

ANNUAL FINANCIAL REPORT
OF THE
TOWN OF MAURICE, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2023

TABLE OF CONTENTS

	<u>PAGE</u>
<u>INDEPENDENT AUDITOR'S REPORT</u>	1-3
<u>BASIC FINANCIAL STATEMENTS</u>	4
Government-wide Financial Statements (GWFS)	5
Statement of Net Position	6
Statement of Activities	7
Fund Financial Statements	8
Major Fund Descriptions	9
Balance Sheet - Governmental Funds	10
Reconciliation of the Governmental Funds' Balance Sheet to the Statement of Net Position	11
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	12
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	13
Statement of Net Position - Proprietary Fund	14-15
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund	16
Statement of Cash Flows - Proprietary Fund	17
Notes to Basic Financial Statements	18-39
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	40
<u>BUDGETARY COMPARISON SCHEDULES</u>	
General Fund	41
1975 Sales Tax Fund Sewer and Water	42
1975 Sales Tax Capital Improvements	43
1989 Sales Tax Fund	44
<u>PENSION PLAN SCHEDULES</u>	45
Schedule of Employer's Share of Net Pension Liability	46
Schedule of Employer Contributions	47
Notes to Required Supplementary Information	48
<u>SUPPLEMENTARY INFORMATION</u>	49
<u>MAJOR GOVERNMENTAL FUNDS</u>	50
General Fund -	51
Comparative Balance Sheets	52
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	53
Comparative Detailed Schedules of Revenues - Budget and Actual	54
Comparative Detailed Schedules of Expenditures - Budget and Actual	55-56
Special Revenue Funds -	57
Combining Balance Sheets	58
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances	59
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
1975 Sales Tax Sewer and Water	60
1975 Sales Tax Capital Improvements	61
1989 Sales Tax Fund	62

TABLE OF CONTENTS (CONTINUED)

	<u>PAGE</u>
<u>RELATED REPORTS</u>	63
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 <u>Government Auditing Standards</u>	64-65
Schedule of Findings and Responses	66-67
Schedule of Prior Year Findings	68
<u>SUPPLEMENTARY SCHEDULES</u>	69
Enterprise Fund - Comparative Statements of Net Position - Proprietary Fund	70-71
Comparative Statements of Revenues, Expenses, and Changes in Net Position - Proprietary Fund	72-73
Schedule of Compensation Paid to Governing Body	74
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	75
Justice System Funding Schedule	76
Schedule of Investments - All Funds	77
Schedule of Insurance in Force (Unaudited)	78
INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES	79-90
Management Responses to Statewide Agreed-upon Procedures Exceptions	91

James L. Nicholson, Jr., CPA
Michael A. Roy, CPA
Lisa Trouille Manuel, CPA
Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS
www.jsdc-cpas.com

John S. Dowling, CPA - 1904-1984
John Newton Stout, CPA - 1936-2005
Chizal S. Fontenot, CPA - 1955-2012
Russell J. Stelly, CPA - 1942 - 2019
Harold Dupre, CPA - 1931-2019

Van L. Auld, CPA
Molly Fontenot Duplechain, CPA

Retired
Dwight Ledoux, CPA - 1998
Joel Lanclos, Jr., CPA - 2003
G. Kenneth Pavy, II, CPA - 2020

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice
Maurice, 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 Town of Maurice as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements 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 Town of Maurice, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Town of Maurice, 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 these 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 Town of Maurice'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.

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice

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 Town of Maurice's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Maurice'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 schedules on pages 41-44 and the schedule of employer's share of net pension liability and employer contributions on pages 46-47 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 Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice

Management has omitted the 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 Town of Maurice's basic financial statements. The combining and individual fund financial statements and the supplementary information on pages 51-62 and pages 70-77 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 relate 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 and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of insurance in force on page 78 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The schedule of insurance in force has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 20, 2023 on our consideration of the Town of Maurice's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Maurice's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Town of Maurice's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Louisiana Legislative Auditor, we have issued a report, dated December 20, 2023 on the results of our statewide agreed-upon procedures performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards. The purpose of that report is solely to describe the scope of testing performed on those control and compliance areas identified in the Louisiana Legislative Auditor's statewide agreed-upon procedures, and the results of that testing, and not to provide an opinion on control or compliance.



Opelousas, Louisiana
December 20, 2023

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWN OF MAURICE, LOUISIANA
STATEMENT OF NET POSITION
JUNE 30, 2023

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
<u>ASSETS</u>			
Cash and cash equivalents	\$ 2,286,630	\$ 69,162	\$ 2,355,792
Investments	497,289	13,945	511,234
Interest receivable	1,987	94	2,081
Receivables (net of allowances for uncollectibles)	238,490	83,481	321,971
Restricted assets	-	551,431	551,431
Prepaid insurance	13,640	33,764	47,404
Capital assets:			
Land	251,200	433,432	684,632
Depreciable and amortizable assets, net	7,229,642	17,610,772	24,840,414
Construction in process	74,797	-	74,797
<u>Total assets</u>	<u>10,593,675</u>	<u>18,796,081</u>	<u>29,389,756</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Pension related	475,870	129,472	605,342
<u>LIABILITIES</u>			
Accounts payable and accrued expenses	39,600	39,740	79,340
Sales tax payable	-	585	585
Unearned revenue	590,577	-	590,577
Payable from restricted assets	-	133,699	133,699
Bonds payable			
Due within one year	-	192,831	192,831
Due in more than one year	-	10,015,004	10,015,004
Lease payable			
Due within one year	4,273	-	4,273
Due in more than one year	8,547	-	8,547
Net pension liability			
Due in more than one year	1,015,919	280,472	1,296,391
<u>Total liabilities</u>	<u>1,658,916</u>	<u>10,662,331</u>	<u>12,321,247</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Pension related	16,506	3,964	20,470
<u>NET POSITION</u>			
Net investment in capital assets	7,542,819	7,836,369	15,379,188
Restricted for			
Debt service	-	363,493	363,493
Sales tax dedications	1,982,694	-	1,982,694
Unrestricted (deficit)	(131,390)	59,396	(71,994)
<u>Total net position</u>	<u>9,394,123</u>	<u>8,259,258</u>	<u>17,653,381</u>

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

TOWN OF MAURICE, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGES IN NET POSITION		
		FEES, FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities							
General government	\$ 1,004,019	\$ 458,856	\$ 11,484	\$ 49,340	\$ (484,339)	\$ -	\$ (484,339)
Public safety	709,731	394,590	-	-	(315,141)	-	(315,141)
<u>Total governmental activities</u>	<u>1,713,750</u>	<u>853,446</u>	<u>11,484</u>	<u>49,340</u>	<u>(799,480)</u>	<u>-</u>	<u>(799,480)</u>
Business-type Activities							
Water and sewer	1,838,178	1,088,842	-	17,000	-	(732,336)	(732,336)
<u>Total business-type activities</u>	<u>1,838,178</u>	<u>1,088,842</u>	<u>-</u>	<u>17,000</u>	<u>-</u>	<u>(732,336)</u>	<u>(732,336)</u>
<u>Total primary government</u>	<u>3,551,928</u>	<u>1,942,288</u>	<u>11,484</u>	<u>66,340</u>	<u>(799,480)</u>	<u>(732,336)</u>	<u>(1,531,816)</u>
General Revenues							
Taxes							
Sales taxes, levied for general purposes					1,161,719	-	1,161,719
Franchise taxes					132,406	-	132,406
Property taxes					57,348	-	57,348
Non-employer pension revenue					23,743	9,285	33,028
Interest and investment earnings					8,624	972	9,596
State beer tax					3,529	-	3,529
Maintenance service fee					5,020	-	5,020
Gain (Loss) on disposal of assets					(78)	-	(78)
Miscellaneous					50,381	-	50,381
Transfers					(338,000)	338,000	-
<u>Total general revenues and transfers</u>					<u>1,104,692</u>	<u>348,257</u>	<u>1,452,949</u>
Change in net position					305,212	(384,079)	(78,867)
Net position - July 1, 2022					9,088,911	8,643,337	17,732,248
Net position - June 30, 2023					<u>9,394,123</u>	<u>8,259,258</u>	<u>17,653,381</u>

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

FUND FINANCIAL STATEMENTS

MAJOR FUND DESCRIPTIONS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

1975 SALES TAX FUND-SEWER AND WATER

To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to the construction and maintenance of the sewer and water system as well as the payment of principal and interest on bonds incurred for the sewer system.

1975 SALES TAX FUND-CAPITAL IMPROVEMENTS

To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to capital improvements.

1989 SALES TAX FUND

To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to public safety law enforcement.

ENTERPRISE FUND

The Utility Fund is used to account for operations that are financed and operated in a manner where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

TOWN OF MAURICE, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

	<u>GENERAL</u>	<u>1975 SALES TAX FUND SEWER AND WATER</u>	<u>1975 SALES TAX FUND CAPITAL IMPROVEMENTS</u>	<u>1989 SALES TAX FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>					
Cash	\$ 863,327	\$ 623,364	\$ 793,040	\$ 6,899	\$ 2,286,630
Investments	152,020	345,269	-	-	497,289
Receivables, net of allowance for uncollectibles					
Taxes	25,032	71,153	71,151	71,154	238,490
Prepaid insurance	13,640				13,640
Interest receivable	29	1,958	-	-	1,987
<u>Total assets</u>	<u>1,054,048</u>	<u>1,041,744</u>	<u>864,191</u>	<u>78,053</u>	<u>3,038,036</u>
<u>LIABILITIES AND FUND EQUITY</u>					
<u>LIABILITIES</u>					
Accounts payable	\$ 26,440	\$ 1,294	\$ -	\$ -	\$ 27,734
Due to LA Law Enforcement Commission	3,156	-	-	-	3,156
Payroll taxes payable	8,210	-	-	-	8,210
Unearned revenue	590,577	-	-	-	590,577
Bond deposit	500	-	-	-	500
<u>Total liabilities</u>	<u>628,883</u>	<u>1,294</u>	<u>-</u>	<u>-</u>	<u>630,177</u>
<u>FUND BALANCES</u>					
Fund balances					
Restricted					
Sales tax dedications	-	1,040,450	864,191	78,053	1,982,694
Nonspendable	13,640	-	-	-	13,640
Unassigned	411,525	-	-	-	411,525
<u>Total fund balances</u>	<u>425,165</u>	<u>1,040,450</u>	<u>864,191</u>	<u>78,053</u>	<u>2,407,859</u>
<u>Total liabilities and fund balances</u>	<u>1,054,048</u>	<u>1,041,744</u>	<u>864,191</u>	<u>78,053</u>	<u>3,038,036</u>

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

TOWN OF MAURICE, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS' BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Total fund balances for governmental funds at June 30, 2023		\$ 2,407,859
Deferred outflows		475,870
Cost of capital assets at June 30, 2023	\$ 8,515,173	
Less: Accumulated depreciation as of June 30, 2023	<u>(959,534)</u>	7,555,639
Long-term liabilities at June 30, 2023		
Lease Payable		(12,820)
Net pension liability		(1,015,919)
Deferred inflows		<u>(16,506)</u>
Net position at June 30, 2023		<u><u>9,394,123</u></u>

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

TOWN OF MAURICE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

	GENERAL	1975 SALES TAX FUND SEWER AND WATER	1975 SALES TAX FUND CAPITAL IMPROVEMENTS	1989 SALES TAX FUND	TOTAL
<u>REVENUES</u>					
Taxes	\$ 189,754	\$ 387,239	\$ 387,239	\$ 387,241	\$ 1,351,473
Licenses and permits	458,856	-	-	-	458,856
Intergovernmental	40,033	-	-	-	40,033
Fines and forfeits	394,590	-	-	-	394,590
Investment income	1,820	5,408	1,351	45	8,624
Miscellaneous	50,381	-	-	-	50,381
<u>Total revenues</u>	<u>1,135,434</u>	<u>392,647</u>	<u>388,590</u>	<u>387,286</u>	<u>2,303,957</u>
<u>EXPENDITURES</u>					
Current					
General and administrative	786,065	12,840	-	-	798,905
Public safety	591,438	-	-	-	591,438
Debt service	5,681	-	-	-	5,681
Capital outlay	181,486	-	-	-	181,486
<u>Total expenditures</u>	<u>1,564,670</u>	<u>12,840</u>	<u>-</u>	<u>-</u>	<u>1,577,510</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u>					
	<u>(429,236)</u>	<u>379,807</u>	<u>388,590</u>	<u>387,286</u>	<u>726,447</u>
<u>OTHER FINANCING SOURCES (USES)</u>					
Operating transfers in	538,070	-	-	-	538,070
Operating transfers out	-	(338,000)	(158,070)	(380,000)	(876,070)
Inception of Capital Lease	7,038	-	-	-	7,038
<u>Total other financing sources (uses)</u>	<u>545,108</u>	<u>(338,000)</u>	<u>(158,070)</u>	<u>(380,000)</u>	<u>(330,962)</u>
<u>NET CHANGE IN FUND BALANCES</u>					
	115,872	41,807	230,520	7,286	395,485
<u>FUND BALANCES, beginning of year</u>					
	<u>309,293</u>	<u>998,643</u>	<u>633,671</u>	<u>70,767</u>	<u>2,012,374</u>
<u>FUND BALANCES, end of year</u>					
	<u>425,165</u>	<u>1,040,450</u>	<u>864,191</u>	<u>78,053</u>	<u>2,407,859</u>

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

TOWN OF MAURICE, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Total net change in fund balances for the year ended June 30, 2023 per Statement of Revenues, Expenditures, and Changes in Fund Balances		\$ 395,485
The net effect of miscellaneous transactions involving capital assets (i.e. sales and disposals) is a decrease to the net position.		(78)
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances.	\$ 181,486	
Depreciation expense for year ended June 30, 2023.	<u>(230,102)</u>	(48,616)
Donated Capital contributions are not reported in the governmental funds. However, in the statement of activities, the fair market value of those assets is recognized as revenue.		29,340
Capital lease payments considered as an expenditure on the Statement of Revenues, Expenditures and Changes in Fund Balance		5,681
Inception of capital lease		(7,038)
Pension expense is based on employer contributions in the government funds Statement of Revenues, Expenditures, and Changes in Fund Balances, but is an actuarially calculated expense on the Statement of Activities.		(93,305)
Non-employer contributions to retirement systems for the benefit of the town employees.		<u>23,743</u>
Total change in net position for the year ended June 30, 2023 per Statement of Activities		<u><u>305,212</u></u>

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

TOWN OF MAURICE, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2023

BUSINESS-TYPE ACTIVITY
ENTERPRISE FUND

ASSETS

CURRENT ASSETS

Cash	\$	69,162
Investments - Certificate of deposit		13,945
Interest receivable		94
Receivables net of allowance for uncollectibles accounts		83,481
Prepaid insurance		33,764
<u>Total current assets</u>		<u>200,446</u>

RESTRICTED ASSETS

Utility deposits-cash		134,329
Sewer System Improvements-cash		2,205
Water System Improvements-cash		43,914
Debt Reserve-cash		116,010
Water Payment Reserve-cash		13,575
Water Short Lived Asset Reserve-cash		13,110
Sewer Short Lived Asset Reserve-cash		5,340
Water Revenue Bond Sinking Fund Series 2008-cash		1,391
Water Revenue Bond Sinking Fund Series 2021-cash		1,046
Sewer Revenue Bond Sinking Fund Series 2011-cash		5,053
Sewer Operational and Maintenance Contingency-cash		32,380
Sewer Short-Lived Assets Fund Series 2011-cash		183,078
<u>Total restricted assets</u>		<u>551,431</u>

PROPERTY, PLANT, AND EQUIPMENT

Utility plant and depreciable assets (net of accumulated depreciation)		17,610,772
Land		433,432
<u>Total property, plant, and equipment</u>		<u>18,044,204</u>
<u>Total assets</u>		<u>18,796,081</u>

DEFERRED OUTFLOWS OF RESOURCES

129,472

LIABILITIES AND NET POSITION

CURRENT LIABILITIES (from current assets)

Accounts payable		28,664
Interest payable		8,215
Sales tax payable		585
State safe drinking water fee		2,861
Bonds payable within one year		185,341
<u>Total</u>		<u>225,666</u>

CURRENT LIABILITIES (from restricted assets)

Customers' deposits		133,699
Bonds payable within one year		7,490
<u>Total</u>		<u>141,189</u>

Total current liabilities 366,855

Continued on next page.

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

TOWN OF MAURICE, LOUISIANA
STATEMENT OF NET POSITION
PROPRIETARY FUND – (CONTINUED)
JUNE 30, 2023

	<u>BUSINESS-TYPE ACTIVITY ENTERPRISE FUND</u>
<u>LONG-TERM LIABILITIES</u>	
Bonds payable	\$ 10,015,004
Net pension liability	280,472
<u>Total long-term liabilities</u>	<u>10,295,476</u>
<u>Total liabilities</u>	<u>10,662,331</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	 <u>3,964</u>
 <u>NET POSITION</u>	
Net Investment in capital assets	7,836,369
Restricted for debt service	363,493
Unrestricted	59,396
<u>Total net position</u>	<u>8,259,258</u>

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

TOWN OF MAURICE, LOUISIANA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

BUSINESS-TYPE ACTIVITY
ENTERPRISE FUND

OPERATING REVENUES

Charges for services	
Water services	\$ 463,084
Sewer services	412,024
Miscellaneous income	
Water and sewer connection fees	167,850
State safe drinking water fee	11,954
Other	33,930
<u>Total operating revenues</u>	<u>1,088,842</u>

OPERATING EXPENSES

Personal service	409,848
Supplies	163,556
Other expenses	349,861
Depreciation and amortization	711,847
<u>Total operating expenses</u>	<u>1,635,112</u>

OPERATING LOSS

(546,270)

NONOPERATING REVENUES (EXPENSES)

Interest income	972
Grant proceeds	17,000
Non-employer pension revenue	9,285
Interest expense	(203,066)
<u>Total nonoperating revenues (expenses)</u>	<u>(175,809)</u>

LOSS BEFORE OPERATING TRANSFERS

(722,079)

CAPITAL CONTRIBUTIONS AND OPERATING TRANSFERS IN (OUT)

Operating transfers in	338,000
<u>Total operating transfers in (out)</u>	<u>338,000</u>

DECREASE IN NET POSITION

(384,079)

NET POSITION, beginning of year

8,643,337

NET POSITION, end of year

8,259,258

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

TOWN OF MAURICE, LOUISIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>BUSINESS-TYPE ACTIVITY</u> <u>ENTERPRISE FUND</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash received from customers	\$ 1,107,256
Cash paid to suppliers	(560,307)
Cash paid to employees	(403,338)
<u>Net cash provided in operating activities</u>	143,611
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u>	
Operating transfers to/from other funds	338,000
<u>Net cash provided by noncapital financing activities</u>	338,000
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING</u> <u>ACTIVITIES</u>	
Acquisition of plant and equipment	(160,270)
Principal paid on loans	(214,006)
Proceeds from bonds	138,690
Interest paid	(252,009)
Cash received from grant	17,000
<u>Net cash used by capital and related financing activities</u>	(470,595)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Interest collected	861
<u>Net cash provided by investing activities</u>	861
<u>NET INCREASE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</u>	11,877
<u>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</u> beginning of year	608,716
<u>CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</u> end of year	620,593
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH</u> <u>PROVIDED (USED) BY OPERATING ACTIVITIES</u>	
Operating loss	\$ (546,270)
Adjustments to reconcile net loss to net cash provided (used) by operating activities	
Depreciation	711,847
(Increase) decrease in accounts receivable	(1,986)
(Increase) decrease in prepaid insurance	(7,586)
Increase (decrease) in accounts payable	(39,866)
Increase (decrease) in safe drinking water payable	171
Increase (decrease) in sales tax payable	391
Increase (decrease) in customer's deposits	20,400
Increase (decrease) in net pension liability	6,510
<u>Total adjustments</u>	689,881
<u>Net cash provided by operating activities</u>	143,611

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

NOTES TO BASIC FINANCIAL STATEMENTS

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Maurice, Louisiana was incorporated on December 27, 1911 and operates under a mayor-council form of government.

The accompanying financial statements of the Town of Maurice, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in the subsequent subsection of this note.

The following is a summary of certain significant accounting policies and practices of the Town of Maurice, Louisiana.

A. FINANCIAL REPORTING ENTITY

The Town of Maurice is a primary government and has no component units. The accompanying basic financial statements present information only on the funds maintained by the Town and do not present information on any other governmental unit.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS(GWFS).

The Statement of Net Position and the Statement of Activities display information on all of the nonfiduciary activities of the Town of Maurice, the primary government, as a whole. They include all funds of the reporting entity. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Net Position at the fund financial statement level.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital 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 Town are organized and operated on the basis of funds and account groups, each of which is considered a separate accounting entity. 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 they are to be spent and the means by which spending activities are controlled.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

B. BASIS OF PRESENTATION (CONTINUED)

The Town reports the following major governmental funds:

Governmental Funds

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

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

1975 Sales Tax Fund Sewer and Water. To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to the construction and maintenance of the sewer and water system as well as the payment of principal and interest on bonds incurred for the sewer system.

1975 Sales Tax Fund Capital Improvements. To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to capital improvements.

1989 Sales Tax Fund. To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to public safety law enforcement.

The Town reports the following major proprietary fund:

Enterprise Fund

Utility Fund. The Utility Fund accounts for water and sewer services to residents of the Town of Maurice. All activities necessary to provide such services are accounted for in this fund including, but not limited to, operations, construction, administration, maintenance, financing and related debt service, and billing and collection.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus is a 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:

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

MEASUREMENT FOCUS (CONTINUED)

- 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 objective of this measurement focus is 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

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

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

Property tax, sales tax, franchise tax, intergovernmental revenue, and investment earnings are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available when cash is received.

The proprietary fund utilizes 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.

Services for water are recorded as revenue when billed to the customers on a monthly route reading cycle. At the end of the year, utility services which have been rendered from the latest date of each route reading cycle to the year-end which are unbilled are not recorded due to the immateriality at June 30, 2023.

PROGRAM REVENUES

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

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (CONTINUED)

ALLOCATION OF INDIRECT EXPENSES

The Town 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 in the Statement of Activities.

D. CASH AND INVESTMENTS

Louisiana statutes authorize the Town to invest in United States Treasury obligations, bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by federal agencies and backed by the United States; bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by United States government instrumentalities, which are federally sponsored; and certificates of deposit.

Bank deposits must be secured by federal depository insurance or the pledge of securities owned by the bank. The market value of the pledged securities must at all times equal or exceed 100% of the uninsured amount on deposit with the bank.

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Town's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law, these deposits, (or the resulting balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the Town or the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At year-end, the carrying amount of the Town's cash and investments was \$3,418,457. The bank balance of cash was \$2,943,159 and of investments was \$511,234. Investments are stated at cost or amortized cost, which approximates market. At June 30, 2023, approximately \$685,763 of the bank balance was covered by FDIC insurance. Deposits in the amount of \$2,768,630 were exposed to custodial credit risk. These deposits are uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the Town's name. The Town does not have a policy for custodial credit risk.

E. CASH AND CASH EQUIVALENTS

For purposes of the Statement of Cash Flows, the Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

F. 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.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

G. INVENTORY

The Town practices the policy of recording materials and supplies as expenditures or expenses when acquired. The Town does not record any of these items as inventory because the amount of the items in stock is insignificant.

H. CAPITAL ASSETS

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

Prior to GASB No. 34, governments were not required to report general infrastructure assets. The Town of Maurice will capitalize infrastructure expenditures as incurred.

In the government-wide financial statements, capital assets are capitalized at historical cost, or estimated historical cost if actual is unavailable, except for donated assets, which are recorded at their acquisition value at the time of donation. The Town maintains a threshold level of \$300 or more for capitalizing capital assets.

Depreciation of all exhaustible capital 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:

Buildings and improvements	10 - 40 years
Furniture and equipment	3 - 25 years
Vehicles	5 - 20 years
Water and sewer system	7 - 40 years

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

It is the policy of the Town to expense material amounts of interest resulting from borrowings in the course of the construction of fixed assets.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as facilities acquisition and construction expenditures of the governmental fund upon acquisition.

I. ALLOWANCE FOR DOUBTFUL ACCOUNTS

Uncollectible amounts due for ad valorem taxes and customers' utility receivables are recognized as bad debt through the establishment of an allowance account at the time information available indicates the uncollectibility of the particular receivables.

J. ENCUMBRANCES

The Town does not employ the encumbrance system of accounting.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

K. COMPENSATED ABSENCES

Employees of the Town of Maurice earn vacation and sick leave on a calendar year basis. Accrued unused sick leave, earned by an employee can be carried forward to succeeding calendar years, not to exceed 90 days. Unused vacation cannot be carried forward to the next calendar year. Upon termination, unused vacation and sick leave is forfeited. Therefore, there is no provision for compensated absences at year-end.

L. STATEMENT OF CASH FLOWS

For the purposes of reporting cash flows, all highly liquid investments, including restricted assets, with an initial maturity of three months or less are considered to be cash equivalents. A schedule of cash, cash equivalents, and restricted cash flows:

	<u>2023</u>
Cash	\$ 69,162
Restricted cash	<u>551,431</u>
<u>Total</u>	<u>\$ 620,593</u>

M. BUDGETS AND BUDGETARY ACCOUNTING

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

1. Prior to the beginning of the fiscal year the Mayor submits to the Town Council an operating and capital budget for the succeeding year.
2. A public meeting is scheduled by the Town Council after allowing for at least 10 days notice to the public at the time the budget is initially submitted to the Town Council.
3. The budget must be finally adopted by the Council no later than the last day of the preceding fiscal year.
4. The Mayor and Town Council may authorize transfers of budgetary amounts within departments and revisions requiring alteration of levels of expenditures or transfers between departments.
5. Operating appropriations, to the extent not expended or encumbered, lapse at year-end. Capital appropriations continue in force until the project is completed or deemed abandoned.
6. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

The budgeted amounts shown in these financial statements as of June 30, 2023, were properly amended during a public meeting held on June 21, 2023.

N. RESTRICTED ASSETS

Restricted assets include cash and interest-bearing deposits of the proprietary fund that are restricted by creditors. The restricted assets include utility meter deposits from customers and cash accounts set up as requirements of bonds payable.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

O. LONG-TERM DEBT

The accounting treatment of long-term debt 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.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

P. REVENUES, EXPENDITURES, AND EXPENSES

Operating 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 revenues and expenses not related to capital and related financing, noncapital financing or investing activities.

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

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 reallocations 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.

Q. EQUITY CLASSIFICATIONS

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

1. Net investment in capital assets - Consist 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.
2. 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.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

Q. EQUITY CLASSIFICATIONS (CONTINUED)

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

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance reports aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. Proprietary fund equity is classified the same as in the government-wide statements.

The nonspendable 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.

- a) 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 for enabling legislation.

2. Committed fund balance – These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Aldermen – the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Board of Aldermen 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.

3. Assigned fund balance – This classification reflects the amounts constrained by the Town's "intent" to be used for specific purposes but are neither restricted nor committed. The Board of Aldermen, Mayor and Town Clerk 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.

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

S. 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.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

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

T. COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the individual fund financial statements. However, comparative data has not been presented in all statements because their inclusion would make certain statements unduly complex and difficult to understand.

U. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

NOTE (2) - RECEIVABLES

Receivables at June 30, 2023 consist of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Accounts	\$ -	\$ 83,481	\$ 83,481
Taxes	238,490	-	238,490
<u>Total</u>	<u>238,490</u>	<u>83,481</u>	<u>321,971</u>

The accounts receivable of the Town of Maurice's Utility Fund consisted of billed utility services. An aging schedule is as follows:

	<u>Sewer June 30, 2023</u>		<u>Water June 30, 2023</u>	
	<u>Amounts</u>	<u>Approximate Number of Accounts</u>	<u>Amounts</u>	<u>Approximate Number of Accounts</u>
<u>Days</u>				
Current	\$ 38,239	883	\$ 43,118	924
31-60	998	36	1,126	36
61-90	-	-	-	-
91 and older	6,342	79	7,151	79
Less: Allowance for Doubtful accounts	<u>(6,342)</u>	<u> </u>	<u>(7,151)</u>	<u> </u>
<u>Total</u>	<u>39,237</u>	<u>998</u>	<u>44,244</u>	<u>1,039</u>

The total number of current sewer users at June 30, 2023 is. At June 30, 2023, there were 912 residential and 86 commercial users.

The total number of current water users at June 30, 2023 is 1039 at June 30, 2023 there were 932 residential, 106 commercial, and 1 governmental users.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (2) – RECEIVABLES (CONTINUED)

The sewer rates at June 30, 2023 were as follows:

Residential users at 06/30/23:

Flat \$12.00 per 2,000 gallons or less
 Over 2,000 gallons, \$6.66 per 1,000 gallons

Commercial users at 06/30/23:

Flat \$12.00 per 2,000 gallons or less
 Over 2,000 gallons, \$6.66 per 1,000 gallons

The water rates at June 30, 2023 were as follows:

Residential users at 06/30/23:

Flat \$16.00 per 2,000 gallons or less
 Over 2,000 gallons, \$5.35 per 1,000 gallons

Commercial users at 06/30/23:

Flat \$21.00 per 2,000 gallons or less
 Over 2,000 gallons, \$5.60 per 1,000 gallons

NOTE (3) – PENSION PLANS

The Town participates in two cost-sharing, multiple-employer defined benefit plans, each administered by separate public employee retirement systems. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of all plans administered by these public employee retirement systems to the State Legislature. These plans are not closed to new entrants. Substantially all Town employees participate in one of the following retirement systems:

PLAN DESCRIPTIONS

Municipal Employees' Retirement System (MERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in LRS 11:1731 and 11:1781. The Town participates in Plan B.

State of Louisiana - Municipal Police Employees' Retirement System (MPERS) provides retirement, disability, and survivor benefits to eligible employees and their beneficiaries as defined in the LRS 11:2211 and 11:2220.

The system's financial statements are prepared using the accrual basis of accounting. Employer and employee contributions are recognized in the period in which the employee is compensated for services performed. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Interest income is recognized when earned. Ad valorem taxes and revenue sharing monies are recognized in the year collected by the tax collector. A brief summary of eligibility and benefits of the plans are provided in the following table:

	<u>MERS</u>	<u>MPERS</u>
Final average salary	Highest 60 months	Highest 36 months (1) or highest 60 months (2)
Years of service required and/or age eligible for benefits	30 years at any age 10 years at age 60	25 years at any age 12 years at age 55 20 years at any age (3) 30 years at any age (4) 25 years at age 55 (4) 10 years at age 60 (4)
Benefit percent per years of service	2.00%	2.50% - 3.00% (5)

(1) Membership prior to January 1, 2013

(2) Membership commencing January 1, 2013

(3) With actuarial reduced benefits

(4) Under Non Hazardous Duty sub plan commencing January 1, 2013

(5) As of January 1, 2013, Non Hazardous Duty Plan rate is 2.50% and Hazardous Duty Plan rate is 3.00%; Prior to January 1, 2013, rate is 3.33%

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (3) – PENSION PLANS (CONTINUED)

CONTRIBUTIONS

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. In addition, MERS receives a percentage of ad valorem taxes collected by parishes and MPERS receives a percentage of insurance premium taxes from the state. These entities are not participating employers in the pension systems and are considered to be non-employer contributing entities. Contributions of employees, employers, and non-employer contributing entities effective for the year ended June 30, 2023 for the plans in which the Town is a participating employer were as follows:

<u>Plan</u>	<u>Active Member Contribution Percentage</u>	<u>Employer Contribution Percentage</u>	<u>Amount from Non-employer Contributing Entities</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
MERS	5.00%	15.50%	\$ 14,061	\$ 60,300	\$ 24,421
MPERS	10.00%	31.25%	18,967	78,308	26,945
			<u>33,028</u>	<u>138,608</u>	<u>51,366</u>

NET PENSION LIABILITY

At June 30, 2023, the Town's net pension liability is comprised of its proportionate share of the net pension liability relating to each of the cost-sharing, multiple-employer plans in which the Town is a participating employer. The Town's net pension liability for each plan was measured as of the plan's measurement date, June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportionate share of the net pension liability for each of the plans in which it participates was based on the Town's required contributions in proportion to total required contributions for all employers. As of the most recent measurement date, the Town's proportion for each plan and the change in proportion from the prior measurement date were as follows:

<u>Plan</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Proportionate Share (%) of Net Pension Liability</u>	<u>Increase/(Decrease) from Prior Measurement Date</u>
MERS	\$ 424,842	0.483884%	0.076853%
MPERS	871,549	0.085264%	0.016545%
	<u>1,296,391</u>		

Since the measurement date of the net pension liability was June 30, 2022, the net pension liability is based upon fiduciary net position for each of the plans as of those dates. Detailed information about each pension plan's assets, deferred outflows, deferred inflows, and fiduciary net position that was used in the measurement of the Town's net pension liability is available in the separately issued plan financial reports for those fiscal years. The financial report for each plan may be accessed on their website as follows:

MERS – <http://www.mersla.com/>
MPERS – <http://www.lampers.org/>

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (3) – PENSION PLANS (CONTINUED)

ACTUARIAL ASSUMPTIONS

The following table provides information concerning actuarial assumptions used in the determination of the total net pension liability for each of the retirement plans in which the Town is a participating employer:

	<u>MERS</u>	<u>MPERS</u>
Date of experience study on which significant assumptions are based	7/1/2013 - 6/30/2018	7/1/2014 - 6/30/2019
Expected remaining service lives	3	4
Inflation rate	2.50%	2.50%
Projected salary increases	4.90% - 7.4%	4.70% - 12.30%
Projected benefit changes including COLAs	None	None
Source of mortality assumptions	(1), (2), (3)	(4), (5), (6)

(1) PubG-2010(B) Healthy Retiree Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.

(2) PubG-2010(B) Employee Table set equal to 120% for males and females, each adjusted using their respective male and female MP2018 scales.

(3) PubNS-2010(B) Disabled Retiree Table set equal to 120% for males and females with the full generational MP2018 scale.

(4) For annuitants and beneficiaries, the Pub-2010 Public Retirement Plan Mortality Table for Safety Below-Median Healthy Retirees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.

(5) For disabled lives, the Pub-2010 Public Retirement Plans Mortality Table for Safety Disable Retirees multiplied by 105% for males and 115% for females, each with full generational projection using the MP2019 scale.

(6) For employees, the Pub-2010 Public Retirement Plans Mortality Table for Safety Below-Median Employees multiplied by 115% for males and 125% for females, each with full generational projection using the MP2019 scale.

COST OF LIVING ADJUSTMENTS

The pension plans in which the Town participates have the authority to grant cost-of-living adjustments (COLAs) on an ad hoc basis. Pursuant to LRS 11:242(B), the power of the Board of Trustees of the statewide systems (MERS and MPERS) to grant a COLA if effective in calendar years that the legislature fails to grant a COLA, unless in the legislation granting a COLA, the legislature authorizes the Board of Trustees to provide an additional COLA. The authority to grant a COLA by the Board is subject to the funded status and interest earnings. The effects of the benefit changes made as a result of the COLAs is included in the measurement of the total pension liability as of the measurement date at which the ad hoc COLA was granted and the amount is known and reasonable estimable.

DISCOUNT RATE

The discount rates used to measure the Town's total pension liability for each plan and the significant assumptions used in the determination of the discount rate for each plan are as follows:

	<u>MERS</u>	<u>MPERS</u>
Discount rate	6.850%	6.750%
Change in discount rate from prior valuation	0.000%	0.000%
Plan cash flow assumptions	(1)	(1)
Rates incorporated in the discount rate:		
Long-term rate of return	6.850%	6.750%
Periods applied	All	All
Municipal bond rate	N/A	N/A

(1) Plan member contributions will be made at the current contribution rates and sponsor contributions will be made at the actuarially determined rates

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (3) – PENSION PLANS (CONTINUED)

DISCOUNT RATE (CONTINUED)

The discount rates used to determine the Town's total pension liability for each plan is equal to the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits. For MERS and MPERS, the long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses 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 rates of return by the target asset allocation percentage and by added expected inflation and an adjustment for the effect of rebalancing/diversification.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized for each plan in the following tables:

<u>Asset Class</u>	<u>MERS</u>		<u>MPERS</u>	
	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Equity	53.00%	2.31%	55.50%	3.60%
Fixed Income	38.00%	1.65%	30.50%	0.85%
Alternative	9.00%	0.39%	14.00%	0.95%
Total	<u>100.00%</u>	<u>4.35%</u>	<u>100.00%</u>	<u>5.40%</u>
Inflation		<u>2.60%</u>		<u>2.66%</u>
Expected Nominal Return		<u>6.95%</u>		<u>8.06%</u>

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

Changes in the net pension liability may either be reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended June 30, 2023, the Town recognized \$264,125 in pension expense related to all retirement plans in which it participates. MERS and MPERS recognized revenues in the amount of \$33,028 in ad valorem taxes and insurance premiums collected from non-employer contributing entities. The pension expense and revenues are summarized by plan in the following table:

<u>Plan</u>	<u>Pension Expense</u>	<u>Revenues</u>
MERS	\$ 91,149	\$ 14,061
MPERS	172,976	18,967
	<u>264,125</u>	<u>33,028</u>

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (3) – PENSION PLANS (CONTINUED)

PENSION EXPENSE, DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (CONTINUED)

At June 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>		
	<u>MERS</u>	<u>MPERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ -	\$ 4,298	\$ 4,298
Changes of assumptions	4,552	30,064	34,616
Net difference between projected and actual earnings on pension plan investments	78,132	155,599	233,731
Changes in proportion and differences between actual contributions and proportionate share of contributions	37,726	130,661	168,387
Employer contributions subsequent to the measurement date	75,706	88,604	164,310
Total	<u>196,116</u>	<u>409,226</u>	<u>605,342</u>

	<u>Deferred Inflows of Resources</u>		
	<u>MERS</u>	<u>MPERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 5,405	\$ 7,103	\$ 12,508
Changes of assumptions	-	6,483	6,483
Net difference between projected and actual earnings on pension plan investments	-	-	-
Changes in proportion and differences between actual contributions and proportionate share of contributions	599	880	1,479
Employer contributions subsequent to the measurement date	-	-	-
Total	<u>6,004</u>	<u>14,466</u>	<u>20,470</u>

Deferred outflows of resources of \$605,342 resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending June 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

<u>Year ended June 30</u>	<u>MERS</u>	<u>MPERS</u>	<u>Total</u>
2023	\$ (36,860)	\$ (105,232)	\$ (142,092)
2024	(34,077)	(78,192)	(112,269)
2025	(8,423)	(41,119)	(49,542)
2026	(35,045)	(81,613)	(116,658)
Total	<u>(114,405)</u>	<u>(306,156)</u>	<u>(420,561)</u>

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (3) – PENSION PLANS (CONTINUED)

SENSITIVITY TO CHANGES IN THE DISCOUNT RATE

The following presents the Town's proportionate shares of the net pension liabilities of the plans, calculated using their respective discount rates, as well as what the Town's proportionate shares of the net pension liabilities would be if they were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

<u>Plan</u>	<u>Current Discount Rate</u>	<u>Net Pension Liability</u>		
		<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
MERS	6.850%	\$ 579,141	\$ 424,842	\$ 294,342
MPERS	6.750%	1,220,002	871,549	580,476
Total		<u>1,799,143</u>	<u>1,296,391</u>	<u>874,818</u>

PAYABLES TO THE PENSION PLAN

At June 30, 2023, the Town did not have a payable to the Municipal Employees' Retirement System (MERS) or the Municipal Police Employees' Retirement System (MPERS) for the employer's portion of contractually required contributions to the pension plans for the month of June.

ESTIMATES

The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Accordingly, actual results may differ from estimated amounts.

NOTE (4) – UNEARNED REVENUE

Unearned revenue of \$592,256 at June 30, 2023 consists of federal awards received under the American Rescue Plan Act (ARPA). The ARPA established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) on March 11, 2021, to provide governments with the resources needed to respond to the pandemic and its economic effects and to build a stronger, more equitable economy during the recovery. The Town is required to spend these funds in accordance with assistance listing 21.027 guidance. These funds must be obligated by December 31, 2024 and expended by December 31, 2026.

NOTE (5) - AD VALOREM TAXES

Each taxing district in the parish sets its own millage based on election results and various guidelines. The tax roll is then prepared by the Parish Assessor, who submits the information to the Town. The Town then bills and collects its own property taxes. The ad valorem tax is due on or before December 31 and becomes delinquent on January 1. The Town levied 2.41 mills general alimony tax for the year ended June 30, 2023 on property with assessed valuation totaling \$22,751,263. Total tax levied was \$54,831. Ad valorem tax receivable at June 30, 2023 was \$192 net of an allowance for uncollectable accounts of \$287.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (6) - CAPITAL ASSETS

Capital assets and depreciation, as of and for the year ended June 30, 2023, for the Town of Maurice is as follows:

	<u>Balances</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers and</u> <u>Adjustments</u>	<u>Balances</u> <u>June 30, 2023</u>
Governmental activities					
Land	\$ 251,200	\$ -	\$ -	\$ -	\$ 251,200
Buildings and improvements	412,781	-	-	-	412,781
Equipment	152,491	49,779	1,442	-	200,828
Furniture and fixtures	89,765	9,120	9,116	-	89,769
Vehicles	240,282	35,810	30,000	-	246,092
Other structures and improvements	7,198,771	41,320	385	-	7,239,706
<u>Totals at historical cost</u>	<u>8,345,290</u>	<u>136,029</u>	<u>40,943</u>	<u>-</u>	<u>8,440,376</u>
Less accumulated depreciation					
Buildings and improvements	128,020	10,743	-	-	138,763
Equipment	78,786	12,145	1,364	-	89,567
Furniture and fixtures	68,068	6,811	9,116	-	65,763
Vehicles	126,910	22,045	30,000	-	118,955
Other structures and improvements	368,513	178,358	385	-	546,486
<u>Total accumulated depreciation</u>	<u>770,297</u>	<u>230,102</u>	<u>40,865</u>	<u>-</u>	<u>959,534</u>
Governmental activities					
Capital assets, net	<u>7,574,993</u>	<u>(94,073)</u>	<u>78</u>	<u>-</u>	<u>7,480,842</u>
	<u>Balances</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers and</u> <u>Adjustments</u>	<u>Balances</u> <u>June 30, 2023</u>
Construction in process	<u>\$ -</u>	<u>\$ 74,797</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,797</u>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 196,181
Public safety	<u>33,921</u>
<u>Total</u>	<u>230,102</u>

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (6) - CAPITAL ASSETS (CONTINUED)

	<u>Balances</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Disposals</u>	<u>Transfers and</u> <u>Adjustments</u>	<u>Balances</u> <u>June 30, 2023</u>
Business-type activities					
Land	\$ 433,432	\$ -	\$ -	\$ -	\$ 433,432
Sewer system	13,748,591	76,990	-	-	13,825,581
Water system	7,555,433	6,900	-	-	7,562,333
Vehicles	82,512	-	-	-	82,512
Machinery and equipment	448,534	76,383	-	-	524,917
Buildings	79,586	-	-	-	79,586
<u>Total at historical cost</u>	<u>22,348,088</u>	<u>160,273</u>	<u>-</u>	<u>-</u>	<u>22,508,361</u>
Less accumulated depreciation					
Sewer system	1,626,462	402,995	-	-	2,029,457
Water system	1,838,344	261,854	-	-	2,100,198
Vehicles	52,519	9,021	-	-	61,540
Machinery and equipment	188,718	35,626	-	-	224,344
Buildings	46,266	2,352	-	-	48,618
<u>Total accumulated depreciation</u>	<u>3,752,309</u>	<u>711,848</u>	<u>-</u>	<u>-</u>	<u>4,464,157</u>
Business-type, activities					
Capital assets, net	<u>18,595,779</u>	<u>(551,575)</u>	<u>-</u>	<u>-</u>	<u>18,044,204</u>

NOTE (7) - SALES TAXES

One half (1/2) of the proceeds of the 1975 1% sales and use tax is dedicated to constructing, acquiring, extending, improving, operating and maintaining a new sanitary sewer and water system for the Town of Maurice, and purchasing and acquiring the necessary land, equipment and furnishings; therefore, title to which shall be in the public, said tax to be subject to funding into bonds by the Town and/or used to pay principal and interest on any bonds or funded indebtedness of the Town incurred for the sewer and water systems to the extent and in the manner permitted by the laws of Louisiana. The remaining one half (1/2) is dedicated to capital improvements.

Proceeds of the 1989 1/2% sales tax are dedicated to fund law enforcement, including salaries, equipment and other necessary operating expenses.

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (8) - INTERFUND TRANSACTIONS

Transfers consisted of the following at June 30, 2023:

	Transfers In	Transfers Out
Major Funds		
Governmental Funds		
General	\$ 538,070	\$ -
1975 Sales Tax Sewer and Water	-	338,000
1975 Sales Tax Capital Improvements	-	158,070
1989 Sales Tax	-	380,000
Proprietary Fund		
Utility Fund	338,000	-
	876,070	876,070

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute requires to expend them and to (b) use unrestricted revenues collected in the utility fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE (9) - LONG-TERM OBLIGATIONS

On January 24, 2008, the Town issued \$250,000 of Certificates of Revenue Bond Series 2008, of which \$213,000 bears interest at the rate of 4.50% and \$37,000 bears interest at the rate of -0- %. The bond has a final maturity of January 1, 2033.

For the payment of the principal and the interest on the Revenue Bonds Series 2008, a Sinking Fund must be established and maintained with the regularly designated fiscal agent bank of the Town. The Town shall deposit in said Sinking Fund monthly in advance on or before the 20th day of each month a sum equal to one-sixth of the next interest payment date and a sum equal to one-twelfth of the principal falling due on the next principal payment date.

On June 30, 2011, the Town issued \$1,314,000 of Sewer Revenue Bonds Series 2011 of which bears interest at a rate of 3.38%. The bonds have a final maturity of July 5, 2051.

On July 5, 2011, the Town issued \$100,000 of Sewer Revenue Bonds Series 2011 which bears interest at a rate of 3.25%. The bonds have a final maturity of July 5, 2051.

On September 17, 2020, the Town issued \$7,214,000 of Sewer Revenue Bonds Series 2020 No R-1 which bears interest at the rate of 1.875% with a final maturity of September 17, 2060.

Under the terms of the Sewer Revenue Bonds Series 2011 and 2020 the following funds are to be maintained by the Town:

For the payment of the principal and the interest on the Bonds, a Debt Service Fund must established and maintained with monthly payments in the amount of 1/12 of the principal and interest for the immediately preceding bond year.

The Reserve Fund is established to care for extensions, additions, improvements, renewals and replacements necessary to properly operate the system. The Town is required to make monthly payments in the amount of \$506 from October 2020 to August 2021 and \$2,684 starting in September 2021 into the Reserve Fund until \$60,624 has been accumulated therein. The payments commence in the month following completion of and acceptance of the sewer system improvements.

The Contingency Fund is established to care for extensions, additions, improvements, renewals, and replacements necessary to properly operate the system. The Town is required to make monthly payments in the

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (9) - LONG-TERM OBLIGATIONS (CONTINUED)

amount of \$254 into the Debt Service Fund until \$60,624 has been accumulated then it shall increase to \$507 per month. The payments commence in the month following completion of and acceptance of the sewer system improvements.

The Asset Fund is established to provide for the maintenance and replacement of short-lived assets of the system and is to be funded in monthly installments in the amount of \$2,638 on the 20th day of each month. The payments commence in the month following completion of and acceptance of the sewer system improvements.

On June 24, 2021, the Town issued \$2,210,000 of Water Revenue Bonds Series 2021 No R-1 of which bears interest at a rate of 2.25% with a final maturity of June 24, 2061.

For the payment of the principal and the interest on the Bonds, a Debt Service Fund must be established and maintained with monthly payments in the amount of 1/12 of the principal and interest for the immediately preceding bond year.

The Reserve Fund is established to care for extensions, additions, improvements, renewals, and replacements necessary to properly operate the system. The Town is required to make monthly payments in the amount of \$415 from July 2021 to June 2022 and \$712 starting in July 2022 into the Reserve Fund until \$85,404 has been accumulated therein. The payments commence in the month following completion of and acceptance of the sewer system improvements.

The Asset Fund is established to provide for the maintenance and replacement of short-lived assets of the system and is to be funded in monthly installments in the amount of \$544.12 on the 20th day of each month. The payments commence in the month following completion of and acceptance of the sewer system improvements.

A summary of changes in long-term debt is as follows:

<u>Description of Debt</u>	<u>Balances</u> <u>7/1/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balances</u> <u>6/30/23</u>
Revenue Bonds				
Series 2008 at 4.5%	\$ 22,000	\$ -	\$ 22,000	\$ -
Sewer Revenue Bonds				
Series 2011 No R-1 at 3.38%	1,036,265	-	23,132	1,013,133
Sewer Revenue Bonds				
Series 2011 No R-2 at 3.25%	84,977	-	1,944	83,033
Water Revenue Bonds				
Series 2021 No. R-1 at 2.25%	2,184,002	-	40,396	2,143,606
Sewer Revenue Bonds				
Series 2020 No. R-1 at 1.875%	6,955,907	138,689	126,534	6,968,062
	<u>10,283,151</u>	<u>138,689</u>	<u>214,006</u>	<u>10,207,834</u>

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (9) - LONG-TERM OBLIGATIONS (CONTINUED)

Maturities of long-term debt are scheduled as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 192,831	\$ 214,641	\$ 407,472
2025	196,985	210,487	407,472
2026	201,207	206,238	407,445
2027	205,580	201,892	407,472
2028	210,024	197,448	407,472
2029-2033	1,123,425	916,932	2,040,357
2034-2038	1,247,842	789,518	2,037,360
2039-2043	1,390,667	646,693	2,037,360
2044-2048	1,550,909	486,451	2,037,360
2049-2053	1,599,734	310,562	1,910,296
2054-2058	1,580,412	153,828	1,734,240
Thereafter	708,218	17,507	725,725
<u>Total</u>	<u>10,207,834</u>	<u>4,352,197</u>	<u>14,560,031</u>

CAPITAL LEASE

On April 15, 2022, the Town of Maurice entered into a capital lease for four tasers for the police department. The lease is for a period of five years and requires annual principal only payments of \$2,866 . The capitalized cost of \$14,329 less accumulated depreciation of \$3,821 is included in capital assets. Depreciation expense for the tasers was \$2866.

On January 01, 2023, the Town of Maurice entered into a capital lease for two tasers for the police department. The lease is for a period of 4.25 years and requires annual principal only payments of \$1,408 . The capitalized cost of \$7,038 less accumulated depreciation of \$828 is included in capital assets. Depreciation expense for the tasers was \$828.

Future minimum lease payments are as follows:

<u>Year ending June 30,</u>	<u>Lease payment</u>
2024	\$ 4,274
2025	4,273
2026	4,273
	<u>12,820</u>

TOWN OF MAURICE, LOUISIANA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE (10) - OTHER POST – EMPLOYMENT BENEFITS

The Town of Maurice does not provide any post-employment benefits to retirees other than pension and therefore is not required to report under GASB Statement No. 75, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

NOTE (11) – FUND BALANCE CONSTRAINTS

The constraints on fund balance as listed in aggregate in the Statement of Revenues, Expenditures, and Changes in Fund Balance are detailed according to balance classification.

	<u>Governmental Funds</u>
Fund Balance:	
Nonspendable	
Prepaid Insurance	\$ 13,640
Restricted	
Sales tax dedications	1,982,694
Committed	-
Assigned	-
Unassigned	411,525
Total Fund Balance	2,407,859

NOTE (12) - SUBSEQUENT EVENTS

Subsequent events were evaluated through December 20, 2023, which is the date the financial statements were available to be issued. As of December 20, 2023, there was one subsequent event. In February 2023, the Town of Maurice was notified by the State of Louisiana Office of Community Development of an award from the Water Sector Program (WSP) fund in the amount of \$1,643,000 to construct a Water Tower on the property where the South Wastewater Treatment Facility is located and tie in the water system on Etienne and Beau Road. The Town will also be providing two sources of local funds which consist of \$226,000 from the Town of Maurice funds and ARPA funds in the amount of \$385,000. As of December 20, 2023, the project has not started; therefore, no funds have been drawn down from the grant.

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Taxes	\$ 154,175	\$ 188,733	\$ 189,754	\$ 1,021
Fines	402,000	369,497	394,590	25,093
Licenses and permits	283,000	383,722	458,856	75,134
Intergovernmental	20,200	40,096	40,033	(63)
Investment income	600	1,088	1,820	732
Miscellaneous	17,400	35,140	50,381	15,241
<u>Total revenues</u>	<u>877,375</u>	<u>1,018,276</u>	<u>1,135,434</u>	<u>117,158</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative	783,769	818,062	786,065	31,997
Public safety	591,900	580,834	591,438	(10,604)
Debt Service	-	6,818	5,681	1,137
Capital outlay	95,000	213,238	181,486	31,752
<u>Total expenditures</u>	<u>1,470,669</u>	<u>1,618,952</u>	<u>1,564,670</u>	<u>54,282</u>
<u>DEFICIENCY OF REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(593,294)</u>	<u>(600,676)</u>	<u>(429,236)</u>	<u>171,440</u>
<u>OTHER FINANCING SOURCES</u>				
Operating transfers in				
from 1989 Sales Tax Fund	300,050	380,000	380,000	-
from Utility Fund	100,000	-	-	-
from 1975 Sales Tax Capital Improvements	85,000	193,698	158,070	(35,628)
Inception of capital lease	-	-	7,038	7,038
<u>Total other financing sources</u>	<u>485,050</u>	<u>573,698</u>	<u>545,108</u>	<u>(28,590)</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(108,244)</u>	<u>(26,978)</u>	<u>115,872</u>	<u>142,850</u>
<u>FUND BALANCE, beginning of year</u>	<u>495,303</u>	<u>309,293</u>	<u>309,293</u>	<u>-</u>
<u>FUND BALANCE, end of year</u>	<u>387,059</u>	<u>282,315</u>	<u>425,165</u>	<u>142,850</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
1975 SALES TAX FUND SEWER AND WATER
FOR THE YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 300,000	\$ 375,974	\$ 387,239	\$ 11,265
Interest income	1,700	1,505	5,408	3,903
<u>Total revenues</u>	<u>301,700</u>	<u>377,479</u>	<u>392,647</u>	<u>15,168</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative	19,300	20,396	12,840	7,556
<u>Total expenditures</u>	<u>19,300</u>	<u>20,396</u>	<u>12,840</u>	<u>7,556</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>EXPENDITURES</u>	<u>282,400</u>	<u>357,083</u>	<u>379,807</u>	<u>22,724</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out				
to Utility Fund	(550,000)	(338,000)	(338,000)	-
<u>Total other financing uses</u>	<u>(550,000)</u>	<u>(338,000)</u>	<u>(338,000)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(267,600)</u>	<u>19,083</u>	<u>41,807</u>	<u>22,724</u>
<u>FUND BALANCE, beginning of year</u>	<u>970,942</u>	<u>998,643</u>	<u>998,643</u>	<u>-</u>
<u>FUND BALANCE, end of year</u>	<u>703,342</u>	<u>1,017,726</u>	<u>1,040,450</u>	<u>22,724</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
1975 SALES TAX FUND CAPITAL IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

	Budget		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 300,000	\$ 375,974	\$ 387,239	\$ 11,265
Interest income	600	1,277	1,351	74
<u>Total revenues</u>	<u>300,600</u>	<u>377,251</u>	<u>388,590</u>	<u>11,339</u>
<u>EXPENDITURES</u>				
<u>Total expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	<u>300,600</u>	<u>377,251</u>	<u>388,590</u>	<u>11,339</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out to General Fund	(85,000)	(193,698)	(158,070)	35,628
<u>Total other financing uses</u>	<u>(85,000)</u>	<u>(193,698)</u>	<u>(158,070)</u>	<u>35,628</u>
<u>NET CHANGE IN FUND BALANCE</u>	215,600	183,553	230,520	46,967
<u>FUND BALANCE, beginning of year</u>	<u>609,047</u>	<u>633,671</u>	<u>633,671</u>	<u>-</u>
<u>FUND BALANCE, end of year</u>	<u>824,647</u>	<u>817,224</u>	<u>864,191</u>	<u>46,967</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGETARY COMPARISON SCHEDULE
1989 SALES TAX FUND
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Budget</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 300,000	\$ 375,974	\$ 387,241	\$ 11,267
Interest	50	48	45	(3)
<u>Total revenues</u>	<u>300,050</u>	<u>376,022</u>	<u>387,286</u>	<u>11,264</u>
<u>EXPENDITURES</u>				
<u>Total expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>EXPENDITURES</u>	<u>300,050</u>	<u>376,022</u>	<u>387,286</u>	<u>11,264</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out to General Fund	<u>(300,050)</u>	<u>(380,000)</u>	<u>(380,000)</u>	<u>-</u>
<u>Total other financing uses</u>	<u>(300,050)</u>	<u>(380,000)</u>	<u>(380,000)</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>-</u>	<u>(3,978)</u>	<u>7,286</u>	<u>11,264</u>
<u>FUND BALANCE, beginning of year</u>	<u>46,145</u>	<u>70,767</u>	<u>70,767</u>	<u>-</u>
<u>FUND BALANCE, end of year</u>	<u>46,145</u>	<u>66,789</u>	<u>78,053</u>	<u>11,264</u>
See Independent Auditor's Report.				

PENSION PLAN SCHEDULES

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED JUNE 30, 2023

Schedule for Municipal Employee Retirement System:

Fiscal Year*	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2023	0.48388%	\$ 424,842	\$ 488,422	86.98%	69.56%
2022	0.40703%	235,797	389,031	60.61%	79.14%
2021	0.40851%	370,205	312,813	118.35%	66.26%
2020	0.38029%	332,686	290,724	114.43%	66.14%
2019	0.33040%	279,464	244,855	114.13%	65.60%
2018	0.36306%	314,130	269,479	116.57%	62.49%
2017	0.35476%	294,061	260,634	112.83%	63.34%
2016	0.36757%	249,816	255,039	97.95%	68.70%

Schedule for Municipal Police Employee Retirement System:

Fiscal Year*	Employer's Proportion of the Net Pension Liability	Employer's Proportionate Share of the Net Pension Liability	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2023	0.08526%	\$ 871,549	\$ 283,532	307.39%	70.80%
2022	0.06872%	366,310	263,220	139.16%	84.09%
2021	0.06662%	615,716	209,652	293.68%	70.94%
2020	0.05293%	481,165	165,456	290.81%	71.01%
2019	0.07284%	615,811	214,965	286.47%	71.89%
2018	0.07266%	634,318	216,901	292.45%	70.08%
2017	0.06560%	614,857	209,007	294.18%	66.04%
2016	0.05865%	459,493	131,609	349.13%	70.70%
2015	0.05742%	359,237	130,511	275.25%	76.90%

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

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2023

Schedule for Municipal Employee Retirement System:

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in Relation to		(a-b) Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
		statutorily required contribution	statutorily required contribution			
2023	\$ 75,705	\$	75,705	-	488,422	15.50%
2022	60,300		60,300	-	389,031	15.50%
2021	48,486		48,486	-	312,813	15.50%
2020	44,322		44,322	-	316,583	14.00%
2019	40,701		40,701	-	290,724	14.00%
2018	32,443		32,443	-	244,855	13.25%
2017	29,643		29,643	-	269,479	11.00%
2016	24,760		24,760	-	260,634	9.50%
2015	24,229		24,229	-	255,039	9.50%

Schedule for Municipal Police Employee Retirement System:

Fiscal Year*	(a) Statutorily Required Contribution	(b) Contributions in Relation to		(a-b) Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
		statutorily required contribution	statutorily required contribution			
2023	\$ 88,604	\$	88,604	-	\$ 283,532	31.25%
2022	78,308		78,308	-	263,220	29.75%
2021	70,758		70,758	-	209,652	33.75%
2020	63,872		63,872	-	196,530	32.50%
2019	53,360		53,360	-	165,456	32.25%
2018	66,102		66,102	-	214,965	30.75%
2017	68,866		68,866	-	216,901	31.75%
2016	61,657		61,657	-	209,007	29.50%
2015	49,489		49,489	-	157,109	31.50%

*Amounts presented were determined as of the end of the fiscal year.

Schedules are intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

(1) 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 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 plan.

Amounts reported in the fiscal year ended June 30, 2022 for the various pension plans reflect the following changes used to measure the total pension liabilities:

Valuation Date	MERS		MPERS	
	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022
Investment Rate of Return (Discount Rate)	6.850%	6.850%	6.750%	6.750%
Inflation rate	2.500%	2.500%	2.500%	2.500%

(2) Budget

Basis of Accounting

See Note 1 for basis of accounting.

Budgetary Practices

See Note 1 for budgetary adoption procedures.

SUPPLEMENTARY INFORMATION

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The General Fund has a greater number and variety of revenue sources than any other fund, and its resources normally finance a wider range of activities. The resources of the General Fund are ordinarily largely expended and replenished on an annual basis.

TOWN OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Cash	\$ 863,327	\$ 563,704
Investments	152,020	51,327
Receivables, net of allowance for uncollectibles		
Taxes	25,032	27,268
Prepaid insurance	13,640	12,583
Interest receivable	29	190
<u>Total assets</u>	<u>1,054,048</u>	<u>655,072</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES</u>		
Accounts payable	\$ 26,440	\$ 33,053
Payroll taxes payable	8,210	8,067
Retirement payable	-	9,559
Due to LA Law Enforcement Commission	3,156	2,054
Unearned revenue	590,577	292,546
Bond deposit	500	500
<u>Total liabilities</u>	<u>628,883</u>	<u>345,779</u>
 <u>FUND BALANCE</u>		
Nonspendable	13,640	12,583
Unassigned	411,525	296,710
<u>Total fund balance</u>	<u>425,165</u>	<u>309,293</u>
<u>Total liabilities and fund balance</u>	<u>1,054,048</u>	<u>655,072</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		Variance Favorable (Unfavorable)	2022 Actual
	Budget	Actual		
<u>REVENUES</u>				
Taxes	\$ 188,733	\$ 189,754	\$ 1,021	\$ 161,143
Fines	369,497	394,590	25,093	411,986
Licenses and permits	383,722	458,856	75,134	331,428
Intergovernmental	40,096	40,033	(63)	330,987
Investment income	1,088	1,820	732	756
Miscellaneous	35,140	50,381	15,241	39,752
<u>Total revenues</u>	<u>1,018,276</u>	<u>1,135,434</u>	<u>117,158</u>	<u>1,276,052</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative	818,062	786,065	31,997	710,406
Public safety	580,834	591,438	(10,604)	548,091
Debt Service	6,818	5,681	1,137	2,866
Capital outlay	213,238	181,486	31,752	728,900
<u>Total expenditures</u>	<u>1,618,952</u>	<u>1,564,670</u>	<u>54,282</u>	<u>1,990,263</u>
<u>DEFICIENCY OF REVENUES</u>				
<u>UNDER EXPENDITURES</u>	<u>(600,676)</u>	<u>(429,236)</u>	<u>171,440</u>	<u>(714,211)</u>
<u>OTHER FINANCING SOURCES</u>				
Operating transfers in				
from 1989 Sales Tax Fund	380,000	380,000	-	403,000
from 1975 Sales Tax Capital Improvements	193,698	158,070	(35,628)	352,303
Inception of capital lease	-	7,038	7,038	14,329
<u>Total other financing sources</u>	<u>573,698</u>	<u>545,108</u>	<u>(28,590)</u>	<u>769,632</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(26,978)</u>	<u>115,872</u>	<u>142,850</u>	<u>55,421</u>
<u>FUND BALANCE</u> , beginning of year	<u>309,293</u>	<u>309,293</u>	<u>-</u>	<u>253,872</u>
<u>FUND BALANCE</u> , end of year	<u>282,315</u>	<u>425,165</u>	<u>142,850</u>	<u>309,293</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATIVE DETAILED SCHEDULES OF REVENUES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		Variance Favorable (Unfavorable)	2022 Actual
	Budget	Actual		
<u>TAXES</u>				
Property tax	\$ 57,023	\$ 57,348	\$ 325	\$ 46,553
Franchise - electric	110,547	108,386	(2,161)	95,417
Franchise - cable television	9,106	11,963	2,857	11,728
Franchise - gas	10,659	10,659	-	6,833
Franchise - internet	1,398	1,398	-	612
<u>Total taxes</u>	<u>188,733</u>	<u>189,754</u>	<u>1,021</u>	<u>161,143</u>
<u>FINES</u>				
Fines	369,497	394,590	25,093	411,986
<u>Total fines</u>	<u>369,497</u>	<u>394,590</u>	<u>25,093</u>	<u>411,986</u>
<u>LICENSES AND PERMITS</u>				
Occupational licenses	153,271	184,387	31,116	135,260
Building permits	230,451	274,469	44,018	196,168
<u>Total licenses and permits</u>	<u>383,722</u>	<u>458,856</u>	<u>75,134</u>	<u>331,428</u>
<u>INTERGOVERNMENTAL</u>				
State beer tax	3,592	3,529	(63)	3,632
Maintenance service fees	5,020	5,020	-	5,020
State grants	20,000	20,000	-	259,841
Parish Government	-	-	-	44,927
Federal grants	-	-	-	6,083
Historical Society State Grant	11,484	11,484	-	11,484
<u>Total intergovernmental</u>	<u>40,096</u>	<u>40,033</u>	<u>(63)</u>	<u>330,987</u>
<u>INVESTMENT INCOME</u>				
Interest income	1,088	1,820	732	756
<u>MISCELLANEOUS</u>				
Accident reports	1,146	1,421	275	999
Other	33,994	48,960	14,966	38,753
<u>Total miscellaneous</u>	<u>35,140</u>	<u>50,381</u>	<u>15,241</u>	<u>39,752</u>
<u>Total revenues</u>	<u>1,018,276</u>	<u>1,135,434</u>	<u>117,158</u>	<u>1,276,052</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATAIVE DETAILED SCHEDULES OF EXPENDITURES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>		Variance Favorable (Unfavorable)	2022 Actual
	<u>Budget</u>	<u>Actual</u>		
<u>GENERAL AND ADMINISTRATIVE</u>				
<u>Personal services</u>				
Salaries	\$ 226,100	\$ 225,768	\$ 332	\$ 206,121
Payroll taxes	18,659	18,580	79	15,309
Retirement	25,028	25,706	(678)	19,996
<u>Supplies</u>				
Office supplies and postage	12,837	13,438	(601)	10,803
Uniform and mats rental	6,896	5,876	1,020	4,773
Maintenance supplies	1,554	3,210	(1,656)	2,506
<u>Other</u>				
Medical	701	584	117	640
Insurance	73,748	74,090	(342)	65,918
Utilities	49,085	48,314	771	42,572
Automobile expense	8,053	5,563	2,490	7,185
Telephone	4,631	5,108	(477)	4,538
Security service	252	280	(28)	575
Professional expense	274,462	259,099	15,363	226,940
Repairs and maintenance	19,476	16,616	2,860	22,007
Miscellaneous	2,352	2,031	321	1,860
Parks and recreation	20,600	2,977	17,623	2,310
Dues and subscriptions	4,205	4,204	1	3,879
Advertising	5,857	5,861	(4)	5,110
Travel expense	1,824	1,573	251	1,555
Trash collection	2,923	3,023	(100)	2,201
Historical Society	11,484	11,484	-	11,484
Equipment rental	3,017	2,955	62	2,859
LA Law Enforcement Commission	2,279	2,575	(296)	2,705
Crime lab	23,796	25,300	(1,504)	28,710
Continued education	1,104	920	184	1,045
Interest	12	3,866	(3,854)	-
Maurice Volunteer Fire Department	8,000	8,000	-	8,000
Vermilion Parish Development	750	750	-	750
V.P. drug task force	8,000	8,000	-	8,000
Election cost	377	314	63	55
<u>Total general and administrative</u>	<u>818,062</u>	<u>786,065</u>	<u>31,997</u>	<u>710,406</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
GENERAL FUND
COMPARATIVE DETAILED SCHEDULES OF EXPENDITURES
BUDGET AND ACTUAL (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>		Variance Favorable (Unfavorable)	2022 Actual
	<u>Budget</u>	<u>Actual</u>		
<u>PUBLIC SAFETY</u>				
<u>Personal services</u>				
Salaries	\$ 344,090	\$ 353,397	\$ (9,307)	\$ 301,828
Payroll taxes	8,365	8,222	143	9,688
Retirement	85,757	88,549	(2,792)	78,308
<u>Other</u>				
Automobile equipment and maintenance	19,757	21,037	(1,280)	27,441
Communications	6,319	6,650	(331)	7,650
Gas - autos	33,878	27,555	6,323	34,853
Insurance	38,500	39,144	(644)	39,324
Miscellaneous	3,160	7,106	(3,946)	4,585
Police supplies	8,124	11,106	(2,982)	10,086
Telephone	9,428	8,161	1,267	9,609
Travel	1,180	983	197	1,817
Dues and subscriptions	3,648	3,056	592	4,776
Continued education	1,445	2,204	(759)	2,005
Professional services	3,411	3,634	(223)	2,580
Uniforms	4,646	4,842	(196)	4,409
Medical	2,604	2,170	434	-
Repairs and maintenance	6,522	3,622	2,900	9,132
<u>Total public safety</u>	<u>580,834</u>	<u>591,438</u>	<u>(10,604)</u>	<u>548,091</u>
Debt Service	6,818	5,681	1,137	2,866
Capital outlay	213,238	181,486	31,752	728,900
<u>Total expenditures</u>	<u>1,618,952</u>	<u>1,564,670</u>	<u>54,282</u>	<u>1,990,263</u>

See Independent Auditor's Report.

SPECIAL REVENUE FUNDS

1975 SALES TAX FUND-SEWER AND WATER

To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to the construction and maintenance of the sewer and water system as well as the payment of principal and interest on bonds incurred for the sewer system.

1975 SALES TAX FUND-CAPITAL IMPROVEMENTS

To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to capital improvements.

1989 SALES TAX FUND

To account for proceeds of the 1/2% sales and use tax levied by the Town. These proceeds are dedicated to public safety law enforcement.

TOWN OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2023 AND 2022

	<u>1975 SALES TAX FUND SEWER AND WATER</u>	<u>1975 SALES TAX FUND CAPITAL IMPROVEMENTS</u>	<u>1989 SALES TAX FUND</u>	<u>TOTALS</u>	
				<u>2023</u>	<u>2022</u>
 <u>ASSETS</u>					
Cash	\$ 623,364	\$ 793,040	\$ 6,899	\$ 1,423,303	\$ 1,166,990
Investments	345,269	-	-	345,269	342,896
Receivables, net of allowance for uncollectibles					
Taxes	71,153	71,151	71,154	213,458	194,645
Interest receivable	<u>1,958</u>	<u>-</u>	<u>-</u>	<u>1,958</u>	<u>-</u>
 <u>Total assets</u>	 <u>1,041,744</u>	 <u>864,191</u>	 <u>78,053</u>	 <u>1,983,988</u>	 <u>1,704,531</u>
 <u>LIABILITIES AND FUND BALANCES</u>					
<u>LIABILITIES</u>					
Accounts payable	\$ 1,294	\$ -	\$ -	\$ 1,294	\$ 1,450
<u>Total liabilities</u>	<u>1,294</u>	<u>-</u>	<u>-</u>	<u>1,294</u>	<u>1,450</u>
 <u>FUND BALANCES</u>					
Fund balances					
Restricted					
Sales tax dedications	<u>1,040,450</u>	<u>864,191</u>	<u>78,053</u>	<u>1,982,694</u>	<u>1,703,081</u>
<u>Total fund balances</u>	<u>1,040,450</u>	<u>864,191</u>	<u>78,053</u>	<u>1,982,694</u>	<u>1,703,081</u>
 <u>Total liabilities and fund balances</u>	 <u>1,041,744</u>	 <u>864,191</u>	 <u>78,053</u>	 <u>1,983,988</u>	 <u>1,704,531</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>1975 SALES TAX FUND SEWER AND WATER</u>	<u>1975 SALES TAX FUND CAPITAL IMPROVEMENTS</u>	<u>1989 SALES TAX FUND</u>	<u>TOTALS</u>	
				<u>2023</u>	<u>2022</u>
<u>REVENUES</u>					
Taxes					
Sales tax collections	\$ 387,239	\$ 387,239	\$ 387,241	\$ 1,161,719	\$ 1,168,836
Interest income	5,408	1,351	45	6,804	2,370
<u>Total revenues</u>	<u>392,647</u>	<u>388,590</u>	<u>387,286</u>	<u>1,168,523</u>	<u>1,171,206</u>
<u>EXPENDITURES</u>					
Current operating					
General and administrative	12,840	-	-	12,840	16,188
<u>Total expenditures</u>	<u>12,840</u>	<u>-</u>	<u>-</u>	<u>12,840</u>	<u>16,188</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	<u>379,807</u>	<u>388,590</u>	<u>387,286</u>	<u>1,155,683</u>	<u>1,155,018</u>
<u>OTHER FINANCING USES</u>					
Operating transfers out					
to General Fund	-	(158,070)	(380,000)	(538,070)	(755,303)
to Utility Fund	(338,000)	-	-	(338,000)	(147,000)
<u>Total other financing uses</u>	<u>(338,000)</u>	<u>(158,070)</u>	<u>(380,000)</u>	<u>(876,070)</u>	<u>(902,303)</u>
<u>NET CHANGE IN FUND BALANCES</u>	41,807	230,520	7,286	279,613	252,715
<u>FUND BALANCES, beginning of year</u>	<u>998,643</u>	<u>633,671</u>	<u>70,767</u>	<u>1,703,081</u>	<u>1,450,366</u>
<u>FUND BALANCES, end of year</u>	<u>1,040,450</u>	<u>864,191</u>	<u>78,053</u>	<u>1,982,694</u>	<u>1,703,081</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS - 1975 SALES TAX FUND SEWER AND WATER
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		Variance Favorable (Unfavorable)	2022 Actual
	Budget	Actual		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 375,974	\$ 387,239	\$ 11,265	\$ 389,612
Interest income	1,505	5,408	3,903	1,805
<u>Total revenues</u>	<u>377,479</u>	<u>392,647</u>	<u>15,168</u>	<u>391,417</u>
<u>EXPENDITURES</u>				
Current operating				
General and administrative				
Office supplies	7,566	3,421	4,145	7,114
Professional services	12,830	9,419	3,411	9,075
<u>Total expenditures</u>	<u>20,396</u>	<u>12,840</u>	<u>7,556</u>	<u>16,189</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>EXPENDITURES</u>	<u>357,083</u>	<u>379,807</u>	<u>22,724</u>	<u>375,228</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out				
to Utility Fund	(338,000)	(338,000)	-	(147,000)
<u>Total other financing uses</u>	<u>(338,000)</u>	<u>(338,000)</u>	<u>-</u>	<u>(147,000)</u>
<u>NET CHANGE IN FUND BALANCE</u>	19,083	41,807	22,724	228,228
<u>FUND BALANCE, beginning of year</u>	998,643	998,643	-	770,415
<u>FUND BALANCE, end of year</u>	<u>1,017,726</u>	<u>1,040,450</u>	<u>22,724</u>	<u>998,643</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS - 1975 SALES TAX FUND CAPITAL IMPROVEMENTS
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	2023		Variance Favorable (Unfavorable)	2022 Actual
	Budget	Actual		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 375,974	\$ 387,239	\$ 11,265	\$ 389,612
Interest income	1,277	1,351	74	535
<u>Total revenues</u>	<u>377,251</u>	<u>388,590</u>	<u>11,339</u>	<u>390,147</u>
<u>EXPENDITURES</u>				
<u>Total expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>				
	<u>377,251</u>	<u>388,590</u>	<u>11,339</u>	<u>390,147</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out to General Fund	(193,698)	(158,070)	35,628	(352,303)
<u>Total other financing uses</u>	<u>(193,698)</u>	<u>(158,070)</u>	<u>35,628</u>	<u>(352,303)</u>
<u>NET CHANGE IN FUND BALANCE</u>				
	183,553	230,520	46,967	37,844
<u>FUND BALANCE, beginning of year</u>				
	<u>633,671</u>	<u>633,671</u>	<u>-</u>	<u>595,827</u>
<u>FUND BALANCE, end of year</u>				
	<u>817,224</u>	<u>864,191</u>	<u>46,967</u>	<u>633,671</u>
See Independent Auditor's Report.				

TOWN OF MAURICE, LOUISIANA
SPECIAL REVENUE FUNDS - 1989 SALES TAX FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>		Variance Favorable (Unfavorable)	2022 Actual
	<u>Budget</u>	<u>Actual</u>		
<u>REVENUES</u>				
Taxes				
Sales tax collection	\$ 375,974	\$ 387,241	\$ 11,267	\$ 389,612
Interest income	48	45	(3)	31
<u>Total revenues</u>	<u>376,022</u>	<u>387,286</u>	<u>11,264</u>	<u>389,643</u>
<u>EXPENDITURES</u>				
<u>Total expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>EXCESS OF REVENUES OVER</u>				
<u>EXPENDITURES</u>				
	<u>376,022</u>	<u>387,286</u>	<u>11,264</u>	<u>389,643</u>
<u>OTHER FINANCING USES</u>				
Operating transfers out to General Fund	<u>(380,000)</u>	<u>(380,000)</u>	<u>-</u>	<u>(403,000)</u>
<u>Total other financing uses</u>	<u>(380,000)</u>	<u>(380,000)</u>	<u>-</u>	<u>(403,000)</u>
<u>NET CHANGE IN FUND BALANCE</u>	<u>(3,978)</u>	<u>7,286</u>	<u>11,264</u>	<u>(13,357)</u>
<u>FUND BALANCE, beginning of year</u>	<u>70,767</u>	<u>70,767</u>	<u>-</u>	<u>84,124</u>
<u>FUND BALANCE, end of year</u>	<u>66,789</u>	<u>78,053</u>	<u>11,264</u>	<u>70,767</u>

See Independent Auditor's Report.

RELATED REPORTS

James L. Nicholson, Jr., CPA
Michael A. Roy, CPA
Lisa Trouille Manuel, CPA
Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS
www.jsdc-cpas.com

John S. Dowling, CPA - 1904-1984
John Newton Stout, CPA - 1936-2005
Chizal S. Fontenot, CPA - 1955-2012
Russell J. Stelly, CPA - 1942 - 2019
Harold Dupre, CPA - 1931-2019

Van L. Auld, CPA
Molly Fontenot Duplechain, CPA

Retired
Dwight Ledoux, CPA - 1998
Joel Lanclos, Jr., CPA - 2003
G. Kenneth Pavy, II, CPA - 2020

**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**

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice
Maurice, Louisiana

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Maurice, Louisiana, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Town of Maurice's basic financial statements, and have issued our report thereon dated December 20, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Maurice's internal control over financial reporting (internal control) as the basis for designing 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 the Town of Maurice's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Maurice'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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weakness or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-1 and 2023-2 that we consider to be significant deficiencies.

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Maurice, 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

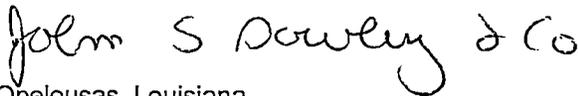
Town of Maurice’s Response to Findings

The Town of Maurice's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. The Town of Maurice'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.

This report is intended solely for the information and use of management of the Town of Maurice, Louisiana, Board of Aldermen, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513 this report is distributed by the Legislative Auditor as a public document.



Opelousas, Louisiana
December 20, 2023

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2023

I. Summary of Audit Results

1. The auditor's report expresses an unmodified opinion on the financial statements of the Town of Maurice as of and for the year ended June 30, 2023.
2. Two significant deficiencies relating to the audit of the financial statements are reported in the 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.
3. No instance of noncompliance material to the financial statements of the Town of Maurice were reported in the 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 Standard.
4. No management letter was issued for the Town of Maurice, as of and for the year ended June 30, 2023.
5. There was no single audit under the Uniform Guidance.

II. Findings – Financial Statement Audit

2023-1 Inadequate Segregation of Duties within the Accounting System

Condition: Certain accounting duties were not adequately segregated for a proper system of checks and balances. The Town clerk prepares the disbursement checks, is one of the two required signatories on checks, distributes the checks, records the transactions in the accounting system, and reconciles the bank accounts. Office employees also have mostly unrestricted access to system applications and data.

Criteria: Proper internal controls dictate that duties be segregated so that no one individual performs or controls all duties related to the accounting system.

Cause: There is inadequate segregation of duties within the accounting system.

Effect: Without adequate segregation of duties and oversight, errors or fraud could occur and not be detected, increasing the risk of loss or theft of Town assets.

Recommendation: The Town should ensure that no single individual controls all facets of the accounting system and that adequate supervision is implemented. Separating incompatible duties and performing supervisory review is significant in reducing risk. It is also recommended that the Mayor remove the signatory authority of the clerk and assign to a designated alderman. Management also should review access by employees in detail and restrict access to applications which are not necessary for their specific duties.

Corrective action plan: Due to limited resources, human and financial, increased segregation of duties is limited. The Mayor now being in office full-time, supervision of all facets of accounting has increased. Aldermen are not available during workday to allow us to efficiently process payments by removing signature authority of clerk. All accounts require two signatures, Mayor, Clerk and/or Mayor Pro-tem in emergency situations. Mayor opens all bank statements, reviews statements prior to clerk reconciling. Mayor reviews all bank reconciliations once completed.

Contact person: Neil Arsement, Mayor

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
JUNE 30, 2023

II. Findings – Financial Statement Audit (Continued)

2023-2 Internal Controls over Capital Assets

Condition: The Town's capital assets were not tagged, and a complete physical inventory had not been conducted.

Criteria: Proper internal controls prevent fraud and errors that could occur and not be detected. Good controls require that assets be tagged for ownership and identification purposes, and that assets are inventoried and reconciled to the detailed records at least annually.

Cause: The Town's capital assets were not tagged, and a complete physical inventory had not been conducted.

Effect: Without strong internal controls over capital assets, errors or fraud could occur and not be detected, increasing the risk of loss or theft.

Recommendation: The Town should tag all capital assets and take a complete physical inventory each fiscal year.

Corrective action plan: The Town will implement an asset control program including a system of tagging for applicable assets. Assets will be listed by departments and reconciled at the end of each fiscal year. Lack of human resources has delayed this project.

Contact person: Neil Arsement, Mayor

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2023

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

2022-1 Inadequate Segregation of Duties within the Accounting System

Repeat comment

2022-2 Internal Controls over Capital Assets

Repeat comment

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

N/A

SECTION III - MANAGEMENT LETTER

N/A

SUPPLEMENTARY SCHEDULES

TOWN OF MAURICE, LOUISIANA
COMPARATIVE STATEMENTS OF NET POSITION – PROPRIETARY FUND
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

ASSETS	SEWER		WATER		TOTAL	
	2023	2022	2023	2022	2023	2022
CURRENT ASSETS						
Cash	\$ 7,005	\$ 25,631	\$ 62,156	\$ 50,573	\$ 69,161	\$ 76,204
Investments - Certificate of deposit	6,973	6,944	6,972	6,945	13,945	13,889
Prepaid insurance	16,882	13,089	16,882	13,089	33,764	26,178
Receivables net of allowance for uncollectable						
Accounts	39,237	38,303	44,244	43,192	83,481	81,495
Interest	47	19	48	20	95	39
<u>Total current assets</u>	<u>70,144</u>	<u>83,986</u>	<u>130,302</u>	<u>113,819</u>	<u>200,446</u>	<u>197,805</u>
RESTRICTED ASSETS						
Utility deposits-cash	67,165	56,854	67,164	56,853	134,329	113,707
Sewer System Improvements-cash	2,205	10,609	-	-	2,205	10,609
Water System Improvements-cash	-	-	43,914	43,914	43,914	43,914
Debt reserve-cash	70,218	64,052	45,792	19,610	116,010	83,662
Water Payment Reserve-cash	-	-	13,575	5,031	13,575	5,031
Water Short Lived Asset Reserve-cash	-	-	13,110	6,581	13,110	6,581
Sewer Short Lived Asset Reserve-cash	5,340	2,287	-	-	5,340	2,287
Water Revenue Bond Sinking Fund Series 2008-cash	-	-	1,391	12,380	1,391	12,380
Water Revenue Bond Sinking Fund Series 2021-cash	-	-	1,046	49,771	1,046	49,771
Sewer Revenue Bond Sinking Fund Series 2011-cash	5,053	5,053	-	-	5,053	5,053
Sewer Operational and Maintenance Contingency-cash	32,380	32,329	-	-	32,380	32,329
Sewer Short-Lived Assets Fund Series 2011-cash	183,078	167,188	-	-	183,078	167,188
<u>Total restricted assets</u>	<u>365,439</u>	<u>338,372</u>	<u>185,992</u>	<u>194,140</u>	<u>551,431</u>	<u>532,512</u>
PROPERTY, PLANT, AND EQUIPMENT						
Utility plant and depreciable assets (net of accumulated depreciation)	12,189,094	12,500,408	5,855,110	6,095,372	18,044,204	18,595,780
<u>Total property, plant, and equipment</u>	<u>12,189,094</u>	<u>12,500,408</u>	<u>5,855,110</u>	<u>6,095,372</u>	<u>18,044,204</u>	<u>18,595,780</u>
<u>Total assets</u>	<u>12,624,677</u>	<u>12,922,766</u>	<u>6,171,404</u>	<u>6,403,331</u>	<u>18,796,081</u>	<u>19,326,097</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>64,736</u>	<u>26,050</u>	<u>64,736</u>	<u>26,051</u>	<u>129,472</u>	<u>52,101</u>

See Independent Auditor's Report.
Continued on next page.

TOWN OF MAURICE, LOUISIANA
COMPARATIVE STATEMENTS OF NET POSITION – PROPRIETARY FUND (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>SEWER</u>		<u>WATER</u>		<u>TOTAL</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>LIABILITIES AND NET ASSETS</u>						
<u>CURRENT LIABILITIES (from current assets)</u>						
Accounts payable	\$ 14,331	\$ 34,264	\$ 14,333	\$ 34,266	\$ 28,664	\$ 68,530
Interest Payable	7,393	7,433	822	49,725	8,215	57,158
Sales tax payable	-	-	585	194	585	194
State safe drinking water fee	-	-	2,861	2,690	2,861	2,690
Bonds payable within one year	153,490	150,345	31,851	45,669	185,341	196,014
<u>Total</u>	<u>175,214</u>	<u>192,042</u>	<u>50,452</u>	<u>132,544</u>	<u>225,666</u>	<u>324,586</u>
<u>CURRENT LIABILITIES (from restricted assets)</u>						
Customers' deposits	66,849	56,649	66,850	56,650	133,699	113,299
Bonds payable within one year	2,472	5,753	5,018	11,680	7,490	17,433
<u>Total</u>	<u>69,321</u>	<u>62,402</u>	<u>71,868</u>	<u>68,330</u>	<u>141,189</u>	<u>130,732</u>
<u>Total current liabilities</u>	<u>244,535</u>	<u>254,444</u>	<u>122,320</u>	<u>200,874</u>	<u>366,855</u>	<u>455,318</u>
<u>LONG-TERM LIABILITIES</u>						
Bond payable	7,908,266	7,921,751	2,106,738	2,147,953	10,015,004	10,069,704
Net pension liability	140,236	79,696	140,236	79,696	280,472	159,392
<u>Total long-term liabilities</u>	<u>8,048,502</u>	<u>8,001,447</u>	<u>2,246,974</u>	<u>2,227,649</u>	<u>10,295,476</u>	<u>10,229,096</u>
<u>Total liabilities</u>	<u>8,293,037</u>	<u>8,255,891</u>	<u>2,369,294</u>	<u>2,428,523</u>	<u>10,662,331</u>	<u>10,684,414</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	<u>1,982</u>	<u>25,223</u>	<u>1,982</u>	<u>25,223</u>	<u>3,964</u>	<u>50,446</u>
<u>NET POSITION</u>						
Net Investment in capital assets	4,124,866	4,422,559	3,711,503	3,890,070	7,836,369	8,312,629
Restricted for debt service	291,016	265,856	72,477	31,222	363,493	297,078
Unrestricted	(21,488)	(20,713)	80,884	54,344	59,396	33,631
<u>Total net position</u>	<u>4,394,394</u>	<u>4,667,702</u>	<u>3,864,864</u>	<u>3,975,636</u>	<u>8,259,258</u>	<u>8,643,338</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION – PROPRIETARY FUND
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	SEWER		WATER		TOTAL	
	2023	2022	2023	2022	2023	2022
<u>OPERATING REVENUES</u>						
Charges for services	\$ 412,024	\$ 380,448	\$ 463,084	\$ 434,669	\$ 875,108	\$ 815,117
Miscellaneous income						
Connection fees	83,925	52,225	83,925	52,225	167,850	104,450
State safe drinking fee	-	-	11,954	10,616	11,954	10,616
Other	16,965	12,092	16,965	12,092	33,930	24,184
<u>Total operating revenues</u>	<u>512,914</u>	<u>444,765</u>	<u>575,928</u>	<u>509,602</u>	<u>1,088,842</u>	<u>954,367</u>
<u>OPERATING EXPENSES</u>						
Personal Service						
Salaries	164,114	138,364	164,114	138,364	328,228	276,728
Payroll Taxes	12,448	10,585	12,448	10,585	24,896	21,170
Retirement	28,362	18,798	28,362	18,798	56,724	37,596
Other						
Materials and supplies	5,456	2,732	158,100	128,630	163,556	131,362
Repairs and maintenance	32,934	6,345	44,320	21,908	77,254	28,253
Equipment rental	1,120	1,072	1,120	1,072	2,240	2,144
Electricity	73,891	45,866	15,559	15,697	89,450	61,563
Insurance	11,718	13,271	14,347	13,782	26,065	27,053
Automobile expense	5,077	2,782	-	-	5,077	2,782
Dues and subscriptions	2,949	5,000	2,949	5,000	5,898	10,000
Travel	925	431	925	431	1,850	862
Telephone	2,216	2,339	2,216	2,339	4,432	4,678
Continuing education	403	1,390	403	1,390	806	2,780
Professional services	13,156	26,000	13,156	26,000	26,312	52,000
Bad debt expense	(609)	2,711	(609)	2,711	(1,218)	5,422
Advertising	206	377	206	377	412	754
Other operating expenses	46,822	41,360	64,461	69,823	111,283	111,183
Depreciation and amortization	426,495	387,241	285,352	249,545	711,847	636,786
<u>Total operating expenses</u>	<u>827,683</u>	<u>706,664</u>	<u>807,429</u>	<u>706,452</u>	<u>1,635,112</u>	<u>1,413,116</u>
<u>OPERATING LOSS</u>	<u>(314,769)</u>	<u>(261,899)</u>	<u>(231,501)</u>	<u>(196,850)</u>	<u>(546,270)</u>	<u>(458,749)</u>

See Independent Auditor's Report.
Continued on next page.

TOWN OF MAURICE, LOUISIANA
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION – PROPRIETARY FUND – (CONTINUED)
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

	<u>SEWER</u>		<u>WATER</u>		<u>TOTAL</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>NONOPERATING REVENUES (EXPENSES)</u>						
Interest income	\$ 486	\$ 324	\$ 486	\$ 324	\$ 972	\$ 648
Grant proceeds	8,000	-	9,000	-	17,000	-
Non-employer pension revenue	4,642	3,437	4,643	3,438	9,285	6,875
Gain/loss on sale of equipment	-	(934)	-	(934)	-	(1,868)
Interest expense	(201,467)	(208,945)	(1,599)	(1,599)	(203,066)	(210,544)
<u>Total nonoperating revenues (expenses)</u>	<u>(188,339)</u>	<u>(206,118)</u>	<u>12,530</u>	<u>1,229</u>	<u>(175,809)</u>	<u>(204,889)</u>
<u>INCOME (LOSS) BEFORE OPERATING TRANSFERS</u>	<u>(503,108)</u>	<u>(468,017)</u>	<u>(218,971)</u>	<u>(195,621)</u>	<u>(722,079)</u>	<u>(663,638)</u>
<u>CAPITAL CONTRIBUTIONS AND OPERATING TRANSFERS IN (OUT)</u>						
Capital Contributions	-	722,056	-	722,056	-	1,444,112
Operating transfers in	229,800	88,200	108,200	58,800	338,000	147,000
<u>Total operating transfers in (out)</u>	<u>229,800</u>	<u>810,256</u>	<u>108,200</u>	<u>780,856</u>	<u>338,000</u>	<u>1,591,112</u>
<u>CHANGE IN NET POSITION</u>	<u>(273,308)</u>	<u>342,239</u>	<u>(110,771)</u>	<u>585,235</u>	<u>(384,079)</u>	<u>927,474</u>
<u>NET POSITION, beginning of year</u>	<u>4,667,702</u>	<u>4,325,463</u>	<u>3,975,635</u>	<u>3,390,400</u>	<u>8,643,337</u>	<u>7,715,863</u>
<u>NET POSITION, end of year</u>	<u>4,394,394</u>	<u>4,667,702</u>	<u>3,864,864</u>	<u>3,975,635</u>	<u>8,259,258</u>	<u>8,643,337</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF COMPENSATION PAID TO GOVERNING BODY
FOR THE YEAR ENDED JUNE 30, 2023

<u>NAME</u>	<u>TERM</u>	<u>POSITION</u>	<u>COMPENSATION</u>
Wayne Theriot	1/1/19 - 12/31/22	Mayor	\$ 16,950
Neil Arsement	1/1/23 - 12/31/26	Mayor	19,000
Phyllis Johnson	1/1/19 - 12/31/22	Alderwoman	3,000
Warren Rost	1/1/19 - 12/31/22	Alderman	3,000
Jonathan Schlicher	1/1/23 - 12/31/26	Alderman	6,000
Megan Lalande	1/1/23 - 12/31/26	Alderwoman	6,600
Troy Catalon	1/1/23 - 12/31/26	Alderman	6,000
Matthew Trahan	1/1/23 - 12/31/26	Alderman	3,000
Scott Trahan	1/1/23 - 12/31/26	Alderman	3,000
<u>Total compensation</u>			66,550

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER
PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER
FOR THE YEAR ENDED JUNE 30, 2023

Agency Head Name: Wayne Theriot, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 16,950
Benefits-insurance	374
Benefits-retirement	-
Benefits	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	3
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

Agency Head Name: Neil Arsement, Mayor

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 19,000
Benefits-insurance	-
Benefits-retirement	-
Benefits	-
Car allowance	-
Vehicle provided by government	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
JUSTICE SYSTEM FUNDING SCHEDULE
JUNE 30, 2023

	Six Month Period Ended <u>12/31/2022</u>	Six Month Period Ended <u>6/30/2023</u>
Beginning Balance of Amounts Collected	\$ -	\$ 151,498
Collections		
Civil Fees	-	-
Bond Fees	-	-
Asset Forfeiture/Sale	-	-
Pre-trial Diversion Program Fees	-	-
Criminal Court Costs/Fees	161,433	257,415
Criminal Fines - Contempt	-	-
Criminal Fines - Other	-	-
Restitution	-	158
Probation/Parole/Supervision Fees	-	-
Service/Collection Fees (e.g. credit card fees, report fees, 3rd party service fees)	-	-
Interest Earnings on Collected Balances	-	-
Other (do not include collections that fit into more specific categories above)	-	-
<u>Total Collections</u>	<u>161,433</u>	<u>257,573</u>
Disbursements to Governments & Nonprofits		
Treasurer, State of Louisiana, Criminal Court Costs/Fees	2,123	2,732
Louisiana Commission on Law Enforcement, Criminal Court Costs/Fees	1,180	1,591
Louisiana Supreme Court, Criminal Court Costs/Fees	267	348
15th Judicial District Indigent Defender Board, Criminal Court Costs/Fees	5,330	6,970
Vermillion Parish Crime Stoppers	1,014	1,302
Amounts Retained by Collecting Agency		
Collection Fee for Collecting/Disbursing to Others Based on Percentage of Collection	-	-
Collection Fee for Collecting/Disbursing to Others Based on Fixed Amount	21	28
Amounts "Self-Disbursed" to Collecting Agency	-	-
Disbursements to Individuals/3rd Party Collection or Processing Agencies		
Civil Fee Refunds	-	-
Bond Fee Refunds	-	-
Restitution Payments to Individuals	-	-
Other Disbursements to Individuals	-	-
Payments to 3rd Party Collection/Processing Agencies	-	-
<u>Subtotal Disbursements/Retainage</u>	<u>9,935</u>	<u>12,971</u>
Total Ending Balance of Amounts Collected but not disbursed/Retained	<u>151,498</u>	<u>396,100</u>
Ending Balance of "Partial Payments" Collected but not Disbursed	<u>-</u>	<u>-</u>
Other Information:		
Ending Balance of Total Amounts Assessed but not yet Collected	<u>-</u>	<u>-</u>
Total Waivers During the Fiscal Period	<u>-</u>	<u>-</u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF INVESTMENTS - ALL FUNDS
JUNE 30, 2023

<u>HOLDER</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>AMOUNT</u>
<u>SPECIAL REVENUE FUNDS</u>			
1975 Sales Tax Fund			
Gulf Coast Bank	2/26/2025	2.75%	\$ 148,572
Gulf Coast Bank	4/8/2025	3.50%	196,697
<u>ENTERPRISE FUND</u>			
Utility Fund			
Bank of Abbeville	10/15/2023	0.95%	13,945
<u>GENERAL FUND</u>			
Bank of Abbeville	9/15/2023	0.65%	100,487
Bank of Abbeville	7/26/2023	0.40%	<u>51,533</u>
<u>TOTAL INVESTMENTS - ALL FUNDS</u>			<u><u>511,234</u></u>

See Independent Auditor's Report.

TOWN OF MAURICE, LOUISIANA
SCHEDULE OF INSURANCE IN FORCE
FOR THE YEAR ENDED JUNE 30, 2023
(UNAUDITED)

Insurer	Coverage	Risk Covered	Coverage Limits	Policy Period	
				From	To
LMRMA	Employees	Workers compensation	\$500,000	1/1/2023	1/1/2024
LMRMA	General liabilities	Bodily injury & property damage	500,000	5/1/2023	5/1/2024
	Law enforcement officer	Personal injury & property damage	500,000	5/1/2023	5/1/2024
	Errors and omissions	Errors and omissions	500,000	5/1/2023	5/1/2024
	Auto	Bodily injury & property damage	500,000	5/1/2023	5/1/2024
Rod Prejean & Associates	Equipment	Catastrophe	177,576	10/7/2022	10/7/2023
Certain Underwriters Lloyd's of London	Auto	Collision	Various	6/1/2023	6/1/2024
State Farm	Property	Newly acquired personal property	100,000	6/7/2023	6/7/2024
	Property	New construction	250,000		
	Property	Personal property off premises	15,000		
	Property	Pollutant cleanup & removal	10,000		
	Property	Personal effects	2,500		
State Farm	Employees	Surety bond (Mayor)	50,000	1/1/2023	1/1/2027
		Surety bond (Alderwoman)	75,000	1/1/2023	1/1/2027
		Fidelity bond (Mayor)	250,000	9/15/2022	9/15/2023
		Fidelity bond (Municipal Clerk)	250,000	9/15/2022	9/15/2023
		Fidelity bond (Maintenance Employee)	10,000	1/6/2023	1/6/2024
		Fidelity bond (Maintenance Employee)	10,000	1/6/2023	1/6/2024
		Fidelity bond (Maintenance Employee)	10,000	1/6/2023	1/6/2024
		Fidelity bond (Maintenance Employee)	10,000	1/6/2023	1/6/2024
		Fidelity bond (Utility Clerk)	60,000	1/6/2023	1/6/2024
		Fidelity bond (Mayors Court Clerk)	60,000	1/6/2023	1/6/2024
		Fidelity bond (Alderwoman)	60,000	1/6/2023	1/6/2024
		Fidelity bond (Permit Tech)	60,000	1/6/2023	1/6/2024
		Fidelity bond (Assistant Clerk)	10,000	1/6/2023	1/6/2024
		Surety bond (Police Chief)	2,000	1/2/2023	12/31/2023
		Surety bond (Permit Tech)	75,000	12/14/2022	12/14/2023
		Surety bond (Utility Clerk)	75,000	12/16/2023	12/16/2023
		Surety bond (Assistant Clerk)	75,000	11/1/2022	11/1/2023
Surety bond (Mayors Court Clerk)	75,000	5/1/2023	5/1/2024		
Surety bond (Municipal Clerk)	50,000	6/2/2023	6/2/2024		

See Independent Auditor's Report.

James L. Nicholson, Jr., CPA
Michael A. Roy, CPA
Lisa Trouille Manuel, CPA
Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS
www.jsdc-cpas.com

John S. Dowling, CPA - 1904-1984
John Newton Stout, CPA - 1936-2005
Chizal S. Fontenot, CPA - 1955-2012
Russell J. Stelly, CPA - 1942 - 2019
Harold Dupre, CPA - 1931-2019

Van L. Auld, CPA
Molly Fontenot Duplechain, CPA

Retired
Dwight Ledoux, CPA - 1998
Joel Lanclos, Jr., CPA - 2003
G. Kenneth Pavy, II, CPA - 2020

INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice 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 July 1, 2022, through June 30, 2023. The Town of Maurice's management is responsible for those C/C areas identified in the SAUPs.

The Town of Maurice has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA's SAUPs for the fiscal period July 1, 2022, through June 30, 2023. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1) Written Policies and Procedures

- A. Obtain and inspect the entity's written policies and procedures and observe that they address each of the following categories and subcategories (if applicable to public funds and the entity's operations):
- i. **Budgeting**, including preparing, adopting, monitoring, and amending the budget
The Town has written policies and procedures that 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.
The Town has written policies and procedures that address the functions noted above.
 - iii. **Disbursements**, including processing, reviewing, and approving.
The Town has written policies and procedures that address the functions noted above.

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

- 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).

The Town has written policies and procedures that 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.

The Town has written policies and procedures that 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.

The Town has written policies and procedures that 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.

The Town has written policies and procedures that 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).

The Town has written policies and procedures that 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.

The Town has written policies and procedures that 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.

The Town has written policies and procedures that 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.

The Town has written policies and procedures that 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.

The Town has written policies and procedures that address the functions noted above.

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

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 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. Alternately, for those entities reporting on the nonprofit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.

Obtained and reviewed minutes of the board for the fiscal period noting that the minutes did not include budget-to-actual comparisons for monthly financial statements.

- 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 reviewed the unassigned fund balance in the general fund and noted it did not have a negative ending unassigned fund balance in the prior year audit report.

- 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 written updates on the progress of audit findings. The only prior year audit findings are segregation of duties and internal control over capital assets.

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 2 months of the related statement closing date.

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

- ii. Bank reconciliations include evidence that a member of management or 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 and statements are reviewed monthly by the mayor who does not handle cash, post ledgers, or issue checks.

- iii. Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

There was documentation that reconciling items outstanding for more than 12 months from the statement closing date had been researched.

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 listing of deposit sites, there is only one deposit site, and received management's 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 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 cash drawers/registers.

- ii. Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit;

The mayor's court clerk is responsible for preparing bank deposits, the municipal clerk reviews deposits and compares them to the accounting system, and the maintenance workers make deposits at the bank. Deposits are made by employees that do not collect cash.

- 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

The municipal clerk is responsible for posting collection entries to the general ledger or subsidiary ledgers and she does not collect cash.

- 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.

The municipal clerk is responsible for reconciling cash collections to the general ledger, and she does not collect cash. Reconciliations are reviewed and verified by the mayor.

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

- 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.

All employees who have access to cash are bonded.

- D. Randomly select two deposit dates for each of the 5 bank accounts selected for 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). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- i. Observe that receipts are sequentially pre-numbered.

No exceptions noted.

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

No exceptions noted.

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

No exceptions noted.

- 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).

No exceptions noted.

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

No exceptions noted.

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 listing from management, there is only one location that process payments.

- B. For each location selected under #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;

Two employees are involved in initiating a purchase request, approving a purchase, and placing an order /making the purchase.

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

At least two employees are involved in processing and approving payments.

The Honorable Mayor and Board of Aldermen/Aldermwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

- 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;

The employee responsible for processing payments is not prohibited from adding/modifying vendor files.

- 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

The assistant clerk is responsible for mailing payments and does not have signature authority and is not responsible for processing payments.

- 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 Mayor approves all electronic disbursements.

- C. For each location selected under #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 deliverables included on the invoice were received by the entity.

No exceptions noted.

- ii. Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #5B above, as applicable.

No exceptions noted.

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

No exceptions noted.

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

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

The Town does not have credit cards, debit cards, fuel cards, or P-cards.

- 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

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

- 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) was reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances required 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
The Town does not have credit cards, debit cards, fuel cards, or P-cards.
- ii. Observe that finance charges and late fees were not assessed on the selected statements.

The Town does not have credit cards, debit cards, fuel cards, or P-cards.

- C. Using the monthly statements or combined statements selected under procedure #7B above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

The Town does not have credit cards, debit cards, fuel cards, or P-cards.

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 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);
No exceptions noted.
 - ii. If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;
No exceptions noted.
 - 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 policy and procedures #1A(vii); and
No exceptions noted.
 - iv. Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.
No exceptions noted.

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. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and

- 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 noted.

- 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).

No exceptions noted.

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

The contract was not amended.

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

No exceptions noted.

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 listing of employees and elected officials employed during the fiscal period and confirmed that the listing is complete per management. 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 #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).

No exceptions noted.

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

No exceptions noted.

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

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

No exceptions noted.

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

No exceptions noted.

- 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.

No employees were terminated during the 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.

Obtained management's representation that employer and employee portions of payroll taxes, retirement contributions, and workers' compensation premiums have been paid and associated forms have been filed by the required deadlines. The Town does not offer health insurance.

10) Ethics

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

- i. Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and

Obtained ethics certificates for the selected employees.

- ii. Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

No changes to the ethics policy during the year.

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

The Town has appointed an ethics designee.

11) Debt Service

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

- 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 State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.

No bonds, notes, or other debt instruments were issued during the 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).

All scheduled debt service payments were made and debt reserves were maintained as required by debt covenants.

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 Town did not have any misappropriations of public funds or assets.

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

Required notice was posted on the entity's premises. The Town does not have a website.

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 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

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

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 procedures #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.

We performed the procedure and discussed the results with management.

14) Prevention of Sexual Harassment

- A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe 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.

Each selected employee completed sexual harassment training.

- 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).

The policy is posted on the premises.

- 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 it includes the applicable requirements of R.S. 42:344:

- i. Number and percentage of public servants in the agency who have completed the training requirements;
- ii. Number of sexual harassment complaints received by the agency;
- iii. Number of complaints which resulted in a finding that sexual harassment occurred;
- iv. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- v. Amount of time it took to resolve each complaint.

No exceptions noted. All of the above requirements of R.S. 42:344 were included in the report.

We were engaged by the Town of Maurice 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 the Town of Maurice and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

The Honorable Mayor and Board of Aldermen/Alderwomen
of the Town of Maurice and the Louisiana Legislative Auditor:

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.

John S. Cowley & Co.

Opelousas, Louisiana
December 20, 2023

TOWN OF MAURICE, LOUISIANA
FOR THE YEAR ENDING JUNE 30, 2023

Management's Response to Statewide Agreed-upon Procedures Exceptions
For the Year Ending June 30, 2023

Board or Finance Committee

2A(ii). The Town will start adding the budget to the monthly financial statements.

2A(iv). Written notices will be presented to the board at future meetings.

Collections

4B(i). The Town has hired additional staff and remodel its collection site in order to provide better segregation of collection duties.

Non-Payroll Disbursements

5B(iii). The Town plans on assigning an individual the task of periodically reviewing changes to vendor files.