employees who have access to cash are covered by the bond or insurance policy for theft.

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

i. Observe that receipts are sequentially pre-numbered.

Observed that receipts are sequentially pre-numbered.

ii. Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

Traced receipts or collection documentation to the deposit slip with no exceptions.

iii. Trace the deposit slip total to the actual deposit per the bank statement.

Traced the deposit slip total to the actual deposit per the bank statement with no exceptions.

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).

Observed that deposits were made within one business day of receipt at the collection location.

v. Trace the actual deposit per the bank statement to the general ledger.

Traced the actual deposit per the bank statement to the general ledger noting no exceptions.

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).

Obtained a listing of locations that process payments for the fiscal period and management's representation that the listing is complete.

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

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

Observed that job duties are properly segregated regarding the functions noted above.

ii. At least two employees are involved in processing and approving payments to vendors;

Observed that job duties are properly segregated regarding the functions noted above.

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;

Obtained written policies and procedures and observed that job duties are properly segregated regarding the functions noted above.

iv. Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and

Obtained written policies and procedures and observed that job duties are properly segregated regarding the functions noted above.

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.

The employee/official authorized to sign checks also approves the electronic release of funds.

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

Observed that the disbursements matched the related original itemized invoice and the supporting documentation indicates deliverables included on the invoice were received.

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.

Observed that the disbursement documentation included evidence of segregation of duties tested.

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

Electronic disbursements were approved by those persons authorized and required to disburse funds.

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

This section is not applicable since the Village does not have or use credit cards.

A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and

i. Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and

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

C. Using the monthly statements or combined statements selected under procedure #6B above, <u>excluding fuel cards</u>, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

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

A. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected

i. If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);

Observed that approved reimbursement rates were not more than those establishments by the State of Louisiana or the U.S. General Services Administration.

ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;

Not applicable as all travel and travel-related reimbursements tested were reimbursed at a per diem rate and not actual costs.

iii. Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and

Observed that each reimbursement is supported by documentation of the business/public purpose.

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

Observed that each reimbursement was reviewed and approved by someone other than the person receiving reimbursement.

8) Contracts

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

i. Observe whether the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law;

No exceptions were found as a result of this procedure.

ii. Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);

Observed that the contract was approved by the board.

iii. If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and

There were no amendments to the contract.

iv. Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

Observed that the invoice agreed to the terms and conditions of the contract.

9) Payroll and Personnel

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

Obtained a listing of employees and officials employed during the fiscal period, and management provided representation that the listing is complete. Randomly selected 5 employees and agreed paid salaries to authorized salaries/pay rates in the personnel files.

B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and

i. Observe that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory);

Observed that all selected employees documented their daily attendance and leave.

ii. Observe whether supervisors approved the attendance and leave of the selected employees or officials;

Observed that supervisors approved the attendance and leave of the selected employees.

iii. Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and

Observed that leave accrued and taken during the pay period is reflected in the entity's cumulative leave records.

iv. Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file.

Observed that the rate paid to employees agrees to the authorized salary/pay rate found within the personnel file.

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

There were no termination payments during the fiscal year.

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

Management provided representation that employer and employee portions of third-party payroll related amounts have been paid, and any associated forms have been filed, by required deadlines.

10) *Ethics*

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and

a. 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

All employees selected for testing have documentation to demonstrate that the required hour of ethics training was completed during the calendar year.

b. 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.

There were no changes made to the entity's ethics policy during the fiscal period.

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

An ethics designee has been appointed.

11) Debt Service

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

Management has asserted that the Entity did not have any debt issued during the fiscal year.

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

Obtained a listing of notes outstanding at the end of the fiscal year and management's representation that the listing is complete. Randomly selected one note for inspection and determined that all reserve balances and payments required by debt covenants were made.

12) Fraud Notice

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

Management has asserted that the Entity did not have any misappropriations of public funds or assets during the reporting period.

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

Observed that the entity has posted on its premises, the required notice.

13) Information Technology Disaster Recovery/Business Continuity

A. Perform the following procedures, **verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."**

i. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.

We performed the procedure and discussed the results with management.

ii. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

iii. Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

There were no terminations during the fiscal year.

14) Prevention of Sexual Harassment

A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.

All employees selected for testing have documentation demonstrating the completion of required sexual harassment training during the calendar year.

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

Observed that the entity has posted it sexual harassment policy and complaint procedure.

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

i. Number and percentage of public servants in the agency who have completed the training requirements;

Observed that the report included requirements as stated above.

ii. Number of sexual harassment complaints received by the agency;

Observed that the report included requirements as stated above.

iii. Number of complaints which resulted in a finding that sexual harassment occurred;

Observed that the report included requirements as stated above.

iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

Observed that the report included requirements as stated above.

v. Amount of time it took to resolve each complaint.

There were no complaints.

Management's Response

Management of the Village of Pine Prairie, Louisiana concurs with the exceptions and is working to address the deficiencies identified.

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

We are required to be independent of Village of Pine Prairie, Louisiana and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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

Vige, Tujague & Noel

Vige, Tujague & Noel
Eunice, Louisiana
May 16, 2023